

**SUBGRANT AGREEMENT BETWEEN THE
MONTEREY COUNTY WATER RESOURCES AGENCY AND
SALINAS VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY
PURSUANT TO STATE OF CALIFORNIA (DEPARTMENT OF WATER RESOURCES)
AGREEMENT NUMBER 4600015881
SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA) IMPLEMENTATION
GRANT FOR THE SALINAS VALLEY AND SUBGRANT AGREEMENT PURSUANT TO
STATE OF CALIFORNIA (DEPARTMENT OF WATER RESOURCES)
AGREEMENT NUMBER 4600015624
SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA) IMPLEMENTATION
GRANT FOR THE MONTEREY SUBBASIN**

THIS SUBGRANT AGREEMENT (Agreement) is entered into by and between the Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA or Grantee) and the Monterey County Water Resources Agency (MCWRA or Subgrantee) in the State of California, duly organized, existing, and acting pursuant to the laws thereof, which parties do hereby agree as follows:

1. PURPOSE.

- A. The State shall provide funding from the Budget Acts of 2021 and 2022 (Stats. 2021, ch. 240, § 80; Stats. 2022, ch. 43, § 2), and Public Resources Code section 80146 et seq. (Proposition 68) to SVBGSA to assist in financing the GSP Implementation Activities in the Salinas Valley (Project). By executing this Agreement, SVBGSA certifies that the purpose of the Project is to implement SGMA as outlined in the Groundwater Sustainability Plans (GSPs) or Alternative to a GSP. The provision of State funds pursuant to this Agreement shall not be construed or interpreted to mean that the GSPs or Alternative to GSP, or any components of the GSPs, implemented in accordance with the Work Plan as set forth in Exhibit A will be: adopted by the applicable Groundwater Sustainability Agency (GSA); obtain the necessary desirable results of Sustainable Management Criteria; or, meet all of the evaluation and assessment criteria when submitted to DWR as required by the SGMA and implementing regulations.
- B. The State awarded a \$10,393,900 Grant to SVBGSA to fund activities associated with implementation of the Groundwater Sustainability Plans (GSPs) for the Eastside Aquifer, Langley Area, Forebay Aquifer and Upper Valley Aquifer Subbasins (Subbasins) (Grant 1). The Project includes grant administration, data expansion and SGMA compliance activities, engagement of interested parties and underrepresented communities, groundwater recharge feasibility, demand management, and alternative supply feasibility. \$200,000 of the Grant is allocated to MCWRA for the expansion of the Groundwater Extraction Monitoring System (Exhibit A, Component 2, Category b, Task 1).
- C. The State awarded a \$6,447,910 Grant to Marina Coast Water Management District Groundwater Sustainability Agency (MCWD GSA) to fund activities associated with

implementation of the Groundwater Sustainability Plan (GSP) for the Monterey Subbasin (Subbasin) (Grant 2). The Project includes grant administration, Monterey Subbasin data expansion and SGMA compliance activities, preparation of a project update report, and engagement of interested parties and domestic well owners. \$3,860,610 of the Grant is allocated to SVBGSA for the Corral De Tierra Management Area of the Subbasin. \$50,000 of the Grant is allocated to MCWRA for the expansion of the Groundwater Extraction Monitoring System in the Monterey Subbasin (Exhibit A, Component 2, Category d, Task 7).

Grant 1 and Grant 2 allocate a total of \$250,000 to the expansion of the Groundwater Extraction Monitoring System which is under the MCWRA Groundwater Monitoring Program and includes activities associated with well registration.

2. TERM OF GRANT AGREEMENT. The term of this Agreement begins on December 1, 2024 and ends (3) years following the final payment unless otherwise terminated or amended as provided in this Agreement. However, all work shall be completed by March 31, 2026, and no funds may be requested after April 15, 2026.
3. SUBGRANT AMOUNT. The maximum amount payable to MCWRA under this Agreement shall not exceed \$250,000. Any additional costs are the responsibility of MCWRA.
4. BASIC CONDITIONS. SVBGSA shall have no obligation to disburse money to MCWRA under this Grant Agreement until MCWRA has satisfied the following conditions:
 - A. For the term of this Agreement, MCWRA submits: (1) information on its activities to SVBGSA to be incorporated by SVBGSA into Quarterly Progress Reports to the State, (2) associated quarterly invoices for MCWRA's subgrant activities, and (3) all invoice backup documentation no later than thirty (30) days following the end of the calendar quarter (e.g. submitted by April 30th, July 31st, October 31st, and January 31st) (e.g. submitted by May 30th, August 29th, November 29th, and February 28th) and all other deliverables required by SVBGSA to be submitted to the State.
 - B. Prior to the commencement of construction or implementation activities, if applicable, MCWRA shall submit all the following to SVBGSA for submission to the State:
 - i. Final plans and specifications certified by a California Registered Civil Engineer (or equivalent registered professional as appropriate) to certify compliance for each approved project as listed in Exhibit A, "Work Plan" of this Subgrant Agreement.
 - ii. Work that is subject to the California Environmental Quality Act (CEQA) process and/or environmental permitting shall not proceed under this Agreement until the following actions are performed:
 - a. MCWRA submits to SVBGSA all applicable environmental permits as indicated on the Environmental Information Form (EIF), which SVBGSA will submit to the State;
 - b. Documents that satisfy the CEQA process are received by the State; and

- c. The State has completed its CEQA compliance review as a Responsible Agency, and SVBGSA receives written concurrence from the State of Lead Agency's CEQA document(s) and State notice of verification of environmental permit submittal.

The State's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to any work (i.e., construction or implementation activities) for which it is required. Once CEQA documentation has been completed, the State will consider the environmental documents and decide whether to continue to fund the project or to require changes, alterations or other mitigation. MCWRA must also demonstrate that it has complied with all applicable requirements of the National Environmental Policy Act (NEPA) by submitting copies of any environmental documents, including environmental impact statements, Finding of No Significant Impact, mitigation monitoring programs, and environmental permits as may be required prior to beginning construction/implementation.

iii. A monitoring plan as required by the Grant.

5. DISBURSEMENT OF FUNDS. The State will disburse to SVBGSA, which will in turn be disbursed to MCWRA the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the federal government, or any loss of tax-free status on state bonds, pursuant to any federal statute or regulation. Any and all money disbursed to SVBGSA under this Subgrant Agreement shall be deposited in a non-interest bearing account and shall be used to pay Eligible Project Costs.
6. ELIGIBLE PROJECT COST. MCWRA shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Exhibit B, "Budget." Eligible Project Costs include the reasonable costs of studies, engineering, design, land and easement acquisition and associated legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project construction. Reimbursable administrative expenses are the necessary costs incidental but directly related to the Project included in this Agreement. Work performed on the Project after January 1, 2024, shall be eligible for reimbursement.

Costs that are not eligible for reimbursement include, but are not limited to the following items:

- A. Costs for preparing and filing a grant application and/or spending plan.
- B. Costs associated with the formation of a GSA(s) or other board formation that is responsible for implementing SGMA.
- C. Operation and maintenance costs, including post construction performance and monitoring costs.

- D. Purchase of equipment not an integral part of a project.
- E. Establishing a reserve fund.
- F. Purchase of water supplies.
- G. Replacement of existing funding sources.
- H. Travel and per diem costs, except for mileage.
- I. Support of existing agency requirements and mandates.
- J. Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a project, as set forth and detailed by engineering and feasibility studies, or acquisition of land by eminent domain.
- K. Meals, food items, or refreshments.
- L. Costs incurred as part of any necessary response and cleanup activities required under the Comprehensive Environmental Response, Compensation, and Liability Act; Resource Conservation and Recovery Act; Hazardous Substances Account Act; or other applicable law.
- M. Overhead and indirect costs: "Indirect Costs" means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the funded project (i.e., costs that are not directly related to the funded project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of MCWRA; non-project-specific accounting and personnel services performed within MCWRA's organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; forums, trainings, and seminars; and, generic overhead or markup. This prohibition applies to MCWRA and any subcontract or sub-agreement for work on the Project that will be reimbursed pursuant to this Agreement.

7. METHOD OF PAYMENT. After the disbursement requirements in Paragraph 4, "Basic Conditions" are met, the State will disburse the whole or portions of State funding to SVBGSA, following receipt from SVBGSA via US mail or Express mail delivery of a "wet signature" invoice or an electronic invoice certified and transmitted via DocuSign for costs incurred and timely Quarterly Progress Reports. SVBGSA intends to distribute funds to MCWRA in accordance with the requirements of the Grant Agreement. Payment will be made to MCWRA no more frequently than quarterly, in arrears, upon receipt of an invoice from MCWRA bearing the Grant Agreement number. Invoices must be accompanied by information to be incorporated by SVBGSA into a Quarterly Progress Report and shall be submitted within no later than thirty (30) days following the end of the calendar quarter (e.g. submitted by April 30th, July 31st, October 31st, and January 31st). The State will notify SVBGSA and SVBGSA will notify MCWRA, in a timely manner, whenever, upon review of an Invoice, the State determines that any portion or portions of the costs claimed are not eligible costs or is not supported by documentation or receipts acceptable to the State. SVBGSA and MCWRA may,

within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to the State to cure such deficiency(ies). If SVBGSA or MCWRA fails to submit adequate documentation curing the deficiency(ies), the State will adjust the pending invoice by the amount of ineligible or unapproved costs.

MCWRA shall submit the following information for each invoice submitted to SVBGSA:

- A. Costs incurred for work performed by MCWRA during the period identified in the particular invoice. If backup documentation provided is outside of the period identified in the particular invoice, MCWRA must provide justification for incorporation by SVBGSA in the associated Quarterly Progress Report and note the discrepancy on the Invoice Submittal Summary Sheet.
- B. Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for a project during the period identified in the particular invoice for the implementation of a project.
- C. Invoices shall be submitted on forms provided by the State and shall meet the following format requirements:
 - i. Invoices must contain the date of the invoice, either the time period covered by the invoice or the invoice date received within the time period covered, and the total amount due.
 - ii. Invoices must be itemized based on the categories (i.e., tasks) specified in Exhibit B, "Budget." The amount claimed for salaries/wages/consultant fees must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).
 - iii. One set of sufficient evidence (i.e., receipts, copies of checks, time sheets) must be provided for all costs included in the invoice.
 - iv. Each invoice shall clearly delineate those costs claimed for reimbursement from the State's funding amount, as depicted in Paragraph 3, "Subgrant Amount."

All invoices submitted shall be accurate and signed under penalty of law. Any and all costs submitted pursuant to this Agreement shall only be for the tasks set forth herein. MCWRA shall not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., match costs/cost share). Any eligible costs for which MCWRA is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is illegal and constitutes fraud. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements of grant funds and/or termination of this Agreement requiring the repayment of all funds disbursed hereunder plus interest. Additionally, the State may request an audit pursuant to Paragraph D.5 and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability. (Civ.

Code, §§ 1572-1573; Pen. Code, §§ 470, 487-489.)

8. WITHHOLDING OF DISBURSEMENTS BY THE STATE. If the State determines that a project is not being implemented in accordance with the provisions of the State's Grant Agreement, or that SVBGSA or MCWRA has failed in any other respect to comply with the provisions of the Grant Agreement, and if SVBGSA, or pursuant to this agreement MCWRA, does not remedy any such failure to the State's satisfaction, the State may withhold from SVBGSA all or any portion of the State funding and take any other action that it deems necessary to protect its interests. Where a portion of the State funding has been disbursed to SVBGSA, and to MCWRA from SVBGSA, and the State notifies SVBGSA of its decision not to release funds that have been withheld pursuant to Paragraph 9, "Default Provisions," the portion that has been disbursed shall thereafter be repaid immediately at the time the State notifies SVBGSA, as directed by the State. MCWRA shall immediately repay to SVBGSA all such disbursed Grant Funds it has received that need to be repaid to the State. The State may consider SVBGSA's refusal to repay the requested disbursed amount a contract breach subject to the default provisions in Paragraph 9. A failure of MCWRA to reimburse Grant Funds it has received shall be consider a contract breach of this Subgrant Agreement. If the State notifies SVBGSA of its decision to withhold the entire funding amount from SVBGSA pursuant to this Paragraph, this Subgrant Agreement shall terminate upon receipt of such notice by SVBGSA and the State shall no longer be required to provide funds under the State's Grant Agreement. SVBGSA and MCWRA agree to winddown this Subgrant Agreement in accordance with the terms of this Subgrant Agreement. SVBGSA shall notify MCWRA of any such communication.
9. DEFAULT PROVISIONS. SVBGSA considers MCWRA to be in default under this Subgrant Agreement if any of the following occur:
 - A. Substantial breaches of this Agreement, or any supplement or amendment to it, or any other agreement between SVBGSA and MCWRA evidencing or securing the MCWRA's obligations;
 - i. Making any false warranty, representation, or statement with respect to this Agreement or the application filed to obtain the State Grant.
 - ii. Failure to operate or maintain the Project in accordance with this Agreement.
 - iii. Failure to make any remittance required by this Agreement, including any remittance recommended as the result of an audit conducted pursuant to this Agreement or the State Grant Agreement.
 - iv. Failure to submit the required information for SVBGSA to prepare Quarterly Progress Reports pursuant to Paragraph 7.
 - v. Failure to routinely invoice SVBGSA pursuant to Paragraph 7.
 - vi. A determination pursuant to Government Code section 11137 that SVBGSA or MCWRA has violated any of the following: Government Code sections 11135 or

12960 et seq.; Civil Code sections 51- 54.2, inclusive; or any regulations adopted to implement these sections.

- B. Should an event of default occur, SVBGSA shall provide a notice of default to MCWRA and shall give MCWRA at least ten (10) calendar days to cure the default from the date the notice is sent to MCWRA. If MCWRA fails to cure the default within the time prescribed by SVBGSA, SVBGSA may do any of the following:
 - i. Declare the funding be immediately repaid, with interest, which shall be equal to the State of California general obligation bond interest rate in effect at the time of default.
 - ii. Terminate any obligation to make future payments to MCWRA.
 - iii. Terminate this Agreement.
 - iv. Take any other action that it deems necessary to protect its interests.
- C. In the event SVBGSA finds it necessary to enforce this provision of this Agreement in the manner provided by law, MCWRA agrees to pay all costs incurred by SVBGSA including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

10. NOTIFICATION OF SVBGSA by MCWRA. MCWRA shall promptly notify SVBGSA, in writing, of the following items:

- A. Events or proposed changes that could affect the scope, budget, or work performed under this Agreement. MCWRA agrees that no substantial change in the scope of MCWRA work will be undertaken until written notice of the proposed change has been provided to the State and the State has given written approval for such change. Substantial changes generally include changes to the scope of work, schedule or term, and budget.
- B. Any public or media event publicizing the accomplishments and/or results of this Agreement and provide the opportunity for attendance and participation by the State's representatives. The State shall be notified at least fourteen (14) calendar days prior to the event.
- C. Discovery of any potential archaeological or historical resource. Should a potential archaeological or historical resource be discovered during construction, MCWRA agrees that all work in the area of the find will cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the State has determined what actions should be taken to protect and preserve the resource. MCWRA agrees to implement appropriate actions as directed by the State.
- D. The initiation of any litigation or the threat of litigation against MCWRA regarding the Project or that may affect the Project in any way.
- E. For implementation/construction Projects, final inspection of the completed work on a project by a Registered Civil Engineer, in accordance with Standard Condition D.18, "Final Inspections and Certification of Registered Civil Engineer." SVBGSA and MCWRA shall

notify the State's Grant Manager of the inspection date at least fourteen (14) calendar days prior to the inspection in order to provide the State the opportunity to participate in the inspection.

11. NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Agreement shall be in writing. Notices may be transmitted by any of the following means:

- A. By delivery in person.
- B. By certified U.S. mail, return receipt requested, postage prepaid.
- C. By "overnight" delivery service; provided that next-business-day delivery is requested by the sender.
- D. By electronic means.
- E. Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U. S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the below addresses. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.

12. PROJECT REPRESENTATIVES. The Project Representatives during the term of this Grant Agreement are as follows:

Salinas Valley Basin
Groundwater Sustainability
Agency

Monterey County Water Resources
Agency

Piret Harmon
General Manager

P.O. Box 1350

Carmel Valley, CA 93924

Phone: (831) 471-7518

Email: harmonp@svbgsa.org

Ara Azhderian

General Manager

1441 Schilling Place

Salinas, CA 93901

Phone: (831) 755-4860

Email:

azhderiana@countyofmonterey.gov

13. STANDARD PROVISIONS AND INTEGRATION. This Agreement is complete and is the final Agreement between the parties. The following Exhibits are attached and made a part of this Grant Agreement by this reference:

Exhibit A - Work Plans

Exhibit B - Budgets

Exhibit C - Schedules

Exhibit D- DWR Grant Agreements No. 4600015624 and 4600015624

IN WITNESS WHEREOF, the parties hereto have executed this Sub Grant Agreement.

SALINAS VALLEY BASIN
GROUNDWATER SUSTAINABILITY
AGENCY

MONTEREY COUNTY WATER
RESOURCES AGENCY

Piret Harmon, General Manager

Ara Azhderian, General Manager

Date _____

Date _____

Exhibit A

WORK PLAN

Salinas Project Title: MCWRA Subgrant to Salinas Valley GSP Implementation Grant (Project)

Monterey Project Title: MCWRA Subgrant to GSP Implementation Activities in the Monterey Subbasin (Project)

Salinas Project Description: The Work Plan includes GSP implementation activities for four (4) Salinas Valley subbasins: Eastside Aquifer, Forebay Aquifer, Upper Valley Aquifer, and Langley Area. These activities emphasize the integrated, valley-wide approach to groundwater sustainability adopted by SVBGSA. These activities build on and complement the existing 180/400-Foot Aquifer Subbasin existing Round 1 SGMA Implementation Grant, are coordinated with the Arroyo Seco GSA, and complement the Monterey Subbasin Round 2 SGMA Implementation Grant application that is being led by MCWD GSA. MCWRA will contribute to Work Plan Components:

Component 2: Data Expansion and SGMA Compliance

Monterey Project Description: The Work Plan includes activities associated with implementation and outreach for the GSP for the Monterey Subbasin (Subbasin). The Project includes installation of monitoring wells, subbasin- wide data collection, and outreach and engagement for communities within the subbasin including underrepresented communities (URCs). MCWRA will contribute to Work Plan Component:

Component 2: Monterey Subbasin Data Expansion and SGMA Compliance

SALINAS COMPONENT 2: DATA EXPANSION AND SGMA COMPLIANCE

Component 2 collects, refines, and updates necessary data and assessment tools for 4 adjacent subbasins of the Salinas Valley: the Eastside Aquifer, Forebay Aquifer, Upper Valley Aquifer, and Langley Area Subbasins. It focuses on data expansion and SGMA compliance by filling data gaps, revising the hydrogeologic conceptual models, and updating the groundwater models. These tasks address anticipated DWR comments on the GSPs, complete the monitoring networks, and provide the foundational groundwater basin understanding that will be used to develop 5-year updates, complete with new data. The new data and refined modeling will increase the understanding of the subbasins and are critical for making decisions on projects and management actions to reach sustainability.

Category (b): Environmental / Engineering / Design**Task 1: Expansion of Groundwater Extraction Monitoring**

Develop plan for expanding and enhancing the existing Groundwater Extraction Management System (GEMS) to increase reliability and efficiency of extraction data collection, and expand to include all areas of the Eastside, Forebay, Langley, and Upper Valley Subbasins. Design expansion of groundwater extraction monitoring in collaboration with the Monterey County Water Resources Agency (MCWRA). Leverage reports from similar analyses in other parts of the state to balance accuracy and cost of implementation. Develop a summary report with recommendations. Initiate a well registration program to establish a relatively accurate count of all active wells in the 4 Subbasins. Collaborate with MCWRA and the County of Monterey Environmental Health Bureau to develop the initial data set of active wells.

Deliverables:

- Well Registration Program Report
- GEMS Expansion and Enhancement Report

MONTEREY COMPONENT 2: MONTEREY SUBBASIN DATA EXPANSION AND SGMA COMPLIANCE

Component 2 will construct a minimum of two (2) monitoring wells, address anticipated DWR comments on the GSPs, and provide the foundational groundwater basin understanding and model for the 5-year update. These data and modeling are also critical for making decisions on projects and management actions needed to reach sustainability.

Category (d): Monitoring / Assessment**Task 7: Expansion of Groundwater Extraction Monitoring**

Develop plan for expanding and enhancing the existing Groundwater Extraction Management System (GEMS) to increase reliability and efficiency of extraction data collection and expand to include all areas of the Monterey Subbasin. Design GEMS expansion in collaboration with the Monterey County Water Resources Agency (MCWRA). Leverage reports from similar analyses in other parts of the state to balance accuracy and cost of implementation. Develop a summary report with recommendations. Initiate a well registration program to establish a relatively accurate count of all active wells in the Monterey Subbasin. Collaborate with MCWRA and the County of Monterey Environmental Health Bureau to develop the initial data set of active wells.

Deliverables:

- Well Registration Program Report
- GEMS Expansion and Enhancement Report

Exhibit B
BUDGET

Components	Grant Amount
Salinas Component 2: Data Expansion and SGMA Compliance	\$ 200,000
Monterey Component 2: Monterey Subbasin Data Expansion and SGMA Compliance	\$ 50,000
Total:	\$ 250,000

Exhibit C
Schedule

Categories	Start Date	End Date
Salinas Component 2: Data Expansion and SGMA Compliance		
(b) Environmental / Engineering / Design	1/1/2023	2/28/2026
Monterey Component 2: Monterey Subbasin Data Expansion and SGMA Compliance		
(b) Environmental / Engineering / Design	12/1/2023	2/28/2026

Exhibit D

DWR Grant Agreements No. 4600015624 and 4600015624

**GRANT AGREEMENT BETWEEN THE STATE OF CALIFORNIA
(DEPARTMENT OF WATER RESOURCES) AND
SALINAS VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY
AGREEMENT NUMBER 4600015881
SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA) IMPLEMENTATION GRANT
AMENDMENT 1**

THIS GRANT AGREEMENT is entered into by and between the Department of Water Resources of the State of California, herein referred to as the "State" or "DWR" and the Salinas Valley Basin Groundwater Sustainability Agency, a public agency in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Grantee," which parties do hereby agree as follows:

1. PURPOSE. The State shall provide funding from the Budget Acts of 2021 and 2022 (Stats. 2021, ch. 240, § 80; Stats. 2022, ch. 43, § 2), and Public Resources Code section 80146 et seq. (Proposition 68) to the Grantee to assist in financing the Salinas Valley GSP Implementation Grant (Project). By executing this Agreement, the Grantee certifies that the purpose of the Project is to implement SGMA as outlined in the Grantee's GSP or Alternative to a GSP. The provision of State funds pursuant to this Agreement shall not be construed or interpreted to mean that the Groundwater Sustainability Plan (GSP) or Alternative to GSP, or any components of the GSP, implemented in accordance with the Work Plan as set forth in Exhibit A will be: adopted by the applicable Groundwater Sustainability Agency (GSA); obtain the necessary desirable results of Sustainable Management Criteria; or, meet all of the evaluation and assessment criteria when submitted to DWR as required by the SGMA and implementing regulations.
2. TERM OF GRANT AGREEMENT. The term of this Grant Agreement begins on JANUARY 01, 2024, and ends three (3) years following the final payment unless otherwise terminated or amended as provided in this Agreement. However, all work shall be completed by MARCH 31, 2026, and no funds may be requested after APRIL 15, 2026.
3. GRANT AMOUNT. The maximum amount payable by the State under this Agreement shall not exceed \$10,393,900. Any additional costs are the responsibility of the Grantee.
4. BASIC CONDITIONS. The State shall have no obligation to disburse money for the Project under this Grant Agreement until the Grantee has satisfied the following conditions:
 - A. The Grantee must demonstrate compliance with all eligibility criteria set forth on Pages 7 through 13 of the *SGM Grant Program 2021 Guidelines, amended April 2023* (2021 Guidelines).
 - B. For the term of this Grant Agreement, the Grantee submits Quarterly Progress Reports, associated quarterly invoices, and all invoice backup documentation no later than sixty (60) days following the end of the calendar quarter (e.g. submitted by May 30th, August 29th, November 29th, and February 28th) and all other deliverables as required by Paragraph 11, "Submission of Reports" and Exhibit A, "Work Plan".
 - C. Prior to the commencement of construction or implementation activities, if applicable, the Grantee shall submit the following to the State:
 - i. Final plans and specifications certified by a California Registered Civil Engineer (or equivalent registered professional as appropriate) to certify compliance for each approved project as listed in Exhibit A, "Work Plan" of this Grant Agreement.
 - ii. Work that is subject to the California Environmental Quality Act (CEQA) process and/or environmental permitting shall not proceed under this Grant Agreement until the following actions are performed:
 - a. The Grantee submits to the State all applicable environmental permits as indicated on the Environmental Information Form (EIF) to the State,
 - b. Documents that satisfy the CEQA process are received by the State,
 - c. The State has completed its CEQA compliance review as a Responsible Agency, and

- d. The Grantee receives written concurrence from the State of Lead Agency's CEQA document(s) and State notice of verification of environmental permit submittal.

The State's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to any work (i.e., construction or implementation activities) for which it is required. Once CEQA documentation has been completed, the State will consider the environmental documents and decide whether to continue to fund the project or to require changes, alterations or other mitigation. The Grantee must also demonstrate that it has complied with all applicable requirements of the National Environmental Policy Act (NEPA) by submitting copies of any environmental documents, including environmental impact statements, Finding of No Significant Impact, mitigation monitoring programs, and environmental permits as may be required prior to beginning construction/implementation.

iii. A monitoring plan as required by Paragraph 13, "Project Monitoring Plan Requirements."

- 5. DISBURSEMENT OF FUNDS. The State will disburse to the Grantee the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Grant Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the federal government, or any loss of tax-free status on state bonds, pursuant to any federal statute or regulation. Any and all money disbursed to the Grantee under this Grant Agreement shall be deposited in a non-interest bearing account and shall be used solely to pay Eligible Project Costs.
- 6. ELIGIBLE PROJECT COST. The Grantee shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Exhibit B, "Budget." Eligible Project Costs include the reasonable costs of studies, engineering, design, land and easement acquisition and associated legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project construction. Reimbursable administrative expenses are the necessary costs incidental but directly related to the Project included in this Agreement. Work performed on the Project after OCTOBER 4, 2022, shall be eligible for reimbursement.

Costs that are not eligible for reimbursement include, but are not limited to the following items:

- A. Costs for preparing and filing a grant application and/or spending plan.
- B. Costs associated with the formation of a GSA(s) or other board formation that is responsible for implementing SGMA.
- C. Operation and maintenance costs, including post construction performance and monitoring costs.
- D. Purchase of equipment not an integral part of a project.
- E. Establishing a reserve fund.
- F. Purchase of water supplies.
- G. Replacement of existing funding sources.
- H. Travel and per diem costs, except for mileage.
- I. Support of existing agency requirements and mandates.
- J. Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a project, as set forth and detailed by engineering and feasibility studies, or acquisition of land by eminent domain.
- K. Meals, food items, or refreshments.
- L. Costs incurred as part of any necessary response and cleanup activities required under the Comprehensive Environmental Response, Compensation, and Liability Act; Resource Conservation and Recovery Act; Hazardous Substances Account Act; or other applicable law.

M. Overhead and indirect costs: "Indirect Costs" means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the funded project (i.e., costs that are not directly related to the funded project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the Grantee; non-project-specific accounting and personnel services performed within the Grantee's organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; forums, trainings, and seminars; and, generic overhead or markup. This prohibition applies to the Grantee and any subcontract or sub-agreement for work on the Project that will be reimbursed pursuant to this Agreement.

7. METHOD OF PAYMENT. After the disbursement requirements in Paragraph 4, "Basic Conditions" are met, the State will disburse the whole or portions of State funding to the Grantee, following receipt from the Grantee via US mail or Express mail delivery of a "wet signature" invoice or an electronic invoice certified and transmitted via DocuSign for costs incurred and timely Quarterly Progress Reports as required by Paragraph 11, "Submission of Reports." Payment will be made no more frequently than quarterly, in arrears, upon receipt of an invoice bearing the Grant Agreement number. Invoices must accompany a Quarterly Progress Report and shall be submitted within no later than sixty (60) days following the end of the calendar quarter (e.g. submitted by May 30th, August 29th, November 29th, and February 28th). The State will notify the Grantee, in a timely manner, whenever, upon review of an Invoice, the State determines that any portion or portions of the costs claimed are not eligible costs or is not supported by documentation or receipts acceptable to the State. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to the State to cure such deficiency(ies). If the Grantee fails to submit adequate documentation curing the deficiency(ies), the State will adjust the pending invoice by the amount of ineligible or unapproved costs.

Invoices submitted by the Grantee shall include the following information:

- A. Costs incurred for work performed in implementing the Project during the period identified in the particular invoice. If backup documentation provided is outside of the period identified in the particular invoice, the Grantee must provide justification within the associated Quarterly Progress Report and note the discrepancy on the Invoice Submittal Summary Sheet.
- B. Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for a project during the period identified in the particular invoice for the implementation of a project.
- C. Invoices shall be submitted on forms provided by the State and shall meet the following format requirements:
 - i. Invoices must contain the date of the invoice, either the time period covered by the invoice or the invoice date received within the time period covered, and the total amount due.
 - ii. Invoices must be itemized based on the categories (i.e., tasks) specified in Exhibit B, "Budget." The amount claimed for salaries/wages/consultant fees must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).
 - iii. One set of sufficient evidence (i.e., receipts, copies of checks, time sheets) must be provided for all costs included in the invoice.
 - iv. Each invoice shall clearly delineate those costs claimed for reimbursement from the State's funding amount, as depicted in Paragraph 3, "Grant Amount."

Original signature and date (in ink) of the Grantee's Project Representative. Submit the original "wet signature" copy of the invoice form to the following address: Maria Jochimsen at P.O. Box 942836, Sacramento, CA 94236-0001 or an electronic signature certified and transmitted via DocuSign from authorized representative to Maria.Jochimsen@water.ca.gov.

All invoices submitted shall be accurate and signed under penalty of law. Any and all costs submitted pursuant to this Agreement shall only be for the tasks set forth herein. The Grantee shall not submit any

invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., match costs/cost share). Any eligible costs for which the Grantee is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is illegal and constitutes fraud. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements of grant funds and/or termination of this Agreement requiring the repayment of all funds disbursed hereunder plus interest. Additionally, the State may request an audit pursuant to Paragraph D.5 and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability. (Civ. Code, §§ 1572-1573; Pen. Code, §§ 470, 487-489.)

8. WITHHOLDING OF DISBURSEMENTS BY THE STATE. If the State determines that a project is not being implemented in accordance with the provisions of this Grant Agreement, or that the Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if the Grantee does not remedy any such failure to the State's satisfaction, the State may withhold from the Grantee all or any portion of the State funding and take any other action that it deems necessary to protect its interests. Where a portion of the State funding has been disbursed to the Grantee and the State notifies the Grantee of its decision not to release funds that have been withheld pursuant to Paragraph 9, "Default Provisions," the portion that has been disbursed shall thereafter be repaid immediately at the time the State notifies the Grantee, as directed by the State. The State may consider the Grantee's refusal to repay the requested disbursed amount a contract breach subject to the default provisions in Paragraph 9. If the State notifies the Grantee of its decision to withhold the entire funding amount from the Grantee pursuant to this Paragraph, this Grant Agreement shall terminate upon receipt of such notice by the Grantee and the State shall no longer be required to provide funds under this Grant Agreement and the Grant Agreement shall no longer be binding on either party.
9. DEFAULT PROVISIONS. The Grantee will be in default under this Grant Agreement if any of the following occur:
- A. Substantial breaches of this Grant Agreement, or any supplement or amendment to it, or any other agreement between the Grantee and the State evidencing or securing the Grantee's obligations;
- i. Making any false warranty, representation, or statement with respect to this Grant Agreement or the application filed to obtain this Grant Agreement;
 - ii. Failure to operate or maintain the Project in accordance with this Grant Agreement.
 - iii. Failure to make any remittance required by this Grant Agreement, including any remittance recommended as the result of an audit conducted pursuant to Paragraph D.5.
 - iv. Failure to submit quarterly progress reports pursuant to Paragraph 4.
 - v. Failure to routinely invoice the State pursuant to Paragraph 7.
 - vi. Failure to meet any of the requirements set forth in Paragraph 10, "Continuing Eligibility."
 - vii. A determination pursuant to Government Code section 11137 that the Grantee has violated any of the following: Government Code sections 11135 or 12960 et seq.; Civil Code sections 51-54.2, inclusive; or any regulations adopted to implement these sections.
- B. Should an event of default occur, the State shall provide a notice of default to the Grantee and shall give the Grantee at least ten (10) calendar days to cure the default from the date the notice is sent via first-class mail to the Grantee. If the Grantee fails to cure the default within the time prescribed by the State, the State may do any of the following:
- i. Declare the funding be immediately repaid, with interest, which shall be equal to the State of California general obligation bond interest rate in effect at the time of default.
 - ii. Terminate any obligation to make future payments to the Grantee.
 - iii. Terminate the Grant Agreement.

- iv. Take any other action that it deems necessary to protect its interests.

In the event the State finds it necessary to enforce this provision of this Grant Agreement in the manner provided by law, the Grantee agrees to pay all costs incurred by the State including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

10. CONTINUING ELIGIBILITY. The Grantee must meet the following ongoing requirement(s) and all eligibility criteria outlined in the 2021 Guidelines, amended April 2023, to remain eligible to receive State funds:
- A. The Grantee must continue to demonstrate eligibility and the groundwater basin must continue to be an eligible basin as outlined in the 2021 Guidelines, amended April 2023, and 2021 PSP.
 - B. Grantee must adhere to the protocols developed pursuant to The Open and Transparent Water Data Act (Wat. Code, § 12406) for data sharing, transparency, documentation, and quality control.
 - C. If the Grantee diverting surface water, the Grantee must maintain compliance with diversion reporting requirements as outlined in Water Code section 5100 et seq.
 - D. If applicable, maintain compliance with the Urban Water Management Planning Act (Wat. Code, § 10610 et seq.).
 - E. If applicable, maintain compliance with Sustainable Water Use and Demand Reduction requirements outlined in Water Code Section 10608, et seq.
 - F. On March 4, 2022, the Governor issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. The EO may be found at: <https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf>. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under State law. The EO directs DWR to terminate funding agreements with, and to refrain from entering any new agreements with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine that the Grantee is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State shall provide the Grantee advance written notice of such termination, allowing the Grantee at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.
11. SUBMISSION OF REPORTS. The submittal and approval of all reports is a requirement for the successful completion of this Grant Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to the State. All reports shall be submitted to the State's Grant Manager, and shall be submitted via DWR's "Grant Review and Tracking System" (GRanTS), or an equivalent online submittal tool. If requested, the Grantee shall promptly provide any additional information deemed necessary by the State for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit F, "Report Formats and Requirements." The timely submittal of reports is a requirement for initial and continued disbursement of State funds. Submittal and subsequent approval by the State, of a Project Completion Report is a requirement for the release of any funds retained for such project.
- A. Quarterly Progress Reports: The Grantee shall submit Quarterly Progress Reports to meet the State's requirement for disbursement of funds. Quarterly Progress Reports shall be uploaded via GRanTS, or an equivalent online submittal tool, and the State's Grant Manager notified of upload. Quarterly Progress Reports shall, in part, provide a brief description of the work performed, the Grantees activities, milestones achieved, any accomplishments and any problems encountered in the performance of the work under this Grant Agreement during the reporting period. The first Quarterly Progress Report should be submitted to the State no later than APRIL 30, 2024 with future reports then due on successive three-month increments based on the invoicing schedule and this date. The DWR Grant Manager will provide a Quarterly Progress Report template that shall be used for the duration of the Agreement.

- B. Groundwater Sustainability Plan or Alternative: The Grantee shall ensure that any updates to the GSP or Alternative shall be formatted, drafted, prepared, and completed as required by the GSP Regulations, and in accordance with any other regulations or requirements that are stipulated through SGMA.
 - C. Component Completion Report(s): The Grantee shall prepare and submit to the State a separate Component Completion Report for each component included in Exhibit A, "Work Plan". The Grantee shall submit a Component Completion Report within 90 calendar days of component completion or 90 calendar days before the work completion date listed on Page 1, Paragraph 2, whichever is soonest. Each Component Completion Report shall include, in part, a description of actual work done, any changes or amendments to each component, and a final schedule showing actual progress versus planned progress, copies of any final documents or reports generated or utilized during a project. The Component Completion Report shall also include, if applicable, certification of final component by a California Registered Civil Engineer (or equivalent registered professional as appropriate), consistent with Standard Condition D.18, "Final Inspections and Certification of Registered Civil Engineer". A DWR "Certification of Project Completion" form will be provided by the State.
 - D. Grant Completion Report: Upon completion of the Project included in Exhibit A, "Work Plan" the Grantee shall submit to the State a Grant Completion Report. The draft Grant Completion Report shall be submitted to the DWR Grant Manager for comment and review 90 days before the work completion date outlined on Page 1, Paragraph 2. The final Grant Completion Report shall address the DWR Grant Manager's comments prior to the work completion date. The report shall be prepared and presented in accordance with the provisions of Exhibit F, "Report Formats and Requirements". Retention for the project to be completed as part of this Grant Agreement will not be disbursed until the Grant Completion Report is submitted and approved by the State.
 - E. Post Performance Reports: the Grantee shall submit Post Performance Reports. Post Performance Reports shall be submitted to the State within 90 calendar days after the first operational year of a project has elapsed. This record keeping and reporting process shall be repeated annually for a total of three (3) years after the completed project begins operation.
 - F. Deliverable Due Date Schedule: The Grantee shall submit a Deliverable Due Date Schedule within 30 days of the execution date of the Grant Agreement. No invoices will be reviewed or processed until the Deliverable Due Date Schedule has been received by the DWR Grant Manager. Any edits to the schedule must be approved by the DWR Grant Manager and the revised schedule saved in the appropriate project files.
 - G. Environmental Information Form (EIF): Prepare and submit the EIF within 30 days of the execution date of the Grant Agreement. No invoices will be reviewed or processed until the EIF has been received by the DWR Grant Manager.
12. OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects and in consideration of the funding made by the State, the Grantee agrees to ensure or cause to be performed the commencement and continued operation of the project, and shall ensure or cause the project to be operated in an efficient and economical manner; shall ensure all repairs, renewals, and replacements necessary to the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted. The State shall not be liable for any cost of such maintenance, management, or operation. The Grantee or their successors may, with the written approval of the State, transfer this responsibility to use, manage, and maintain the property. For purposes of this Grant Agreement, "useful life" means period during which an asset, property, or activity is expected to be usable for the purpose it was acquired or implemented; "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses, and "maintenance costs" include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal of the Grantee to ensure operation and maintenance of the projects in accordance with

this provision may, at the option of the State, be considered a breach of this Grant Agreement and may be treated as default under Paragraph 9, "Default Provisions."

13. PROJECT MONITORING PLAN REQUIREMENTS. As required in Exhibit A, "Work Plan", a Monitoring Plan shall be submitted to the State prior to disbursement of State funds for construction or monitoring activities. The Monitoring Plan should incorporate Post Performance Monitoring Report requirements as defined and listed in Exhibit J, "Monitoring and Maintenance Plan Components". The SGM Grant Program has developed post construction monitoring methodologies that shall be used for the Post Performance Reporting.
14. NOTIFICATION OF STATE. The Grantee shall promptly notify the State, in writing, of the following items:
- A. Events or proposed changes that could affect the scope, budget, or work performed under this Grant Agreement. The Grantee agrees that no substantial change in the scope of a project will be undertaken until written notice of the proposed change has been provided to the State and the State has given written approval for such change. Substantial changes generally include changes to the scope of work, schedule or term, and budget.
 - B. Any public or media event publicizing the accomplishments and/or results of this Grant Agreement and provide the opportunity for attendance and participation by the State's representatives. The Grantee shall make such notification at least fourteen (14) calendar days prior to the event.
 - C. Discovery of any potential archaeological or historical resource. Should a potential archaeological or historical resource be discovered during construction, the Grantee agrees that all work in the area of the find will cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the State has determined what actions should be taken to protect and preserve the resource. The Grantee agrees to implement appropriate actions as directed by the State.
 - D. The initiation of any litigation or the threat of litigation against the Grantee regarding the Project or that may affect the Project in any way.
 - E. For implementation/construction Projects, final inspection of the completed work on a project by a Registered Civil Engineer, in accordance with Standard Condition D.18, "Final Inspections and Certification of Registered Civil Engineer." The Grantee shall notify the State's Grant Manager of the inspection date at least fourteen (14) calendar days prior to the inspection in order to provide the State the opportunity to participate in the inspection.
15. NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Grant Agreement shall be in writing. Notices may be transmitted by any of the following means:
- A. By delivery in person.
 - B. By certified U.S. mail, return receipt requested, postage prepaid.
 - C. By "overnight" delivery service; provided that next-business-day delivery is requested by the sender.
 - D. By electronic means.
 - E. Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U. S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the below addresses. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.

16. PERFORMANCE EVALUATION. Upon completion of this Grant Agreement, the Grantee's performance will be evaluated by the State and a copy of the evaluation will be placed in the State file and a copy sent to the Grantee.

17. PROJECT REPRESENTATIVES. The Project Representatives during the term of this Grant Agreement are as follows:

Department of Water Resources

Arthur Hinojosa
Manager, Division of Regional Assistance
P.O. Box 942836
Sacramento, CA 94236-0001
Phone: (916) 902-6713
Email: Arthur.Hinojosa@water.ca.gov

Salinas Valley Basin GSA

Piret Harmon
General Manager
PO Box 1350
Carmel Valley, CA 93924
Phone: (831) 471-7512
Email: harmonp@svbgsa.org

Direct all inquiries to the Grant Manager:

Department of Water Resources

Maria Jochimsen
P.O. Box 942836
Sacramento, CA 94236-0001
Phone: (916) 326-9025
Email: maria.jochimsen@water.ca.gov

Salinas Valley Basin GSA

Emily Gardner
Deputy General Manager
PO Box 1350
Carmel Valley, CA 93924
Phone: (831) 471-7512 Ext: 204
Email: gardnere@svbgsa.org

Either party may change its Grant Manager, Project Representative, or Project Manager upon written notice to the other party.

18. STANDARD PROVISIONS AND INTEGRATION. This Grant Agreement is complete and is the final Agreement between the parties. The following Exhibits are attached and made a part of this Grant Agreement by this reference:

Exhibit A– Work Plan

Exhibit B– Budget

Exhibit C– Schedule

Exhibit D– Standard Conditions

Exhibit E– Authorizing Resolution Accepting Funds

Exhibit F– Report Formats and Requirements

Exhibit G– Requirements for Data Submittal

Exhibit H– State Audit Document Requirements

Exhibit I– Project Location

Exhibit J– Monitoring and Maintenance Plan Components

Exhibit K– Appraisal Specifications

Exhibit L– Information Needed for Escrow Process and Closure

Exhibit M– Invoice Guidance for Administrative and Overhead Charges

IN WITNESS WHEREOF, the parties hereto have executed this Grant Agreement.

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

SALINAS VALLEY BASIN GSA

Arthur Hinojosa
Manager, Division of Regional Assistance

Piret Harmon
General Manager

Date_____

Date_____

Approved as to Legal Form and Sufficiency

_____ for
Robin Brewer
Assistant General Counsel,
Office of the General Counsel

Date_____

Exhibit A

WORK PLAN

Project Title: Salinas Valley GSP Implementation Grant (Project)

Project Description: The Work Plan includes GSP implementation activities for 4 Salinas Valley subbasins: Eastside Aquifer, Forebay Aquifer, Upper Valley Aquifer, and Langley Area. These activities emphasize the integrated, valley-wide approach to groundwater sustainability adopted by SVBGSA. These activities build on and complement the existing 180/400-Foot Aquifer Subbasin existing Round 1 SGMA Implementation Grant, are coordinated with the Arroyo Seco GSA, and complement the Monterey Subbasin Round 2 SGMA Implementation Grant application that is being led by Marina Coast Water District GSA. The Work Plan includes six Components:

- Component 1: Grant Agreement Administration
- Component 2: Data Expansion and SGMA Compliance
- Component 3: Engagement of Interested Parties and URCs
- Component 4: Groundwater Recharge Feasibility
- Component 5: Demand Management
- Component 6: Alternative Supply Feasibility and CEQA Initial Study

COMPONENT 1: GRANT ADMINISTRATION

Category (a): Grant Agreement Administration

Prepare reports detailing work completed during reporting period as outlined in Exhibit F, "Report Formats and Requirements" of this Agreement. Progress Reports will include sufficient information for the DWR Grant Manager to understand and review backup documentation submitted with invoices. Quarterly invoices will accompany the Quarterly Progress Reports and should be submitted to the DWR Grant Manager for review to receive reimbursement of Eligible Project Costs. Collect and organize backup documentation by component, budget category, and task and prepare a summary Excel document detailing contents of the backup documentation organized by component, budget category, and task.

Prepare and submit the Environmental Information Form (EIF) within 30 days of the execution date of the Grant Agreement. No invoices will be reviewed or processed until the EIF has been received by the DWR Grant Manager. Submit a deliverable due date schedule within 30 days of the execution date of the Grant Agreement to be reviewed and approved by the DWR Grant Manager. Any edits to the schedule must be approved by the DWR Grant Manager and the revised schedule saved in the appropriate project files.

Prepare the Draft Grant Completion Report and submit to the DWR Grant Manager for comment and review 90 days before the work completion date. DWR's Grant Manager will review the Draft Grant Completion Report and provide comments and edits within 30 days of receipt, when possible. Submit a Final Grant Completion Report addressing the DWR Grant Manager's comments prior to the work completion date. The report shall be prepared and presented in accordance with the provisions of Exhibit F, "Report Formats and Requirements" and approved by the DWR Grant Manager within 30 days after the work completion date. All deliverables listed within the Work Plan shall be submitted with the Final Grant Completion Report unless a new deliverable due date was approved by the DWR Grant Manager.

Execute the Component work plan and tasks, including subgrantee and consultant project and task management. Track work plan progress and hold coordination meetings regarding the performance of work to complete grant components and deliverables. Prepare solicitations for consultant work plan support and provide oversight of tasks and related component implementation.

Deliverables:

- EIF
- Deliverable due date schedule
- Quarterly Progress Reports, Quarterly Invoices, and all required backup documentation
- Draft and Final Grant Completion Reports

COMPONENT 2: DATA EXPANSION AND SGMA COMPLIANCE

Component 2 collects, refines, and updates necessary data and assessment tools for 4 adjacent subbasins of the Salinas Valley: the Eastside Aquifer, Forebay Aquifer, Upper Valley Aquifer, and Langley Area Subbasins. It focuses on data expansion and SGMA compliance by filling data gaps, revising the hydrogeologic conceptual models, and updating the groundwater models. These tasks address anticipated DWR comments on the GSPs, complete the monitoring networks, and provide the foundational groundwater basin understanding that will be used to develop 5-year updates, complete with new data. The new data and refined modeling will increase the understanding of the subbasins and are critical for making decisions on projects and management actions to reach sustainability.

Category (a): Component Administration

Prepare reports detailing component work completed during reporting period as outlined in Exhibit F, "Report Formats and Requirements" of this Agreement, for inclusion in Component 1 Quarterly Progress Reports. Quarterly Progress Reports will include sufficient information for the DWR Grant Manager to understand and review backup documentation submitted with invoices. Quarterly invoices will accompany the Quarterly Progress Reports. Collect and organize backup documentation by the Component 2 budget category and task and prepare a summary Excel document detailing contents of the backup documentation organized by task.

Prepare the Draft Component Completion Report and submit it to the DWR Grant Manager for comment and review 90 days before the work completion date for the component. DWR's Grant Manager will review the Draft Component Completion Report and provide comments and edits within 30 days of receipt, when possible. Submit a Final Component Completion Report addressing the DWR Grant Manager's comments within 30 days before the work completion date. The report shall be prepared and presented in accordance with the provisions of Exhibit F, "Report Formats and Requirements" and approved by the DWR Grant Manager within 30 days after the work completion date. All deliverables listed within the Work Plan shall be submitted with the Final Component Completion Report unless a new deliverable due date was approved by the DWR Grant Manager.

Execute the Component work plan and tasks, including subgrantee and consultant project and task management. Track work plan progress and hold coordination meetings regarding the performance of work to complete grant components and deliverables. Prepare solicitations for consultant work plan support and provide oversight of tasks and related component implementation.

Deliverables:

- Component reporting to be included in Quarterly Progress Reports and Invoices
- Draft and Final Component Completion Reports

Category (b): Environmental / Engineering / Design**Task 1: Expansion of Groundwater Extraction Monitoring**

Develop plan for expanding and enhancing the existing Groundwater Extraction Management System (GEMS) to increase reliability and efficiency of extraction data collection, and expand to include all areas of the Eastside, Forebay, Langley, and Upper Valley Subbasins. Design GEMS expansion in collaboration with the Monterey County Water Resources Agency (MCWRA). Leverage reports from similar analyses in other parts of the state to balance accuracy and cost of implementation. Develop a summary report with recommendations.

Initiate a well registration program to establish a relatively accurate count of all active wells in the 4 Subbasins. Collaborate with MCWRA and the County Environmental Health Bureau to develop the initial data set of active wells.

Deliverables:

- Well Registration Program Report
- GEMS Expansion and Enhancement Feasibility Report

Task 2: Monitoring Well Location Identification, Planning, and Landowner Access Agreement

Identify or plan and design a minimum of 18 monitoring wells in the 4 Subbasins - 11 to fill groundwater level data gaps, 3 to fill interconnected surface water data gaps, and 4 to monitor conditions near GDEs. Review existing well locations, land uses, and hydrogeologic conceptual models to identify exact locations for monitoring wells. Add existing wells to monitoring network. Plan and design new wells. Acquire site access and landowner agreements. Obtain any and all access agreements pursuant to this Agreement. Obtain all necessary permits required for well installation, including CEQA documentation, if required. Develop technical specifications for each new monitoring well that details the project components, requirements, logistics, and performance metrics.

Construction may not begin and no costs for Category (c) may be incurred until an exemption from CEQA is granted, or the State has reviewed the CEQA document(s), completed its CEQA responsible agency obligations and given its environmental clearance in accordance with Paragraphs 4 and D.8 of this Agreement. Any costs incurred for Category (c) prior to an exemption from CEQA is granted, or DWR gives its environmental clearance shall not be reimbursed and any such amounts shall be deducted from the total Grant Amount in Paragraph 3.

Deliverables:

- Landowner access agreement(s)
- Map(s) of approved locations for monitoring wells
- 100% well design, plans, and specifications
- Required environmental documentation for CEQA compliance
- Copies of required permits, if applicable

Category (c): Implementation / Construction

Task 3: Groundwater Level and Interconnected Surface Water Monitoring Well Installation

Complete installation of the monitoring wells sited and designed in Task 2. Incorporate the specifications developed in Task 2 to secure a contractor and award the contract. Provide hydrogeologist field oversight during well installation including pre-, during-, and post-construction activities; and develop detailed field notes on all activities, safety, changes, and progress. Prepare any change orders and provide summaries in associated quarterly Progress Reports. Record drawings of each well and submit to the DWR Grant Manager.

Deliverables:

- Well completion report(s) and detailed geologic logs
- Bid document(s) and awarded drilling and hydrogeological services contracts, if applicable
- Notice of Award and Notice to Proceed, if applicable
- Photo documentation included within the quarterly Progress Report

Category (d): Monitoring / Assessment

Task 4: Aquifer Properties Tests

Select potential wells for aquifer testing in each of the 4 subbasins, for a total of 12 wells, considering factors such as well design, well condition, and water disposal options. Identify nearby wells for monitoring, negotiate with landowners for well access, and obtain necessary permits. Test each well for a minimum of 8 hours, followed by a 4-hour monitored recovery period. Analyze both drawdown and recovery tests to determine aquifer properties and spatially varying aquifer properties. Draft a technical memorandum of all test data and results, including photos and analyses.

Deliverables:

- Aquifer Properties Tests Technical Memorandum

Task 5: Incorporate New Data into Hydrogeologic Conceptual Models (HCMs) for 4 Subbasins

Compile all new data generated since original GSPs were written, including Aerial Electromagnetic (AEM) surveys, aquifer tests, new Well Completion Reports, and any newly provided data from stakeholders. Use new data to enhance HCMs for individual subbasins and the Valley as a whole. Compare new data to existing data and estimate data accuracy and worth using a scientifically sound framework that includes overall geologic history and current groundwater conditions. Refine HCMs by comparing resistivities from AEM surveys to borehole geophysical logs, high quality well-completion reports, existing geologic interpretations (such as cross-sections), and known geology.

Deliverables:

- Refined and enhanced HCM Chapters for inclusion in 4 Subbasins' GSP 5-year Periodic Evaluations
- Valley-wide Hydrogeologic Conceptual Model

Task 6: Modeling for 5-Year Updates: Review Completed Model, Update, and Reevaluate Climate Assumptions

Review, refine and update the final Salinas Valley Integrated Hydrologic Model (SVIHM) to enhance its usability for SGMA needs. Review climate change scenarios and incorporate into Salinas Valley Operational Model (SVOM). Assess and improve calibration data set. Update system conceptualization, including adapting layering according to data from DWR and SVBGSA's airborne electromagnetic (AEM) surveys, and results from the Deep Aquifers Study. Interrogate and potentially revise simulated crop information. Refine pumping distribution to enhance usability for demand management. Refine connection between the 180/400-Foot Aquifer Subbasin and Eastside Subbasin. Develop tools to enhance water budget capabilities.

Deliverables:

- Technical Memorandum summarizing model review
- Technical Memorandum of climate change scenario options and recommendations
- Report summarizing model updates

Task 7: Establishment of GDE Monitoring

Establish Groundwater Dependent Ecosystem (GDEs) monitoring protocols. Extend methodology developed by Central Coast Wetlands Group (CCWG) using state wetland monitoring protocols (RipRam or California Rapid Assessment Method). Use existing wells and additional shallow monitoring wells installed under Tasks 2 and 3 to monitor the relationships between groundwater levels and GDEs.

Deliverables:

- GDE Mapping and Identification Memorandum Update
- GDE monitoring protocol

Category (e): Engagement / Outreach

Not applicable to this Component

COMPONENT 3: ENGAGEMENT OF INTERESTED PARTIES AND URCs

Component 3 provides interested party outreach and engagement activities by the SVBGSA. Component 3 will provide additional interested party outreach and engagement to DACs, SDACs, and Underrepresented Communities in the Eastside, Forebay, Langley, and Upper Valley Subbasins with the intent to keep these communities engaged in GSP implementation, including regularly scheduled SVBGSA Advisory Committee meetings (bi-monthly); Board of Directors meetings (quarterly); the Eastside, Forebay, Langley, and Upper Valley Subbasin Implementation Committees (16 meetings per year), and technical advisory committee meetings (bi-monthly). There will also be project specific meetings for interested parties. To increase outreach and assist domestic well owners with water reliability, Component 3 also includes support for the State Dry Well Notification System and workshops on residential projects such as rain barrels and rain gardens.

Category (a): Component Administration

Prepare reports detailing component work completed during reporting period as outlined in Exhibit F, "Report Formats and Requirements" of this Agreement, for inclusion in Component 1 Quarterly Progress Reports. Quarterly Progress Reports will include sufficient information for the DWR Grant Manager to understand and review backup documentation submitted with invoices. Quarterly invoices will accompany the Quarterly Progress Reports. Collect and organize backup documentation by the Component 3 budget category and task and prepare a summary Excel document detailing contents of the backup documentation organized by task.

Prepare the Draft Component Completion Report and submit it to the DWR Grant Manager for comment and review 90 days before the work completion date for the component. DWR's Grant Manager will review the Draft Component Completion Report and provide comments and edits within 30 days of receipt, when possible. Submit a Final Component Completion Report addressing the DWR Grant Manager's comments within 30 days before the work completion date. The report shall be prepared and presented in accordance with the provisions of Exhibit F, "Report Formats and Requirements" and approved by the DWR Grant Manager within 30 days after the work completion date. All deliverables listed within the Work Plan shall be submitted with the Final Component Completion Report unless a new deliverable due date was approved by the DWR Grant Manager.

Execute the Component work plan and tasks, including subgrantee and consultant project and task management. Track work plan progress and hold coordination meetings regarding the performance of work to complete grant components and deliverables. Prepare solicitations for consultant work plan support and provide oversight of tasks and related component implementation.

Deliverables:

- Component reporting to be included in Quarterly Progress Reports and Invoices
- Draft and Final Component Completion Reports

Category (b): Environmental / Engineering / Design

Not applicable to this Component

Category (c): Implementation / Construction

Not applicable to this Component

Category (d): Monitoring / Assessment

Not applicable to this Component

Category (e): Engagement / Outreach**Task 1: SVBGSA Interested Party Engagement Materials**

Provide interested parties opportunities to be informed and engaged in GSP implementation which includes scientific communication and groundwater model educational programs in addition to the development of outreach materials. Produce accessible communications products including web page information, outreach materials, public presentations, and hosting of public workshops. Develop informational materials for outreach booths at community events and develop storyboards for the website. Engagement and outreach materials will be used with the following committees and communities annually over the contract period: SVBGSA Board of Directors, SVBGSA Advisory Committee, Subbasin Implementation Committees, Groundwater Technical Advisory Committee Meetings, and Public Workshops, and community events.

Deliverables:

- Photo of Updated Web Home Page
- Copies of updated Mailchimp newsletters
- Copies of groundwater outreach materials

Task 2: Outreach to Underrepresented Communities and Domestic Well Owners

Prioritize implementation of the SVBGSA Underrepresented Communities Engagement Strategy. Work with an Outreach Coordinator to provide additional information to underrepresented communities and domestic well owners to engage them in GSP implementation, before and during public meetings. Conduct simultaneous translation of workshops and translation of written materials. Work with domestic well owners to connect them to resources and information for water reliability, including the Dry Well Notification System, well registration, and conservation opportunities and supplies including flowmeters, transducers and data management systems.

Deliverables:

- Update to the SVBGSA Underrepresented Communities engagement strategy
- Translated materials available on SVBGSA website
- Copies of outreach materials for domestic well owners

Task 3: Water Quality Coordination Group, and Land Use Jurisdiction Coordination Program, and Other Coordination with Partner Agencies

Partner with local Agencies to jointly implement the 4 GSPs, the Water Quality Coordination Group, and Land Use Jurisdiction Coordination Program. Conduct coordination meetings with the following agencies over the contract period: Monterey County Water Resources Agency, Monterey County, Central Coast Regional Water Quality Control Board, Monterey County Environmental Health Bureau, Arroyo Seco Groundwater Sustainability Agency, and other GSAs.

Deliverables:

- Land Use Jurisdiction Coordination Program Update Report
- Water Quality Coordination Update Report

Task 4: Investigate Water Quality in the Arroyo Seco Cone Management Area

Investigate rural residential water quality in the Arroyo Seco Cone Management Area by developing information for rural residents about common groundwater quality issues and options for obtaining safe and aesthetic potable water in homes.

Deliverables:

- Report: Rural residential water quality in Arroyo Seco Cone Management Area

Task 5: Project Specific Meetings for Interested Parties

Conduct project specific meetings for interested parties to learn about project concepts and provide input. Conduct additional outreach and obtain involvement from interested parties for the following projects: inter-subbasin impacts of demand management, groundwater recharge feasibility, and alternative supply feasibility.

Coordinate meetings of the Subbasin Implementation Committees, Advisory Committee, Board of Directors and community groups to discuss the following specific projects and actions over the contract period: demand management measures (4 presentations), groundwater recharge feasibility (flow availability analysis, Somavia Road recharge, reservoir operations) (4 presentations), , and alternative supply feasibility including Seawater Intrusion Extraction Barrier and Regional Water Supply Phase 1a and CSIP Expansion (4 presentations).

Deliverables:

- Interested party outreach meeting materials

Task 6: Sustainability Strategy Report

Summarize and coordinate updated information on projects and management actions resulting from this grant and other concurrent work. Refine estimates of project costs in relation to benefits and potential beneficiaries.

Deliverables:

- Sustainability Strategy Report Project and Management Actions Feasibility and Costs Update Report

COMPONENT 4: GROUNDWATER RECHARGE FEASIBILITY

Component 4 will undertake high-level feasibility studies on groundwater recharge projects in the Eastside, Forebay, and Upper Valley, in accordance with subbasin-specific appropriate projects, as outlined in each respective GSP. In the Eastside, an updated Water Availability Analysis for the 11043 Diversion will help to determine the viability of the 11043 Diversion project and Salinas River Recharge Study at Somavia Road. The Forebay and Upper Valley Subbasin GSPs include a Reservoir Reoperation Feasibility Study.

Category (a): Component Administration

Prepare reports detailing component work completed during reporting period as outlined in Exhibit F, "Report Formats and Requirements" of this Agreement, for inclusion in Component 1 Quarterly Progress Reports. Quarterly Progress Reports will include sufficient information for the DWR Grant Manager to understand and review backup documentation submitted with invoices. Quarterly invoices will accompany the Quarterly Progress Reports. Collect and organize backup documentation by the Component 4 budget category and task and prepare a summary Excel document detailing contents of the backup documentation organized by task.

Prepare the Draft Component Completion Report and submit it to the DWR Grant Manager for comment and review 90 days before the work completion date for the component. DWR's Grant Manager will review the Draft Component Completion Report and provide comments and edits within 30 days of receipt, when possible. Submit a Final Component Completion Report addressing the DWR Grant Manager's comments within 30 days before the work completion date. The report shall be prepared and presented in accordance with the provisions of Exhibit F, "Report Formats and Requirements" and approved by the DWR Grant Manager within 30 days after the work completion date. All deliverables listed within the Work Plan shall be submitted with the Final Component Completion Report unless a new deliverable due date was approved by the DWR Grant Manager.

Execute the Component work plan and tasks, including subgrantee and consultant project and task management. Track work plan progress and hold coordination meetings regarding the performance of work to complete grant components and deliverables. Prepare solicitations for consultant work plan support and provide oversight of tasks and related component implementation.

Deliverables:

- Component reporting to be included in Quarterly Progress Reports and Invoices
- Draft and Final Component Completion Reports

Category (b): Environmental / Engineering / Design

Task 1: Reservoir Reoperation Feasibility Study

Design and model reservoir reoperation scenarios for enhanced groundwater recharge and/or diverting water for use in lieu of groundwater. Develop reservoir reoperation scenarios in collaboration with MCWRA and evaluate the modeled scenarios for groundwater benefits and to better assess stream depletion. Build on MCWRA work to develop a Habitat Conservation Plan, which may include legal analysis needed to determine viability of scenarios under existing flow prescriptions.

Deliverables:

- Technical memorandum summarizing reservoir reoperation scenario design, method of analysis, and impact on groundwater conditions

Task 2: Salinas River Recharge Study at Somavia Road

Conduct higher level feasibility for Reservoir Reoperation, the Eastside Irrigation Supply Project, and Castroville Seawater Intrusion Project (CSIP) Expansion by conducting field studies to assess Salinas River recharge around Somavia Road, an area of high recharge. Complete field studies to estimate recharge rates using temporary stream gauges and temperature probes to address uncertainty that complicates reservoir operations. Assess river recharge rates in terms of: (1) optimizing reservoir operations in terms of releasing water for CSIP, (2) evaluating potential source water for CSIP expansion, and (3) establishing project feasibility and a conceptual project size for the Eastside Irrigation Supply Project, since the size of the project is highly dependent on the Salinas River recharge rates in that specific area.

Deliverables:

- Report on Salinas River recharge rates and locations near Somavia Road

Task 3: 11043 Diversion Updated Water Availability Analysis

Complete updated water availability analysis for the 11043 Diversion projects in the Eastside Subbasin GSP, leveraging DWR's streamlined Water Availability Analysis approach if possible. Develop water availability analysis based on historical streamflow and reservoir release data. Review and select at least 2 climate change scenarios. Complete future water availability analysis for the 11043 Diversion project with the 2 diversion points in the permit (Soledad and Chualar) based on selected climate change scenarios which may include modeling and/or legal analysis to assess streamflow available at diversion points. Undertake analysis in coordination with MCWRA.

Deliverables:

- 11043 Diversion Updated Water Availability Analysis

Category (c): Implementation / Construction

Not applicable to this Component

Category (d): Monitoring / Assessment

Not applicable to this Component

Category (e): Engagement / Outreach

Not applicable to this Component

COMPONENT 5: DEMAND MANAGEMENT

Demand management measures are identified in all 4 GSPs as potential management actions that could be undertaken to reach or maintain sustainability. Demand management measures are important components of Salinas Valley GSPs to avoid sole reliance on supply side management actions and projects. Component 5 refines the conceptual descriptions and plans for demand management appropriate to each subbasin, since the need for, and design of demand management measures varies by subbasin. The overdrafted Eastside and Langley Subbasin GSPs include Pumping Allocations and Controls, Fallowing, Fallow Bank, and Agricultural Land Retirement actions. The non-overdrafted Forebay and Upper Valley Subbasin GSPs call for the establishment of Sustainable Management Criteria (SMC) Technical Advisory Committees (SMC TACs) to annually review groundwater conditions and assess whether they warrant action, such as demand management. Each subbasin's demand management measures will require common agreements about

extraction data, stakeholder involvement, potential and specific actions, goals, monitoring methods, and contingency plans for drought or other conditions. This Component conducts the planning and design of demand management measures appropriate for each subbasin, including legal analyses, modeling of options, and facilitating discussions on the structure, options, and expected results. Demand management measures will be designed on the subbasin level, led by subbasin implementation committees. To ensure alignment between subbasin-specific demand management measures and prevention of harm to adjacent subbasins, Task 3 supports modeling and assessment of inter-subbasin impacts of demand management.

Category (a): Component Administration

Prepare reports detailing component work completed during reporting period as outlined in Exhibit F, "Report Formats and Requirements" of this Agreement, for inclusion in Component 1 Quarterly Progress Reports. Quarterly Progress Reports will include sufficient information for the DWR Grant Manager to understand and review backup documentation submitted with invoices. Quarterly invoices will accompany the Quarterly Progress Reports. Collect and organize backup documentation by the Component 5 budget category and task and prepare a summary Excel document detailing contents of the backup documentation organized by task.

Prepare the Draft Component Completion Report and submit it to the DWR Grant Manager for comment and review 90 days before the work completion date for the component. DWR's Grant Manager will review the Draft Component Completion Report and provide comments and edits within 30 days of receipt, when possible. Submit a Final Component Completion Report addressing the DWR Grant Manager's comments within 30 days before the work completion date. The report shall be prepared and presented in accordance with the provisions of Exhibit F, "Report Formats and Requirements" and approved by the DWR Grant Manager within 30 days after the work completion date. All deliverables listed within the Work Plan shall be submitted with the Final Component Completion Report unless a new deliverable due date was approved by the DWR Grant Manager.

Execute the Component work plan and tasks, including subgrantee and consultant project and task management. Track work plan progress and hold coordination meetings regarding the performance of work to complete grant components and deliverables. Prepare solicitations for consultant work plan support and provide oversight of tasks and related component implementation.

Deliverables:

- Component reporting to be included in Quarterly Progress Reports and Invoices
- Draft and Final Component Completion Reports

Category (b): Environmental / Engineering / Design

Task 1: Plan for Demand Management in Overdrafted Subbasins

Initiate a facilitated demand management dialogue in the overdrafted Eastside and Langley Subbasins, which may include flexibility options such as rotational fallowing and coordinating with land repurposing efforts. Conduct facilitated discussions on demand management measures, options, and expected results. Conduct legal analyses of water rights in the context of demand management. Identify potential options for reducing demand using existing models.

Deliverables:

- Copy of meeting outcomes
- Summary of demand management options in each subbasin

Task 2: Establish SMC Technical Advisory Committees in Non-overdrafted Subbasins

Establish and convene the SMC TAC in the non-overdrafted Forebay and Upper Valley Subbasins. Review current conditions in Annual reports, assess when conditions warrant additional action, and make recommendations to the Subbasin Committees on management actions and projects such as recharge or demand management; to be conducted by the SMC TAC.

Deliverables:

- Documentation of SMC TAC establishment
- Summary of SMC TAC review of Annual Reports for WY2023 and WY2024

Task 3: Inter-subbasin Impacts of Demand Management

Assess inter-subbasin impacts of subbasin-specific demand management and demand management in areas that cross subbasins. Model the impacts of potential demand management actions on groundwater conditions in adjacent subbasins. Determine if there is need for 2 adjacent subbasins to both implement demand management measures, and if a need is determined, assess the joint interaction of impacts to groundwater conditions.

Deliverables:

- Technical Memorandum on Inter-subbasin Impacts of Demand Management Actions Under Consideration

Category (c): Implementation / Construction

Not applicable to this Component

Category (d): Monitoring / Assessment

Not applicable to this Component

Category (e): Engagement / Outreach

Not applicable to this Component

COMPONENT 6: ALTERNATE SUPPLY FEASIBILITY AND CEQA INITIAL STUDY

Component 6 assesses the feasibility of expanding the regional benefits of a Seawater Intrusion Extraction Barrier/Regional Water Supply Project, which consists of a seawater extraction barrier, desalting treatment facility, and distribution system for treated water. This project could have extensive regional benefits, and project success relies on coordinating efforts of many beneficiaries and funds from multiple grant applications. The seawater extraction barrier would help stop advancement of seawater intrusion in the 180/400-Foot Aquifer Subbasin and Monterey Subbasins and reduces the risk of seawater intrusion into the Eastside and Langley Subbasins. In lieu water supplies could help reduce extraction in the Eastside, Langley and Monterey Subbasins with the delivery of treated water. Component 6 builds on the Phase I feasibility study being completed with the Round 1 SGMA Implementation Grant for the 180/400-Foot Aquifer Subbasin. This Component completes Phase I through further potential end-user outreach, conducting 10% design on the distribution system for desalted water and preparing an Initial Study to start the CEQA process. In addition, to bring additional water supplies to the Eastside, Langley and Monterey Subbasins, Component 6 includes a high-level feasibility study of expanding the Castroville Seawater Intrusion Project (CSIP) which delivers a blend of recycled, river, and groundwater for irrigation. Expanding CSIP would provide an alternative supply of irrigation water to reduce reliance on groundwater.

Category (a): Component Administration

Prepare reports detailing component work completed during reporting period as outlined in Exhibit F, "Report Formats and Requirements" of this Agreement, for inclusion in Component 1 Quarterly Progress Reports. Quarterly Progress Reports will include sufficient information for the DWR Grant Manager to understand and review backup documentation submitted with invoices. Quarterly invoices will accompany the Quarterly Progress Reports. Collect and organize backup documentation by the Component 6 budget category and task and prepare a summary Excel document detailing contents of the backup documentation organized by task.

Prepare the Draft Component Completion Report and submit it to the DWR Grant Manager for comment and review 90 days before the work completion date for the component. DWR's Grant Manager will review the Draft Component Completion Report and provide comments and edits within 30 days of receipt, when possible. Submit a Final Component Completion Report addressing the DWR Grant Manager's comments

within 30 days before the work completion date. The report shall be prepared and presented in accordance with the provisions of Exhibit F, "Report Formats and Requirements" and approved by the DWR Grant Manager within 30 days after the work completion date. All deliverables listed within the Work Plan shall be submitted with the Final Component Completion Report unless a new deliverable due date was approved by the DWR Grant Manager.

Execute the Component work plan and tasks, including subgrantee and consultant project and task management. Track work plan progress and hold coordination meetings regarding the performance of work to complete grant components and deliverables. Prepare solicitations for consultant work plan support and provide oversight of tasks and related component implementation.

Deliverables:

- Component reporting to be included in Quarterly Progress Reports and Invoices
- Draft and Final Component Completion Reports

Category (b): Environmental / Engineering / Design

Task 1. Seawater Intrusion Extraction Barrier and Regional Water Supply Project Feasibility Phase I.a: Treated Water Distribution and CEQA Initial Study

Assess the feasibility of expanding regional benefits of the proposed desalting plant. Build on feasibility work completed under the Round 1 SGMA Implementation Grant underway in the 180/400-Foot Aquifer Subbasin, and in coordination with the seawater intrusion control feasibility work in the Monterey Subbasin Round 2 grant. Identify and conduct further outreach to potential end users for desalted water in the Eastside, Langley and Monterey Subbasins. Complete conceptual scoping of the 10% design of a distribution system to deliver desalted water to be used in lieu of groundwater extraction. Identify alternatives for pipeline alignments, high level archeology review, and high-level sensitive species and habitat review. Compare options for distribution network. Update costs associated with 3 options. Conduct a CEQA Initial Study to initiate the environmental review process and any additional studies that would be required in an Environmental Impact Report in order to advance the Seawater Intrusion Project Feasibility Studies.

Deliverables:

- 10% engineering design for distribution network for desalted water
- CEQA Initial Study

Task 2. High Level Feasibility Study for CSIP Expansion

Develop and compare options for CSIP expansion. Conduct hydraulic modeling and assessment of potential expansion options if there was additional supply. Assess expansion configurations and extents based on land use, anticipated groundwater impacts of expansion, system constraints, and source water options. Undertake legal studies and develop annexation policies critical for expanding CSIP. Analyze options for expansion into contiguous and non-contiguous lands. Develop annexation policy for contiguous versus non-contiguous access lands and rights-of-way.

Deliverables:

- Feasibility Study for CSIP Expansion
- Annexation policy for contiguous versus non-contiguous access lands and rights-of-way

Category (c): Implementation / Construction

Not applicable to this Component

Category (d): Monitoring / Assessment

Not applicable to this Component

Category (e): Engagement / Outreach

Not applicable to this Component

Exhibit B
BUDGET

Grant Title: Salinas Valley GSP Implementation Grant

Grantee: Salinas Valley Basin GSA

Components	Grant Amount
Component 1: Grant Administration	\$270,000
Component 2: Data Expansion and SGMA Compliance	\$5,852,000
Component 3: Engagement of Interested Parties and URCs	\$1,833,100
Component 4 : Groundwater Recharge Feasibility	\$935,000
Component 5: Demand Management	\$623,800
Component 6: Alternative Supply Feasibility and CEQA	\$880,000
Total:	\$10,393,900

Component 1: Grant Administration

Component serves a need of a DAC, SDAC, Tribe and/or Underrepresented Community?

(check all that apply): ☒DAC, ☒SDAC, ☐Tribe, and/or ☒Underrepresented Community

Budget Categories	Grant Amount
(a) Grant Agreement Administration	\$270,000
Total:	\$270,000

Component 2: Data Expansion and SGMA Compliance

Component 2 serves a need of a DAC, SDAC, Tribe and/or Underrepresented Community?

(check all that apply): ☒DAC, ☒SDAC, ☐Tribe, and/or ☒Underrepresented Community

Budget Categories	Grant Amount
(a) Component Administration	\$532,000
(b) Environmental / Engineering / Design	\$320,000
(c) Implementation / Construction	\$3,350,000
(d) Monitoring / Assessment	\$1,650,000
(e) Engagement / Outreach	\$0
Total:	\$5,852,000

Component 3: Engagement of Interested Parties and URCs

Component 3 serves a need of a DAC, SDAC, Tribe and/or Underrepresented Community?

(check all that apply): ☒ DAC, ☒ SDAC, ☐ Tribe, and/or ☒ Underrepresented Community

Budget Categories	Grant Amount
(a) Component Administration	\$166,646
(b) Environmental / Engineering / Design	\$0
(c) Implementation / Construction	\$0
(d) Monitoring / Assessment	\$0
(e) Engagement / Outreach	\$1,666,454
Total:	\$1,833,100

Component 4: Groundwater Recharge Feasibility

Component 4 serves a need of a DAC, SDAC, Tribe and/or Underrepresented Community?

(check all that apply): ☒ DAC, ☒ SDAC, ☐ Tribe, and/or ☒ Underrepresented Community

Budget Categories	Grant Amount
(a) Component Administration	\$ 85,000
(b) Environmental / Engineering / Design	\$ 850,000
(c) Implementation / Construction	\$ 0
(d) Monitoring / Assessment	\$ 0
(e) Engagement / Outreach	\$ 0
Total:	\$ 935,000

Component 5: Demand Management

Component 5 serves a need of a DAC, SDAC, Tribe and/or Underrepresented Community?

(check all that apply): ☒DAC, ☒SDAC, ☐Tribe, and/or ☒Underrepresented Community

Budget Categories	Grant Amount
(a) Component Administration	\$ 56,709
(b) Environmental / Engineering / Design	\$ 567,091
(c) Implementation / Construction	\$ 0
(d) Monitoring / Assessment	\$ 0
(e) Engagement / Outreach	\$ 0
Total:	\$ 623,800

Component 6: Alternative Supply Feasibility and CEQA Initial Study

Component 6 serves a need of a DAC, SDAC, Tribe and/or Underrepresented Community?

(check all that apply): ☒DAC, ☒SDAC, ☐Tribe, and/or ☒Underrepresented Community

Budget Categories	Grant Amount
(a) Component Administration	\$ 80,000
(b) Environmental / Engineering / Design	\$ 800,000
(c) Implementation / Construction	\$ 0
(d) Monitoring / Assessment	\$ 0
(e) Engagement / Outreach	\$ 0
Total:	\$ 880,000.00

Exhibit C
SCHEDULE**Grant Title: Salinas Valley GSP Implementation Grant**

Categories	Start Date¹	End Date¹
Component 1: Grant Administration	January 1, 2024	April 15, 2026
(a) Grant Agreement Administration	01/01/2024	04/15/2026
Component 2: Data Expansion and SGMA Compliance	January 1, 2024	March 31, 2026
(a) Component Administration	01/01/2023	03/31/2026
(b) Environmental / Engineering / Design	01/01/2023	07/30/2025
(c) Implementation / Construction	12/01/2023	12/30/2025
(d) Monitoring / Assessment	12/01/2023	03/31/2026
(e) Education / Outreach	N/A	N/A
Component 3: Engagement of Interested Parties and URCs	October 5, 2022	March 31, 2026
(a) Component Administration	10/05/2022	03/31/2026
(b) Environmental / Engineering / Design	N/A	N/A
(c) Implementation / Construction	N/A	N/A
(d) Monitoring / Assessment	N/A	N/A
(e) Education / Outreach	10/04/2022	03/31/2026
Component 4: Groundwater Recharge Feasibility	July 1, 2023	February 28, 2026
(a) Component Administration	07/01/2023	02/28/2026
(b) Environmental / Engineering / Design	07/01/2023	02/28/2026
(c) Implementation / Construction	N/A	N/A
(d) Monitoring / Assessment	N/A	N/A
(e) Education / Outreach	N/A	N/A
Component 5: Demand Management	January 1, 2024	February 28, 2026
(a) Component Administration	01/01/2023	02/28/2026
(b) Environmental / Engineering / Design	01/01/2023	02/28/2026
(c) Implementation / Construction	N/A	N/A
(d) Monitoring / Assessment	N/A	N/A
(e) Education / Outreach	N/A	N/A

Categories	Start Date ¹	End Date ¹
Component 6: Alternative Supply Feasibility and CEQA Initial Study	January 1, 2024	February 28, 2026
(a) Component Administration	01/01/2024	02/28/2026
(b) Environmental / Engineering / Design	01/01/2024	02/28/2026
(c) Implementation / Construction	N/A	N/A
(d) Monitoring / Assessment	N/A	N/A
(e) Education / Outreach	N/A	N/A

NOTES:

¹Exhibit C Schedule only dictates the work start date and the work end date for the Budget Category listed. The Grantee must adhere to the Deliverable Due Date Schedule that has been approved by the DWR Grant Manager. The dates listed in Exhibit C Schedule are date ranges that correlates to the Deliverable Due Date Schedule. Eligible costs for each line item will only be approved if the work completed falls within the date ranges listed in Exhibit C.

Exhibit D**STANDARD CONDITIONS****D.1. ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:**

- A. **Separate Accounting of Funding Disbursements:** the Grantee shall account for the money disbursed pursuant to this Grant Agreement separately from all other Grantee funds. The Grantee shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. The Grantee shall keep complete and accurate records of all receipts and disbursements on expenditures of such funds. The Grantee shall require its contractors or subcontractors to maintain books, records, and other documents pertinent to their work in accordance with generally accepted accounting principles and practices. Records are subject to inspection by the State at any and all reasonable times.
- B. **Disposition of Money Disbursed:** All money disbursed pursuant to this Grant Agreement shall be deposited in a non-interest bearing account, administered, and accounted for pursuant to the provisions of applicable law.
- C. **Remittance of Unexpended Funds:** The Grantee shall remit to the State any unexpended funds that were disbursed to the Grantee under this Grant Agreement and were not used to pay Eligible Project Costs within a period of sixty (60) calendar days from the final disbursement from the State to the Grantee of funds or, within thirty (30) calendar days of the expiration of the Grant Agreement, whichever comes first.

D.2. ACKNOWLEDGEMENT OF CREDIT AND SIGNAGE: The Grantee shall include appropriate acknowledgement of credit to the State for its support when promoting the Project or using any data and/or information developed under this Grant Agreement. Signage shall be posted in a prominent location at Project site(s) (if applicable) or at the Grantee's headquarters and shall include the Department of Water Resources color logo and the following disclosure statement: "Funding for this project has been provided in full or in part from The California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018 and through an agreement with the State Department of Water Resources." The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this paragraph.

D.3. AMENDMENT: This Grant Agreement may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any way contrary to applicable law. Requests by the Grantee for amendments must be in writing stating the amendment request and the reason for the request. Requests solely for a time extension must be submitted at least 90 days prior to the work completion date set forth in Paragraph 2, "Term of Grant Agreement." Any other request for an amendment must be submitted at least 180 days prior to the work completion date set forth in Paragraph 2, "Term of Grant Agreement." The State shall have no obligation to agree to an amendment.

D.4. AMERICANS WITH DISABILITIES ACT: By signing this Grant Agreement, the Grantee assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

D.5. AUDITS: The State reserves the right to conduct an audit at any time between the execution of this Grant Agreement and the completion of the Project, with the costs of such audit borne by the State. After completion of the Project, the State may require the Grantee to conduct a final audit to the State's specifications, at the Grantee's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by the Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and the State may elect to pursue any remedies provided in Paragraph 9, "Default Provisions" or take any other action it deems necessary to protect its interests. The Grantee agrees it shall return any audit disallowances to the State.

Pursuant to Government Code section 8546.7, the Grantee shall be subject to the examination and audit by the State for a period of three (3) years after final payment under this Grant Agreement with respect of all matters connected with this Grant Agreement, including but not limited to, the cost of administering this Grant Agreement. All records of the Grantee or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after receipt of the final disbursement under this Agreement. If an audit reveals any impropriety, the Bureau of State Audits or the State Controller's Office may conduct a full audit of any or all of the Grantee's activities. (Pub. Resources Code, § 80012, subd. (b).)

- D.6. BUDGET CONTINGENCY: If the Budget Act of the current year covered under this Grant Agreement does not appropriate sufficient funds for this program, this Grant Agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of the State to make any payments under this Grant Agreement. In this event, the State shall have no liability to pay any funds whatsoever to the Grantee or to furnish any other considerations under this Grant Agreement and the Grantee shall not be obligated to perform any provisions of this Grant Agreement. Nothing in this Grant Agreement shall be construed to provide the Grantee with a right of priority for payment over any other Grantee. If funding for any fiscal year after the current year covered by this Grant Agreement is reduced or deleted by the Budget Act, by Executive Order, or by order of the Department of Finance, the State shall have the option to either cancel this Grant Agreement with no liability occurring to the State, or offer a Grant Agreement amendment to the Grantee to reflect the reduced amount.
- D.7. CALIFORNIA CONSERVATION CORPS: The Grantee may use the services of the California Conservation Corps or other community conservation corps as defined in Public Resources Code section 14507.5.
- D.8. CEQA: Activities funded under this Grant Agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA). (Pub. Resources Code, § 21000 et seq.) Any work that is subject to CEQA and funded under this Agreement shall not proceed until documents that satisfy the CEQA process are received by the DWR Grant Manager and the State has completed its CEQA compliance. Work funded under this Agreement that is subject to a CEQA document shall not proceed until and unless approved by the Department of Water Resources. Such approval is fully discretionary and shall constitute a condition precedent to any work for which it is required. If CEQA compliance by the Grantee is not complete at the time the State signs this Agreement, once the State has considered the environmental documents, it may decide to require changes, alterations, or other mitigation to the Project; or to not fund the Project. Should the State decide to not fund the Project, this Agreement shall be terminated in accordance with Paragraph 9, "Default Provisions."
- D.9. CHILD SUPPORT COMPLIANCE ACT: The Grantee acknowledges in accordance with Public Contract Code section 7110, that:
- A. The Grantee recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Family Code section 5200 et seq.; and
 - B. The Grantee, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
- D.10. CLAIMS DISPUTE: Any claim that the Grantee may have regarding performance of this Agreement including, but not limited to, claims for additional compensation or extension of time, shall be submitted to the DWR Project Representative, within thirty (30) days of the Grantee's knowledge of the claim. The State and the Grantee shall then attempt to negotiate a resolution of such claim and process an amendment to this Agreement to implement the terms of any such resolution.

- D.11. COMPETITIVE BIDDING AND PROCUREMENTS: The Grantee's contracts with other entities for the acquisition of goods and services and construction of public works with funds provided by the State under this Grant Agreement must be in writing and shall comply with all applicable laws and regulations regarding the securing of competitive bids and undertaking competitive negotiations. If the Grantee does not have a written policy to award contracts through a competitive bidding or sole source process, the Department of General Services' *State Contracting Manual* rules must be followed and are available at: <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/State-Contracting>.
- D.12. COMPUTER SOFTWARE: The Grantee certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Grant Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.
- D.13. CONFLICT OF INTEREST: All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code section 1090 and Public Contract Code sections 10410 and 10411, for State conflict of interest requirements.
- A. Current State Employees: No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
 - B. Former State Employees: For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.
 - C. Employees of the Grantee: Employees of the Grantee shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act. (Gov. Code, § 87100 et seq.)
 - D. Employees and Consultants to the Grantee: Individuals working on behalf of a Grantee may be required by the Department to file a Statement of Economic Interests (Fair Political Practices Commission Form 700) if it is determined that an individual is a consultant for Political Reform Act purposes.
- D.14. DELIVERY OF INFORMATION, REPORTS, AND DATA: The Grantee agrees to expeditiously provide throughout the term of this Grant Agreement, such reports, data, information, and certifications as may be reasonably required by the State.
- D.15. DISPOSITION OF EQUIPMENT: The Grantee shall provide to the State, not less than 30 calendar days prior to submission of the final invoice, an itemized inventory of equipment purchased with funds provided by the State. The inventory shall include all items with a current estimated fair market value of more than \$5,000.00 per item. Within 60 calendar days of receipt of such inventory the State shall provide the Grantee with a list of the items on the inventory that the State will take title to. All other items shall become the property of the Grantee. The State shall arrange for delivery from the Grantee of items that it takes title to. Cost of transportation, if any, shall be borne by the State.
- D.16. DRUG-FREE WORKPLACE CERTIFICATION: Certification of Compliance: By signing this Grant Agreement, the Grantee, its contractors or subcontractors hereby certify, under penalty of perjury under

the laws of the State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code, § 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:

- A. Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section 8355.
- B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355 to inform employees, contractors, or subcontractors about all of the following:
 - i. The dangers of drug abuse in the workplace,
 - ii. The Grantee's policy of maintaining a drug-free workplace,
 - iii. Any available counseling, rehabilitation, and employee assistance programs, and
 - iv. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
- C. Provide, as required by Government Code section 8355, that every employee, contractor, and/or subcontractor who works under this Grant Agreement:
 - i. Will receive a copy of the Grantee's drug-free policy statement, and
 - ii. Will agree to abide by terms of the Grantee's condition of employment, contract or subcontract.

- D.17. EASEMENTS: Where the Grantee acquires property in fee title or funds improvements to real property already owned in fee by the Grantee using State funds provided through this Grant Agreement, an appropriate easement or other title restriction shall be provided and approved by the State. The easement or other title restriction must be in first position ahead of any recorded mortgage or lien on the property unless this requirement is waived by the State.

Where the Grantee acquires an easement under this Agreement, the Grantee agrees to monitor and enforce the terms of the easement, unless the easement is subsequently transferred to another land management or conservation organization or entity with State permission, at which time monitoring and enforcement responsibilities will transfer to the new easement owner.

Failure to provide an easement or other title restriction acceptable to the State may result in termination of this Agreement.

- D.18. FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED CIVIL ENGINEER: Upon completion of the Project, the Grantee shall provide for a final inspection and certification by a California Registered Civil Engineer that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Grant Agreement.

- D.19. GRANTEE'S RESPONSIBILITIES: The Grantee and its representatives shall:

- A. Faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A, "Work Plan" and in accordance with Project Exhibit B, "Budget" and Exhibit C, "Schedule."
- B. Must maintain eligibility requirements as outlined in the 2021 Guidelines, amended April 2023, and 2021 PSP and pursuant to Paragraph 10.
- C. Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Grant Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by the Grantee in the application, documents, amendments, and communications filed in support of its request for funding.
- D. Comply with all applicable California, federal, and local laws and regulations.
- E. Implement the Project in accordance with applicable provisions of the law.

- F. Fulfill its obligations under the Grant Agreement and be responsible for the performance of the Project.
 - G. Obtain any and all permits, licenses, and approvals required for performing any work under this Grant Agreement, including those necessary to perform design, construction, or operation and maintenance of the Project. The Grantee shall provide copies of permits and approvals to the State.
 - H. Be solely responsible for design, construction, and operation and maintenance of projects within the work plan. Review or approval of plans, specifications, bid documents, or other construction documents by the State is solely for the purpose of proper administration of funds by the State and shall not be deemed to relieve or restrict responsibilities of the Grantee under this Agreement.
 - I. Be solely responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Grantee shall be responsible for any and all disputes arising out of its contracts for work on the Project, including but not limited to payment disputes with contractors and subcontractors. The State will not mediate disputes between the Grantee and any other entity concerning responsibility for performance of work.
- D.20. GOVERNING LAW: This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
- D.21. INCOME RESTRICTIONS: The Grantee agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Grantee under this Agreement shall be paid by the Grantee to the State, to the extent that they are properly allocable to costs for which the Grantee has been reimbursed by the State under this Agreement. The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this paragraph.
- D.22. INDEMNIFICATION: The Grantee shall indemnify and hold and save the State, its officers, agents, and employees, free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Project and this Agreement, and any breach of this Agreement. The Grantee shall require its contractors or subcontractors to name the State, its officers, agents and employees as additional insureds on their liability insurance for activities undertaken pursuant to this Agreement.
- D.23. INDEPENDENT CAPACITY: The Grantee, and the agents and employees of the Grantees, in the performance of the Grant Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.
- D.24. INSPECTION OF BOOKS, RECORDS, AND REPORTS: During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Grant Agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Grant Agreement. Failure or refusal by the Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and the State may withhold disbursements to the Grantee or take any other action it deems necessary to protect its interests.
- D.25. INSPECTIONS OF PROJECT BY STATE: The State shall have the right to inspect the work being performed at any and all reasonable times during the term of the Grant Agreement. This right shall extend to any subcontracts, and the Grantee shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Grant Agreement with the State.
- D.26. LABOR CODE COMPLIANCE: The Grantee agrees to be bound by all the provisions of the Labor Code regarding prevailing wages and shall monitor all contracts subject to reimbursement from this Agreement to assure that the prevailing wage provisions of the Labor Code are being met. Current Department of Industrial Relations (DIR) requirements may be found at: <http://www.dir.ca.gov/lcp.asp>.

For more information, please refer to DIR's *Public Works Manual* at: <http://www.dir.ca.gov/dlse/PWManualCombined.pdf>. The Grantee affirms that it is aware of the provisions of section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance, and the Grantee affirms that it will comply with such provisions before commencing the performance of the work under this Agreement and will make its contractors and subcontractors aware of this provision.

- D.27. **MODIFICATION OF OVERALL WORK PLAN:** At the request of the Funding Recipient, the State may at its sole discretion approve non-material changes to the portions of Exhibits A, B, and C which concern the budget and schedule without formally amending this Funding Agreement. Non-material changes with respect to work plan are changes that help clarify the original language, addition of task without deleting others, and minor edits that will not result in change to the original scope. Non-material changes with respect to the budget are changes that only result in reallocation of the budget and will not result in an increase in the amount of the State Funding Agreement. Non-material changes with respect to the Project schedule are changes that will not extend the term of this Funding Agreement. Requests for non-material changes to the budget and schedule must be submitted by the Funding Recipient to the State in writing and are not effective unless and until specifically approved by the State's Program Manager in writing.
- D.28. **NONDISCRIMINATION:** During the performance of this Grant Agreement, the Grantee and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital status, and denial of medial and family care leave or pregnancy disability leave. The Grantee and its contractors or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. The Grantee and its contractors or subcontractors shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code, § 12990) and the applicable regulations promulgated there under (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Fair Employment and Housing are incorporated into this Agreement by reference. The Grantee and its contractors or subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
- The Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Grant Agreement.
- D.29. **OPINIONS AND DETERMINATIONS:** Where the terms of this Grant Agreement provide for action to be based upon, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.
- D.30. **PERFORMANCE BOND:** Where contractors are used, the Grantee shall not authorize construction to begin until each contractor has furnished a performance bond in favor of the Grantee in the following amounts: faithful performance (100%) of contract value, and labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than \$25,000.00. Any bond issued pursuant to this paragraph must be issued by a California-admitted surety. (Pub. Contract Code, § 7103; Code Civ. Proc., § 995.311.)
- D.31. **PRIORITY HIRING CONSIDERATIONS:** If this Grant Agreement includes services in excess of \$200,000, the Grantee shall give priority consideration in filling vacancies in positions funded by the Grant Agreement to qualified recipients of aid under Welfare and Institutions Code section 11200 in accordance with Public Contract Code section 10353.
- D.32. **PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION:** The Grantee shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner

whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Project, or with the Grantee's service of water, without prior permission of the State. The Grantee shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of the Grantee meet its obligations under this Grant Agreement, without prior written permission of the State. The State may require that the proceeds from the disposition of any real or personal property be remitted to the State.

- D.33. PROJECT ACCESS: The Grantee shall ensure that the State, the Governor of the State, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of this Agreement.
- D.34. REMAINING BALANCE: In the event the Grantee does not submit invoices requesting all of the funds encumbered under this Grant Agreement, any remaining funds revert to the State. The State will notify the Grantee stating that the Project file is closed and any remaining balance will be disencumbered and unavailable for further use under this Grant Agreement.
- D.35. REMEDIES NOT EXCLUSIVE: The use by either party of any remedy specified herein for the enforcement of this Grant Agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.
- D.36. RETENTION: The State shall withhold ten percent (10%) of the funds requested by the Grantee for reimbursement of Eligible Project Costs until the Project is completed and Final Report is approved. Any retained amounts due to the Grantee will be promptly disbursed to the Grantee, without interest, upon completion of the Project.
- D.37. RIGHTS IN DATA: The Grantee agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes and other written or graphic work produced in the performance of this Grant Agreement shall be made available to the State and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act. (Gov. Code, § 6250 et seq.) The Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Grant Agreement, subject to appropriate acknowledgement of credit to the State for financial support. The Grantee shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so. The State shall have the right to use any data described in this paragraph for any public purpose.
- D.38. SEVERABILITY: Should any portion of this Grant Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Grant Agreement shall continue as modified.
- D.39. SUSPENSION OF PAYMENTS: This Grant Agreement may be subject to suspension of payments or termination, or both if the State determines that:
- A. The Grantee, its contractors, or subcontractors have made a false certification, or
 - B. The Grantee, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Grant Agreement.
- D.40. SUCCESSORS AND ASSIGNS: This Grant Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Grant Agreement or any part thereof, rights hereunder, or interest herein by the Grantee shall be valid unless and until it is approved by the State and made subject to such reasonable terms and conditions as the State may impose.
- D.41. TERMINATION BY THE GRANTEE: Subject to State approval which may be reasonably withheld, the Grantee may terminate this Agreement and be relieved of contractual obligations. In doing so, the Grantee must provide a reason(s) for termination. The Grantee must submit all progress reports summarizing accomplishments up until termination date.

- D.42. TERMINATION FOR CAUSE: Subject to the right to cure under Paragraph 9, "Default Provisions," the State may terminate this Grant Agreement and be relieved of any payments should the Grantee fail to perform the requirements of this Grant Agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 9, "Default Provisions."
- D.43. TERMINATION WITHOUT CAUSE: The State may terminate this Agreement without cause on 30 days' advance written notice. The Grantee shall be reimbursed for all reasonable expenses incurred up to the date of termination.
- D.44. THIRD PARTY BENEFICIARIES: The parties to this Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or any duty, covenant, obligation or understanding established herein.
- D.45. TIMELINESS: Time is of the essence in this Grant Agreement.
- D.46. UNION ORGANIZING: The Grantee, by signing this Grant Agreement, hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Grant Agreement. Furthermore, the Grantee, by signing this Grant Agreement, hereby certifies that:
- A. No State funds disbursed by this Grant Agreement will be used to assist, promote, or deter union organizing.
 - B. The Grantee shall account for State funds disbursed for a specific expenditure by this Grant Agreement to show those funds were allocated to that expenditure.
 - C. The Grantee shall, where State funds are not designated as described in (b) above, allocate, on a pro rata basis, all disbursements that support the program.
 - D. If the Grantee makes expenditures to assist, promote, or deter union organizing, the Grantee will maintain records sufficient to show that no State funds were used for those expenditures and that the Grantee shall provide those records to the Attorney General upon request.
- D.47. VENUE: The State and the Grantee hereby agree that any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Agreement.
- D.48. WAIVER OF RIGHTS: None of the provisions of this Grant Agreement shall be deemed waived unless expressly waived in writing. It is the intention of the parties here to that from time to time either party may waive any of its rights under this Grant Agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Grant Agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.

Exhibit E
AUTHORIZING RESOLUTION ACCEPTING FUNDS
Before the Board of Directors of the
Salinas Valley Basin Sustainable Groundwater Management Agency

Resolution No. 2022-19

Authorizing the General Manager to apply on)
behalf of the Salinas Valley Basin Groundwater)
Sustainability Agency to the California)
Department of Water Resources to obtain a grant)
for the Forebay, Upper Valley, Langley, Eastside)
GSP Implementation Project under the 2021)
Sustainable Groundwater Management (SGM))
Grant Program Implementation – Round 2 Grant.)

WHEREAS, on September 16, 2014, Governor Jerry Brown signed into law Senate Bills 1168 and 1319, and Assembly Bill 1739, collectively known as the Sustainable Groundwater Management Act (SGMA), which amended the Water Code (Part 2.74 of Division 6 of the Water Code, Sections 10720-10737.8) and provides the framework for sustainable groundwater management planning and implementation; and,

WHEREAS, SGMA went into effect on January 1, 2015; and,

WHEREAS, SGMA requires local public agencies and Groundwater Sustainability Agencies (GSAs) to develop and implement Groundwater Sustainability Plans (GSPs) or alternatives to GSPs for designated high and medium priority groundwater basins and subbasins; and,

WHEREAS, SGMA authorizes a combination of local agencies to form a GSA by entering into a joint powers agreement as authorized by the Joint Exercise of Powers Act (Chapter 5 of Division 7 of Title 1 of the California Government Code); and,

WHEREAS, the Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) is such a joint powers authority and formed effective December 22, 2016, for the purposes of being the GSA for the Salinas Valley Groundwater Basin within the County of Monterey, but not including the area within the jurisdictional boundaries of the Marina Coast Water District, City of Marina GSA, the City of Greenfield, or the adjudicated Seaside sub-basin; and,

WHEREAS, SGMA requires that a basin have an adopted GSP by no later than January 31, 2020, if a high or medium priority basin is designated as critically overdrafted, and no later than January 31, 2022, if a high or medium priority basin is not designated as critically overdrafted; and,

WHEREAS, the Salinas Valley Basin managed by the SVBGSA encompasses sub-basins that are designated by the California Department of Water Resources (DWR) as medium-priority and high- priority, and SVBGSA has completed Groundwater Sustainability Plans (GSPs) for all required sub-basins by January 31, 2020 and January 31, 2022; and,

WHEREAS, the California Budget Act of 2021 (Stats. 2021 ch. 240, § 80) appropriates a total of \$180 million for SGMA implementation, and the California Drought, Water, Parks, Climate, Coastal Protection and

Outdoor Access for All Act of 2018 (Proposition 68) (Public Resource Code § 80000 et. seq.) authorizes the Legislature to appropriate a total of \$120 million to DWR for drought and groundwater investments to achieve regional sustainability; and,

WHEREAS, DWR is administering solicitations for the Sustainable Groundwater Management (SGM) Grant Program SGMA Implementation Round 2 Grant using funds authorized by the California Budget Act of 2021 and Proposition 68 for projects that encourage sustainable management of groundwater resources and support SGMA, and/or invest in groundwater recharge projects with surface water, stormwater, recycled water, and other conjunctive use projects; NOW THEREFORE,

BE IT RESOLVED by the Board of Directors of the Salinas Valley Basin Groundwater Sustainability Agency, as follows:

1. That an application be made to the Department of Water Resources to obtain a grant under the 2021 Sustainable Groundwater Management (SGM) Grant Program SGMA Implementation Grant pursuant to the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018 (Pub. Resources Code, § 80000, et seq.) and the Budget Acts of 2021 and 2022. Be it further resolved that the Salinas Valley Basin Sustainable Groundwater Management Agency has the authority and shall enter into a funding agreement with the Department of Water Resources to receive a grant for the Forebay, Upper Valley, Langley, Eastside GSP Implementation Project.
2. The General Manager of the Salinas Valley Basin Sustainable Groundwater Management Agency, or designee, is hereby authorized and directed to prepare the necessary data, conduct investigations, file such application, execute a funding agreement and any future amendments thereto, submit invoices, and submit any reporting requirements with the Department of Water Resources.

PASSED AND ADOPTED on the 10th day of November 2022 by the following vote, to-wit:

AYES: Adams, Alejo, Brennan, Chapin, Cremers, Granillo, Pereira, Rice, Rocha, Stefani and Chair Bramers

NOES: None

ABSENT: None

ABSTAIN: None

CERTIFICATION

I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the Salinas Valley Basin Sustainable Groundwater Management Agency Board of Directors held on November 10, 2022.

Dated: 11/11/2022

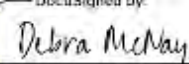
Signed: 
Debra McNay, Clerk of the Board
Salinas Valley Basin Sustainable Groundwater Management Agency,
County of Monterrey, State of California

Exhibit F**REPORT FORMATS AND REQUIREMENTS**

The following reporting formats should be utilized. Please obtain State approval prior to submitting a report in an alternative format.

1. QUARTERLY PROGRESS REPORTS

A Quarterly Progress Report template will be provided by the DWR Grant Manager. Grantees must use the template provided for all Quarterly Progress Reports to obtain reimbursement reported. The Quarterly Progress Report must accompany an Invoice and be numbered the same for ease of reference for auditing purposes. In addition, the reporting period for the Quarterly Progress Report must also align with the corresponding quarterly Invoice.

2. COMPONENT COMPLETION REPORT

Component Completion Reports shall generally use the following format. This report should summarize all work completed as part of this grant.. This is a standalone document and should not reference other documents or websites. Web links are edited or removed over time. These grants can be audited several years after they are closed. Therefore, links are not appropriate to include in the close out reports.

EXECUTIVE SUMMARY – Should include a brief summary of project information and include the following items:

- Brief description of work proposed to be done in the original application
- Description of actual work completed and any deviations from the work plan identified in the Grant Agreement

REPORTS AND/OR PRODUCTS – The following items should be provided

- Final Evaluation report
- Electronic copies of any data collected, not previously submitted
- As-built drawings
- Final geodetic survey information
- Self-Certification that the Project meets the stated goal of the Grant Agreement (e.g. 100-year level of flood protection, HMP standard, PI-84-99, etc.)
- Project photos
- Discussion of problems that occurred during the work and how those problems were resolved
- A final project schedule showing actual progress versus planned progress

COSTS AND DISPOSITION OF FUNDS – A list of showing:

- The date each invoice was submitted to the State
- The amount of the invoice
- The date the check was received
- The amount of the check (If a check has not been received for the final invoice, then state this in this section.)
- A summary of the payments made by the Grantee for meeting its cost sharing obligations under this Grant Agreement.
- A summary of final funds disbursement including:
 - Labor cost of personnel of agency/ major consultant /sub-consultants. Indicate personnel, hours, rates, type of profession and reason for consultant, i.e., design, CEQA work, etc.

- Evaluation cost information, shown by material, equipment, labor costs, and any change orders
- Any other incurred cost detail
- A statement verifying separate accounting of funding disbursements
- Summary of project cost including the following items:
 - Accounting of the cost of project expenditure;
 - Include all internal and external costs not previously disclosed; and
 - A discussion of factors that positively or negatively affected the project cost and any deviation from the original project cost estimate.

ADDITIONAL INFORMATION – Any relevant additional Information should be included.

3. GRANT COMPLETION REPORT

The Grant Completion Report shall generally use the following format. This report should summarize all work completed as part of this grant. This is a standalone document and should not reference other documents or websites. Web links are edited or removed over time. These grants can be audited several years after they are closed. Therefore, links are not appropriate to include in the close out reports.

- Executive Summary: consisting of a maximum of ten (10) pages summarizing information for the grant as well as the individual projects.
- Brief discussion whether the level, type, or magnitude of benefits of each project are comparable to the original project proposal; any remaining work to be completed and mechanism for their implementation; and a summary of final funds disbursement for each project.

Additional Information: Summary of the submittal schedule for the Post Performance Reports applicable for the projects in this Grant Agreement.

4. POST-PERFORMANCE REPORT

The Post Performance Report (PPR) should be concise and focus on how each project is performing compared to its expected performance. The PPR should be following the Methodology Report for the specific project type(s) provided by the DWR Grant Manager. The PPR should identify whether the project is being operated and maintained. DWR requirements is for all funded projects should be maintained and operated for a minimum of 15 years. If the project is not being maintained and operated, justification must be provided. A PPR template may be provided by the assigned DWR Grant Manager upon request. The PPR should follow the general format of the template and provide requested information as applicable. The following information, at a minimum, shall be provided:

Reports and/or products

- Header including the following:
 - Grantee Name
 - Implementing Agency (if different from Grantee)
 - Grant Agreement Number
 - Project Name
 - Funding grant source
 - Report number
- Post Performance Report schedule
- Time period of the annual report (e.g., January 2018 through December 2018)
- Project Description Summary
- Discussion of the project benefits
- An assessment of any differences between the expected versus actual project benefits as stated in the original application. Where applicable, the reporting should include quantitative metrics (e.g., new acre-feet of water produced that year, etc.).

- Summary of any additional costs and/or benefits deriving from the project since its completion, if applicable.
- Any additional information relevant to or generated by the continued operation of the project.

Exhibit G

REQUIREMENTS FOR DATA SUBMITTAL

Surface and Groundwater Quality Data:

Groundwater quality and ambient surface water quality monitoring data that include chemical, physical, or biological data shall be submitted to the State as described below, with a narrative description of data submittal activities included in project reports, as described in Exhibit G, "Requirements for Data Submittal."

Surface water quality monitoring data shall be prepared for submission to the California Environmental Data Exchange Network (CEDEN). The CEDEN data templates are available on the CEDEN website. Inclusion of additional data elements described on the data templates is desirable. Data ready for submission should be uploaded to your CEDEN Regional Data Center via the CEDEN website. CEDEN website: <http://www.ceden.org>.

If a project's Work Plan contains a groundwater ambient monitoring element, groundwater quality monitoring data shall be submitted to the State for inclusion in the State Water Resources Control Board's Groundwater Ambient Monitoring and Assessment (GAMA) Program Information on the GAMA Program can be obtained at: https://www.waterboards.ca.gov/water_issues/programs/gama/. If further information is required, the Grantee can contact the State Water Resources Control Board (SWRCB) GAMA Program. A listing of SWRCB staff involved in the GAMA program can be found at: https://www.waterboards.ca.gov/water_issues/programs/gama/contact.shtml.

Groundwater Level Data

For each project that collects groundwater level data, the Grantee will need to submit this data to DWR's Water Data Library (WDL), with a narrative description of data submittal activities included in project reports, as described in Exhibit F, "Report Formats and Requirements." Information regarding the WDL and in what format to submit data in can be found at: <http://www.water.ca.gov/waterdatalibrary/>.

Exhibit H**STATE AUDIT DOCUMENT REQUIREMENTS**

The following provides a list of documents typically required by State Auditors and general guidelines for Grantees. List of documents pertains to both State funding and the Grantee's Local Cost Share and details the documents/records that State Auditors would need to review in the event of this Grant Agreement is audited. Grantees should ensure that such records are maintained for each funded project.

State Audit Document RequirementsInternal Controls

1. Organization chart (e.g., Agency's overall organization chart and organization chart for the State funded Program/Project).
2. Written internal procedures and flowcharts for the following:
 - a) Receipts and deposits
 - b) Disbursements
 - c) State reimbursement requests
 - d) Expenditure tracking of State funds
 - e) Guidelines, policy, and procedures on State funded Program/Project
3. Audit reports of the Agency internal control structure and/or financial statements within the last two years.
4. Prior audit reports on the State funded Program/Project.

State Funding:

1. Original Grant Agreement, any amendment(s) and budget modification documents.
2. A listing of all bond-funded grants, loans, or subventions received from the State.
3. A listing of all other funding sources for each Program/Project.

Contracts:

1. All subcontractor and consultant contracts and related or partners' documents, if applicable.
2. Contracts between the Agency and member agencies as related to the State funded Program/Project.

Invoices:

1. Invoices from vendors and subcontractors for expenditures submitted to the State for payments under the Grant Agreement.
2. Documentation linking subcontractor invoices to State reimbursement, requests and related Grant Agreement budget line items.
3. Reimbursement requests submitted to the State for the Grant Agreement.

Cash Documents:

1. Receipts (copies of warrants) showing payments received from the State.
2. Deposit slips (or bank statements) showing deposit of the payments received from the State.
3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, and/or agents under the grants or loans.
4. Bank statements showing the deposit of the receipts.

Accounting Records:

1. Ledgers showing entries for funding receipts and cash disbursements.
2. Ledgers showing receipts and cash disbursement entries of other funding sources.
3. Bridging documents that tie the general ledger to requests for Grant Agreement reimbursement.

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

Personnel:

1. List of all contractors and Agency staff that worked on the State funded Program/Project.
2. Payroll records including timesheets for contractor staff and the Agency personnel who provided services charged to the program

Project Files:

1. All supporting documentation maintained in the project files.
2. All Grant Agreement related correspondence.

EXPLANATION

- Grant Area
- Salinas Valley Groundwater Basin
- Salinas Valley Groundwater Subbasin
- Arroyo Seco Management Area
- Marina/Ord Management Area

Subbasin within Grant Area

- Eastside Aquifer (3-004.02)
- Forebay Aquifer (3-004.04)
- Langley Area (3-004.09)
- Upper Valley Aquifer (3-004.05)

Subbasin Complementary to Grant Area

- 180/400 Foot Aquifer (3-004.01)
- Monterey (3-004.10)

Source: CA Department of Water Resources

Exhibit J

MONITORING AND MAINTENANCE PLAN COMPONENTS AND GUIDANCE

Introduction

- Goals and objectives of project
- Site location and history
- Improvements implemented
- Monitoring and Reporting Plan

For each construction Component or Project contained in Exhibit A, a post-performance monitoring and reporting plan shall be submitted according to the Monitoring Method(s) developed by DWR. The Monitoring Methods are designed to provide the necessary steps needed to monitor Components or Project within the grant to DWR's monitoring standards. The detailed Monitoring Methods and protocols specific to the Components or Project listed in Exhibit A will be provided by the Grant Manager. The full monitoring method report is available on the SGM Grant Program website at: www.water.ca.gov/sgmgrants.

Exhibit K
APPRAISAL SPECIFICATIONS
NOT APPLICABLE

Exhibit L
INFORMATION NEEDED FOR ESCROW PROCESSING AND CLOSURE
NOT APPLICABLE

EXHIBIT M**INVOICE GUIDANCE FOR ADMINISTRATIVE AND OVERHEAD CHARGES**

The funds provided pursuant to this Agreement may only be used for costs that are directly related to the funded Project. The following provides a list of typical requirements for invoicing, specifically providing guidance on the appropriate methods for invoicing administrative and direct overhead charges.

Administration Charges

Indirect and General Overhead (i.e., indirect overhead) charges are not an allowable expense for reimbursement. However, administrative expenses that are apportioned directly to the project are eligible for reimbursement. Cost such as rent, office supplies, fringe benefits, etc. can be "Direct Costs" and are eligible expenses as long as:

- There is a consistent, articulated method for how the costs are allocated that is submitted and approved by the Grant Manager. The allocation method must be fully documented for auditors.
- A "fully-burdened labor rate" can be used to capture allowable administrative costs.
- The administrative/overhead costs can never include:
 - Non-project specific personnel and accounting services performed within the Grantee or an LPS' organization
 - Generic markup
 - Tuition
 - Conference fees
 - Building and equipment depreciation or use allowances
- Using a general overhead percentage is never allowed

Labor Rates

The Grantee must provide DWR with supporting documentation for personnel hours (see personnel billing rates letter in example invoice packet). The personnel rate letter should be submitted to the DWR Grant Manager prior to submittal of the first invoice. The supporting documentation must include, at a minimum, employee classifications that will be reimbursed by grant funds and the corresponding hourly rate range. These rates should be "burdened"; the burdened rate must be consistent with the Grantee's/Local Project Sponsors standardized allocation methodology. The supporting documentation should also provide an explanation of what costs make up the burdened rate and how those costs were determined. This information will be used to compare against personnel hours summary table invoice back up documentation. Periodic updates may be needed during the life of the grant which would be handled through a revised billing rate letter.

**GRANT AGREEMENT BETWEEN THE STATE OF CALIFORNIA
(DEPARTMENT OF WATER RESOURCES) AND
MARINA COAST WATER DISTRICT GROUNDWATER SUSTAINABILITY AGENCY
AGREEMENT NUMBER 4600015624
SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA) IMPLEMENTATION GRANT
AMENDMENT #1**

THIS GRANT AGREEMENT is entered into by and between the Department of Water Resources of the State of California, herein referred to as the "State" or "DWR" and the Marina Coast Water District Groundwater Sustainability Agency in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Grantee," which parties do hereby agree as follows:

1. **PURPOSE.** The State shall provide funding from the Budget Acts of 2021 and 2022 (Stats. 2021, ch. 240, § 80; Stats. 2022, ch. 43, § 2), and Public Resources Code section 80146 et seq. (Proposition 68) to the Grantee to assist in financing the GSP Implementation Activities in the Monterey Subbasin (Project). By executing this Agreement, the Grantee certifies that the purpose of the Project is to implement SGMA as outlined in the Grantee's GSP or Alternative to a GSP. The provision of State funds pursuant to this Agreement shall not be construed or interpreted to mean that the Groundwater Sustainability Plan (GSP) or Alternative to GSP, or any components of the GSP, implemented in accordance with the Work Plan as set forth in Exhibit A will be: adopted by the applicable Groundwater Sustainability Agency (GSA); obtain the necessary desirable results of Sustainable Management Criteria; or, meet all of the evaluation and assessment criteria when submitted to DWR as required by the SGMA and implementing regulations.
2. **TERM OF GRANT AGREEMENT.** The term of this Grant Agreement begins on JANUARY 1, 2023, and ends three (3) years following the final payment unless otherwise terminated or amended as provided in this Agreement. However, all work shall be completed by APRIL 30, 2026, and no funds may be requested after JUNE 30, 2026.
3. **GRANT AMOUNT.** The maximum amount payable by the State under this Agreement shall not exceed \$6,447,910. Any additional costs are the responsibility of the Grantee.
4. **BASIC CONDITIONS.** The State shall have no obligation to disburse money for the Project under this Grant Agreement until the Grantee has satisfied the following conditions:
 - A. The Grantee must demonstrate compliance with all eligibility criteria set forth on Pages 7 through 13 of the *SGM Grant Program 2021 Guidelines, amended April 2023* (2021 Guidelines).
 - B. For the term of this Grant Agreement, the Grantee submits Quarterly Progress Reports, associated quarterly invoices, and all invoice backup documentation no later than sixty (60) days following the end of the calendar quarter (e.g. submitted by May 30th, August 29th, November 29th, and February 28th) and all other deliverables as required by Paragraph 11, "Submission of Reports" and Exhibit A, "Work Plan".
 - C. Prior to the commencement of construction or implementation activities, if applicable, the Grantee shall submit the following to the State:
 - i. Final plans and specifications certified by a California Registered Civil Engineer (or equivalent registered professional as appropriate) to certify compliance for each approved project as listed in Exhibit A, "Work Plan" of this Grant Agreement.
 - ii. Work that is subject to the California Environmental Quality Act (CEQA) process and/or environmental permitting shall not proceed under this Grant Agreement until the following actions are performed:
 - a. The Grantee submits to the State all applicable environmental permits as indicated on the Environmental Information Form (EIF) to the State,
 - b. Documents that satisfy the CEQA process are received by the State,
 - c. The State has completed its CEQA compliance review as a Responsible Agency, and

- d. The Grantee receives written concurrence from the State of Lead Agency's CEQA document(s) and State notice of verification of environmental permit submittal.

The State's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to any work (i.e., construction or implementation activities) for which it is required. Once CEQA documentation has been completed, the State will consider the environmental documents and decide whether to continue to fund the project or to require changes, alterations or other mitigation. The Grantee must also demonstrate that it has complied with all applicable requirements of the National Environmental Policy Act (NEPA) by submitting copies of any environmental documents, including environmental impact statements, Finding of No Significant Impact, mitigation monitoring programs, and environmental permits as may be required prior to beginning construction/implementation.

iii. A monitoring plan as required by Paragraph 13, "Project Monitoring Plan Requirements."

- 5. DISBURSEMENT OF FUNDS. The State will disburse to the Grantee the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Grant Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the federal government, or any loss of tax-free status on state bonds, pursuant to any federal statute or regulation. Any and all money disbursed to the Grantee under this Grant Agreement shall be deposited in a non-interest bearing account and shall be used solely to pay Eligible Project Costs.
- 6. ELIGIBLE PROJECT COST. The Grantee shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Exhibit B, "Budget." Eligible Project Costs include the reasonable costs of studies, engineering, design, land and easement acquisition and associated legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project construction. Reimbursable administrative expenses are the necessary costs incidental but directly related to the Project included in this Agreement. Work performed on the Project after OCTOBER 4, 2022, shall be eligible for reimbursement.

Costs that are not eligible for reimbursement include, but are not limited to the following items:

- A. Costs for preparing and filing a grant application and/or spending plan.
- B. Costs associated with the formation of a GSA(s) or other board formation that is responsible for implementing SGMA.
- C. Operation and maintenance costs, including post construction performance and monitoring costs.
- D. Purchase of equipment not an integral part of a project.
- E. Establishing a reserve fund.
- F. Purchase of water supplies.
- G. Replacement of existing funding sources.
- H. Travel and per diem costs, except for mileage.
- I. Support of existing agency requirements and mandates.
- J. Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a project, as set forth and detailed by engineering and feasibility studies, or acquisition of land by eminent domain.
- K. Meals, food items, or refreshments.
- L. Costs incurred as part of any necessary response and cleanup activities required under the Comprehensive Environmental Response, Compensation, and Liability Act; Resource Conservation and Recovery Act; Hazardous Substances Account Act; or other applicable law.

M. Overhead and indirect costs: "Indirect Costs" means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the funded project (i.e., costs that are not directly related to the funded project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the Grantee; non-project-specific accounting and personnel services performed within the Grantee's organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; forums, trainings, and seminars; and, generic overhead or markup. This prohibition applies to the Grantee and any subcontract or sub-agreement for work on the Project that will be reimbursed pursuant to this Agreement.

7. METHOD OF PAYMENT. After the disbursement requirements in Paragraph 4, "Basic Conditions" are met, the State will disburse the whole or portions of State funding to the Grantee, following receipt from the Grantee via US mail or Express mail delivery of a "wet signature" invoice or an electronic invoice certified and transmitted via DocuSign for costs incurred and timely Quarterly Progress Reports as required by Paragraph 11, "Submission of Reports." Payment will be made no more frequently than quarterly, in arrears, upon receipt of an invoice bearing the Grant Agreement number. Invoices must accompany a Quarterly Progress Report and shall be submitted within no later than sixty (60) days following the end of the calendar quarter (e.g. submitted by May 30th, August 29th, November 29th, and February 28th). The State will notify the Grantee, in a timely manner, whenever, upon review of an Invoice, the State determines that any portion or portions of the costs claimed are not eligible costs or is not supported by documentation or receipts acceptable to the State. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to the State to cure such deficiency(ies). If the Grantee fails to submit adequate documentation curing the deficiency(ies), the State will adjust the pending invoice by the amount of ineligible or unapproved costs.

Invoices submitted by the Grantee shall include the following information:

- A. Costs incurred for work performed in implementing the Project during the period identified in the particular invoice. If backup documentation provided is outside of the period identified in the particular invoice, the Grantee must provide justification within the associated Quarterly Progress Report and note the discrepancy on the Invoice Submittal Summary Sheet.
- B. Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for a project during the period identified in the particular invoice for the implementation of a project.
- C. Invoices shall be submitted on forms provided by the State and shall meet the following format requirements:
 - i. Invoices must contain the date of the invoice, either the time period covered by the invoice or the invoice date received within the time period covered, and the total amount due.
 - ii. Invoices must be itemized based on the categories (i.e., tasks) specified in Exhibit B, "Budget." The amount claimed for salaries/wages/consultant fees must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).
 - iii. One set of sufficient evidence (i.e., receipts, copies of checks, time sheets) must be provided for all costs included in the invoice.
 - iv. Each invoice shall clearly delineate those costs claimed for reimbursement from the State's funding amount, as depicted in Paragraph 3, "Grant Amount."

Original signature and date (in ink) of the Grantee's Project Representative. Submit the original "wet signature" copy of the invoice form to the following address: Bryce Matsumura at 691 N. Laverne Ave., Suite 104, Fresno, CA 93727 or an electronic signature certified and transmitted via DocuSign from authorized representative to bryce.matsumura@water.ca.gov.

All invoices submitted shall be accurate and signed under penalty of law. Any and all costs submitted pursuant to this Agreement shall only be for the tasks set forth herein. The Grantee shall not submit any

invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., match costs/cost share). Any eligible costs for which the Grantee is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is illegal and constitutes fraud. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements of grant funds and/or termination of this Agreement requiring the repayment of all funds disbursed hereunder plus interest. Additionally, the State may request an audit pursuant to Paragraph D.5 and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability. (Civ. Code, §§ 1572-1573; Pen. Code, §§ 470, 487-489.)

8. WITHHOLDING OF DISBURSEMENTS BY THE STATE. If the State determines that a project is not being implemented in accordance with the provisions of this Grant Agreement, or that the Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if the Grantee does not remedy any such failure to the State's satisfaction, the State may withhold from the Grantee all or any portion of the State funding and take any other action that it deems necessary to protect its interests. Where a portion of the State funding has been disbursed to the Grantee and the State notifies the Grantee of its decision not to release funds that have been withheld pursuant to Paragraph 9, "Default Provisions," the portion that has been disbursed shall thereafter be repaid immediately at the time the State notifies the Grantee, as directed by the State. The State may consider the Grantee's refusal to repay the requested disbursed amount a contract breach subject to the default provisions in Paragraph 9. If the State notifies the Grantee of its decision to withhold the entire funding amount from the Grantee pursuant to this Paragraph, this Grant Agreement shall terminate upon receipt of such notice by the Grantee and the State shall no longer be required to provide funds under this Grant Agreement and the Grant Agreement shall no longer be binding on either party.
9. DEFAULT PROVISIONS. The Grantee will be in default under this Grant Agreement if any of the following occur:
- A. Substantial breaches of this Grant Agreement, or any supplement or amendment to it, or any other agreement between the Grantee and the State evidencing or securing the Grantee's obligations;
 - i. Making any false warranty, representation, or statement with respect to this Grant Agreement or the application filed to obtain this Grant Agreement;
 - ii. Failure to operate or maintain the Project in accordance with this Grant Agreement.
 - iii. Failure to make any remittance required by this Grant Agreement, including any remittance recommended as the result of an audit conducted pursuant to Paragraph D.5.
 - iv. Failure to submit quarterly progress reports pursuant to Paragraph 4.
 - v. Failure to routinely invoice the State pursuant to Paragraph 7.
 - vi. Failure to meet any of the requirements set forth in Paragraph 10, "Continuing Eligibility."
 - vii. A determination pursuant to Government Code section 11137 that the Grantee has violated any of the following: Government Code sections 11135 or 12960 et seq.; Civil Code sections 51-54.2, inclusive; or any regulations adopted to implement these sections.
 - B. Should an event of default occur, the State shall provide a notice of default to the Grantee and shall give the Grantee at least ten (10) calendar days to cure the default from the date the notice is sent via first-class mail to the Grantee. If the Grantee fails to cure the default within the time prescribed by the State, the State may do any of the following:
 - i. Declare the funding be immediately repaid, with interest, which shall be equal to the State of California general obligation bond interest rate in effect at the time of default.
 - ii. Terminate any obligation to make future payments to the Grantee.
 - iii. Terminate the Grant Agreement.

- iv. Take any other action that it deems necessary to protect its interests.

In the event the State finds it necessary to enforce this provision of this Grant Agreement in the manner provided by law, the Grantee agrees to pay all costs incurred by the State including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

10. CONTINUING ELIGIBILITY. The Grantee must meet the following ongoing requirement(s) and all eligibility criteria outlined in the 2021 Guidelines, amended April 2023, to remain eligible to receive State funds:
- A. The Grantee must continue to demonstrate eligibility and the groundwater basin must continue to be an eligible basin as outlined in the 2021 Guidelines, amended April 2023, and 2021 PSP.
 - B. Grantee must adhere to the protocols developed pursuant to The Open and Transparent Water Data Act (Wat. Code, § 12406) for data sharing, transparency, documentation, and quality control.
 - C. If the Grantee diverting surface water, the Grantee must maintain compliance with diversion reporting requirements as outlined in Water Code section 5100 et seq.
 - D. If applicable, maintain compliance with the Urban Water Management Planning Act (Wat. Code, § 10610 et seq.).
 - E. If applicable, maintain compliance with Sustainable Water Use and Demand Reduction requirements outlined in Water Code Section 10608, et seq.
 - F. On March 4, 2022, the Governor issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. The EO may be found at: <https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf>. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under State law. The EO directs DWR to terminate funding agreements with, and to refrain from entering any new agreements with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine that the Grantee is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State shall provide the Grantee advance written notice of such termination, allowing the Grantee at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.
11. SUBMISSION OF REPORTS. The submittal and approval of all reports is a requirement for the successful completion of this Grant Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to the State. All reports shall be submitted to the State's Grant Manager, and shall be submitted via DWR's "Grant Review and Tracking System" (GRanTS), or an equivalent online submittal tool. If requested, the Grantee shall promptly provide any additional information deemed necessary by the State for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit F, "Report Formats and Requirements." The timely submittal of reports is a requirement for initial and continued disbursement of State funds. Submittal and subsequent approval by the State, of a Project Completion Report is a requirement for the release of any funds retained for such project.
- A. Quarterly Progress Reports: The Grantee shall submit Quarterly Progress Reports to meet the State's requirement for disbursement of funds. Quarterly Progress Reports shall be shall be uploaded via GRanTS, or an equivalent online submittal tool, and the State's Grant Manager notified of upload. Quarterly Progress Reports shall, in part, provide a brief description of the work performed, the Grantees activities, milestones achieved, any accomplishments and any problems encountered in the performance of the work under this Grant Agreement during the reporting period. The first Quarterly Progress Report should be submitted to the State no later than MAY 30, 2024 with future reports then due on successive three-month increments based on the invoicing schedule and this date. The DWR Grant Manager will provide a Quarterly Progress Report template that shall be used for the duration of the Agreement.

- B. Groundwater Sustainability Plan or Alternative: The Grantee shall ensure that any updates to the GSP or Alternative shall be formatted, drafted, prepared, and completed as required by the GSP Regulations, and in accordance with any other regulations or requirements that are stipulated through SGMA.
 - C. Component Completion Report(s): The Grantee shall prepare and submit to the State a separate Component Completion Report for each component included in Exhibit A, "Work Plan". The Grantee shall submit a Component Completion Report within ninety (90) calendar days of component completion. Each Component Completion Report shall include, in part, a description of actual work done, any changes or amendments to each component, and a final schedule showing actual progress versus planned progress, copies of any final documents or reports generated or utilized during a project. The Component Completion Report shall also include, if applicable, certification of final component by a California Registered Civil Engineer (or equivalent registered professional as appropriate), consistent with Standard Condition D.18, "Final Inspections and Certification of Registered Civil Engineer". A DWR "Certification of Project Completion" form will be provided by the State.
 - D. Grant Completion Report: Upon completion of the Project included in Exhibit A, "Work Plan" the Grantee shall submit to the State a Grant Completion Report. The draft Grant Completion Report shall be submitted to the DWR Grant Manager for comment and review 90 days before the work completion date outlined on Page 1, Paragraph 2. The final Grant Completion Report shall address the DWR Grant Manager's comments prior to the work completion date. The report shall be prepared and presented in accordance with the provisions of Exhibit F, "Report Formats and Requirements". Retention for the project to be completed as part of this Grant Agreement will not be disbursed until the Grant Completion Report is submitted and approved by the State.
 - E. Post Performance Reports: The Grantee shall submit Post Performance Reports. Post Performance Reports shall be submitted to the State within ninety (90) calendar days after the first operational year of a project has elapsed. This record keeping and reporting process shall be repeated annually for a total of three (3) years after the completed project begins operation.
 - F. Deliverable Due Date Schedule: The Grantee shall submit a Deliverable Due Date Schedule within 30 days of the execution date of the Grant Agreement. No invoices will be reviewed or processed until the Deliverable Due Date Schedule has been received by the DWR Grant Manager. Any edits to the schedule must be approved by the DWR Grant Manager and the revised schedule saved in the appropriate project files.
 - G. Environmental Information Form (EIF): Prepare and submit the EIF within 30-days of the execution date of the Grant Agreement. No invoices will be reviewed or processed until the EIF has been received by the DWR Grant Manager.
12. OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects and in consideration of the funding made by the State, the Grantee agrees to ensure or cause to be performed the commencement and continued operation of the project, and shall ensure or cause the project to be operated in an efficient and economical manner; shall ensure all repairs, renewals, and replacements necessary to the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted. The State shall not be liable for any cost of such maintenance, management, or operation. The Grantee or their successors may, with the written approval of the State, transfer this responsibility to use, manage, and maintain the property. For purposes of this Grant Agreement, "useful life" means period during which an asset, property, or activity is expected to be usable for the purpose it was acquired or implemented; "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses, and "maintenance costs" include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal of the Grantee to ensure operation and maintenance of the projects in accordance with

this provision may, at the option of the State, be considered a breach of this Grant Agreement and may be treated as default under Paragraph 9, "Default Provisions."

13. PROJECT MONITORING PLAN REQUIREMENTS. As required in Exhibit A, "Work Plan", a Monitoring Plan shall be submitted to the State prior to disbursement of State funds for construction or monitoring activities. The Monitoring Plan should incorporate Post Performance Monitoring Report requirements as defined and listed in Exhibit J, "Monitoring and Maintenance Plan Components". The SGM Grant Program has developed post construction monitoring methodologies that shall be used for the Post Performance Reporting.
14. NOTIFICATION OF STATE. The Grantee shall promptly notify the State, in writing, of the following items:
- A. Events or proposed changes that could affect the scope, budget, or work performed under this Grant Agreement. The Grantee agrees that no substantial change in the scope of a project will be undertaken until written notice of the proposed change has been provided to the State and the State has given written approval for such change. Substantial changes generally include changes to the scope of work, schedule or term, and budget.
 - B. Any public or media event publicizing the accomplishments and/or results of this Grant Agreement and provide the opportunity for attendance and participation by the State's representatives. The Grantee shall make such notification at least fourteen (14) calendar days prior to the event.
 - C. Discovery of any potential archaeological or historical resource. Should a potential archaeological or historical resource be discovered during construction, the Grantee agrees that all work in the area of the find will cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the State has determined what actions should be taken to protect and preserve the resource. The Grantee agrees to implement appropriate actions as directed by the State.
 - D. The initiation of any litigation or the threat of litigation against the Grantee regarding the Project or that may affect the Project in any way.
 - E. For implementation/construction Projects, final inspection of the completed work on a project by a Registered Civil Engineer, in accordance with Standard Condition D.18, "Final Inspections and Certification of Registered Civil Engineer." The Grantee shall notify the State's Grant Manager of the inspection date at least fourteen (14) calendar days prior to the inspection in order to provide the State the opportunity to participate in the inspection.
15. NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Grant Agreement shall be in writing. Notices may be transmitted by any of the following means:
- A. By delivery in person.
 - B. By certified U.S. mail, return receipt requested, postage prepaid.
 - C. By "overnight" delivery service; provided that next-business-day delivery is requested by the sender.
 - D. By electronic means.
 - E. Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U. S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the below addresses. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.

16. PERFORMANCE EVALUATION. Upon completion of this Grant Agreement, the Grantee's performance will be evaluated by the State and a copy of the evaluation will be placed in the State file and a copy sent to the Grantee.

17. PROJECT REPRESENTATIVES. The Project Representatives during the term of this Grant Agreement are as follows:

Department of Water Resources

Carmel Brown
Manager, Financial Assistance Branch
P.O. Box 942836
Sacramento, CA 94236-0001
Phone: (916) 873-5186
Email: Carmel.Brown@water.ca.gov

Marina Coast Water District Groundwater
Sustainability Agency

Remleh Scherzinger
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Marina Coast Water District Groundwater
Sustainability Agency

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Either party may change its Grant Manager, Project Representative, or Project Manager upon written notice to the other party.

18. STANDARD PROVISIONS AND INTEGRATION. This Grant Agreement is complete and is the final Agreement between the parties. The following Exhibits are attached and made a part of this Grant Agreement by this reference:

Exhibit A– Work Plan

Exhibit B– Budget

Exhibit C– Schedule

Exhibit D– Standard Conditions

Exhibit E– Authorizing Resolution Accepting Funds

Exhibit F– Report Formats and Requirements

Exhibit G– Requirements for Data Submittal

Exhibit H– State Audit Document Requirements

Exhibit I– Project Location

Exhibit J– Monitoring and Maintenance Plan Components

Exhibit K– Appraisal Specifications

Exhibit L– Information Needed for Escrow Process and Closure

Exhibit M– Invoice Guidance for Administrative and Overhead Charges

IN WITNESS WHEREOF, the parties hereto have executed this Grant Agreement.

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

MARINA COAST WATER DISTRICT GSA

Carmel Brown
Manager, Financial Assistance Branch

Remleh Scherzinger
General Manager

Date_____

Date_____

Approved as to Legal Form and Sufficiency

_____ for
Robin Brewer
Assistant General Counsel,
Office of the General Counsel

Date_____

Exhibit A WORK PLAN

Project Title: GSP Implementation Activities in the Monterey Subbasin (Project)

Project Description: The Work Plan includes activities associated with implementation and outreach for the GSP for the Monterey Subbasin (Subbasin). The Project includes installation of monitoring wells, subbasin-wide data collection, and outreach and engagement for communities within the subbasin including underrepresented communities (URCs). The Work Plan includes four Components:

- Component 1: Grant Agreement Administration
- Component 2: Monterey Subbasin Data Expansion and SGMA Compliance
- Component 3: Project Update Report
- Component 4: Engagement of Interested Parties and Domestic Well Owners

COMPONENT 1: GRANT ADMINISTRATION

Category (a): Grant Agreement Administration

Prepare reports detailing work completed during the reporting period as outlined in Exhibit F, "Report Formats and Requirements" of this Agreement. Progress Reports will include sufficient information for the DWR Grant Manager to understand and review backup documentation submitted with invoices. Quarterly invoices will accompany the Quarterly Progress Reports and should be submitted to the DWR Grant Manager for review to receive reimbursement of Eligible Project Costs. Collect and organize backup documentation by component, budget category, and task and prepare a summary Excel document detailing contents of the backup documentation organized by component, budget category, and task.

Prepare and submit the Environmental Information Forms (EIFs) within 30 days of the execution date of the Grant Agreement. No invoices will be reviewed or processed until the EIF has been received by the DWR Grant Manager. Submit a deliverable due date schedule within 30 days of the execution date of the Grant Agreement to be reviewed and approved by the DWR Grant Manager. Any edits to the schedule must be approved by the DWR Grant Manager and the revised schedule saved in the appropriate project files.

Prepare the Draft Grant Completion Report and submit to the DWR Grant Manager for comment and review 90 days before the work completion date. DWR's Grant Manager will review the Draft Grant Completion Report and provide comments and edits within 30 days of receipt, when possible. Submit a Final Grant Completion Report addressing the DWR Grant Manager's comments prior to the work completion date. The report shall be prepared and presented in accordance with the provisions of Exhibit F, "Report Formats and Requirements" and approved by the DWR Grant Manager within 30 days after the work completion date. All deliverables listed within the Work Plan shall be submitted with the Final Grant Completion Report unless a new deliverable due date was approved by the DWR Grant Manager.

Deliverables:

- EIF(s)
- Deliverable due date schedule
- Quarterly Progress Reports, Quarterly Invoices, and all required backup documentation
- Draft and Final Grant Completion Reports

COMPONENT 2: MONTEREY SUBBASIN DATA EXPANSION AND SGMA COMPLIANCE

Component 2 will construct a minimum of two (2) monitoring wells, address anticipated DWR comments on the GSPs, and provide the foundational groundwater basin understanding and model for the 5-year update. These data and modeling are also critical for making decisions on projects and management actions needed to reach sustainability.

Category (a): Component Administration

Prepare reports detailing component work completed during reporting period as outlined in Exhibit F, "Report Formats and Requirements" of this Agreement, for inclusion in Component 1 Quarterly Progress Reports. Quarterly Progress Reports will include sufficient information for the DWR Grant Manager to understand and review backup documentation submitted with invoices. Quarterly invoices will accompany the Quarterly Progress Reports. Collect and organize backup documentation by the Component 2 budget category and task and prepare a summary Excel document detailing contents of the backup documentation organized by task.

Prepare the Draft Component Completion Report and submit it to the DWR Grant Manager for comment and review 90 days before the work completion date for the component. DWR's Grant Manager will review the Draft Component Completion Report and provide comments and edits within 30 days of receipt, when possible. Submit a Final Component Completion Report addressing the DWR Grant Manager's comments within 30 days before the work completion date. The report shall be prepared and presented in accordance with the provisions of Exhibit F, "Report Formats and Requirements" and approved by the DWR Grant Manager within 30 days after the work completion date. All deliverables listed within the Work Plan shall be submitted with the Final Component Completion Report unless a new deliverable due date was approved by the DWR Grant Manager.

Deliverables:

- Component reporting to be included in Quarterly Progress Reports and Invoices
- Draft and Final Component Completion Reports

Category (b): Environmental / Engineering / Design

Conduct planning and design activities associated with the monitoring well installation. Perform a technical assessment of potential monitoring well locations, associated costs, and landowner participation to determine the location of monitoring wells to be installed. Acquire any landowner access agreement(s) necessary to install monitoring wells with adequate access for construction and maintenance. Develop and prepare specifications, bid communications, contracting, and bid award recommendation. Acquire necessary permits required for the well installation(s). Prepare any required CEQA documentation. Complete a Site Health and Safety Plan to use during the well installation process.

Construction may not begin and no costs for Category (c) may be incurred until an exemption from CEQA is granted, or the State has reviewed the CEQA document(s), completed its CEQA responsible agency obligations and given its environmental clearance in accordance with Paragraphs 5 and D.8 of this Agreement. Any costs incurred for Category (c) prior to an exemption from CEQA is granted, or DWR gives its environmental clearance shall not be reimbursed and any such amounts shall be deducted from the total Grant Amount in Paragraph 3. In accordance with Paragraph 13, develop a Project Monitoring Plan that incorporates Post Performance Monitoring Report requirements as defined and listed in Exhibit J.

Deliverables:

- Map of approved locations for monitoring wells
- Bid document(s), if applicable
- Awarded contract(s) and Notice to Proceed, if applicable
- Required permit(s) and environmental documentation
- Project Monitoring Plan

Category (c): Implementation / Construction

Install and develop a minimum of two (2) monitoring wells identified in Category (b). Photo-document pre-, during, and post-construction activities. Sample baseline groundwater level and limited water quality (e.g., cations, anions) from the newly installed monitoring wells. Survey well locations and measuring point

elevations. Prepare and submit monitoring well logs, as built monitoring well diagrams, and Well Completion Reports to the DWR Grant Manager. Share progress with interested parties through regular MCWD meetings and SVBGSA Committee meetings.

Deliverables:

- Well Completion Reports
- Photo documentation included within the quarterly Progress Reports
- As Built Monitoring Well Diagrams
- Geophysical Survey Results, if applicable

Category (d): Monitoring / Assessment

Task 1: Induction Logging

Conduct annual induction logging of Deep Aquifers monitoring well clusters. Analyze data to profile water quality changes and signs of vertical migration of seawater intrusion into the Deep Aquifer.

Deliverables:

- Induction logs
- Technical report or presentation materials

Task 2: Conduct Aquifer Properties Tests

Select potential wells for aquifer testing in the Corral de Tierra Management Area, considering logistics such as well design, well condition, and water disposal options. Identify nearby wells for testing, negotiate with landowners for well access, and obtain necessary permits. Test each well for a minimum of 8 hours, followed by a 4-hour monitored recovery period. Analyze both drawdown and recovery tests to determine aquifer properties and spatially varying aquifer properties. Draft a technical memorandum including all test data and results, including photos and analyses.

Deliverables:

- Aquifer Properties Tests Technical Memo

Task 3: Establish GDE monitoring

Establish groundwater dependent ecosystem (GDE) monitoring protocols including prioritization of field reconnaissance to verify the presence of GDEs. Extend methodology developed by Central Coast Wetlands Group (CCWG) using state wetland monitoring protocols (RipRam or California Rapid Assessment Method). Use existing wells and additional shallow monitoring wells installed under this Component to monitor the relationships between groundwater levels and GDEs. Review DWRs groundwater GDE monitoring methods for consideration in the development of a GDE monitoring protocol.

Deliverables:

- GDE Mapping and Identification Memorandum Update
- GDE monitoring protocol

Task 4: Incorporate New Data into Hydrogeologic Conceptual Model

Compile all new data generated since original GSP was written, including airborne electromagnetic (AEM) surveys, aquifer tests, new Well Completion Reports, and any newly provided data from interested parties. Use new data to develop enhanced Hydrogeologic Conceptual Model (HCM). Compare new data to existing data and estimate data accuracy and worth using a scientifically sound framework that includes overall geologic history and current groundwater conditions. Refine HCM through comparing resistivities from AEM surveys to borehole geophysical logs, high quality well-completion reports, existing interpretations (such as cross-sections), and known geology. Collaborate between agencies to ensure coherent HCM across both management areas.

Deliverables:

- Refined and enhanced Hydrogeologic Conceptual Model for the Monterey Subbasin

Task 5: Update Salinas Seawater Intrusion Model Based on New Data

Review the Seawater Intrusion Model. Refine and update the Seawater Intrusion Model based on new data and in response to feedback from MCWD and Groundwater Technical Advisory Committee. Update coastal aquifer extents based on the Deep Aquifers Study findings. Collaborate with Seaside Watermaster to update the conceptualization along the Seaside-Monterey Subbasin border.

Deliverables:

- Report summarizing Seawater Intrusion Model updates

Task 6: Recalibrate and Update Salinas Valley Integrated Hydrologic Model (SVIHM) for the Monterey Subbasin

Refine and update the final SVIHM to enhance its usability for SGMA needs, building on a review of the SVIHM under the 180/400-Foot Aquifer Subbasin Round 1 SGMA Implementation Grant (anticipated mid-2023), and in conjunction with updates included in the Salinas Valley Round 2 SGMA Implementation Grant. Assess and improve calibration dataset in the Monterey Subbasin. Update system conceptualization, update existing geologic model. Work with Seaside Watermaster to integrate Seaside model into the SVIHM to improve boundary conditions. Reconcile SVIHM with Seawater Intrusion Model. Review and revise recharge assumptions. Integrate existing Marina-Ord area pumping data into SVIHM and expand pumping dataset inputs. Refine pumping distribution using updated groundwater extraction data. Revisit Monterey Subbasin Deep Aquifer layering assumptions based on Deep Aquifers Study findings. Recalibrate SVIHM and draft report on model updates.

Deliverables:

- Report summarizing model updates

Task 7: Expansion of Groundwater Extraction Monitoring

Develop plan for expanding and enhancing the existing Groundwater Extraction Monitoring System (GEMS) to increase reliability and efficiency of extraction data collection and expand to include all areas of the Monterey Subbasin. Design GEMS expansion in collaboration with the Monterey County Water Resources Agency (MCWRA). Leverage reports from similar analyses in other parts of the state to balance accuracy and cost of implementation. Develop a summary report with recommendations. Initiate a well registration program to establish a relatively accurate count of all active wells in the four Subbasins. Collaborate with MCWRA and the County Environmental Health Bureau to develop the initial data set of active wells.

Deliverables:

- Well Registration Program Report
- GEMS Expansion and Enhancement Feasibility Report

Category (e): Engagement / Outreach

Not applicable to this component

COMPONENT 3: PROJECT UPDATE REPORT

Component 3 will assist the subbasin GSAs in implementation of identified projects and management actions, including project scoping and analysis of potential project benefits and feasibility, including: Evaluation of regional project benefits and impacts on the Monterey Subbasin, building upon the feasibility study and engineering analysis of regional projects conducted under the Round 1 SGMA Implementation Grant in the 180/400-Foot Aquifer Subbasin; Operationalizing the management guidance from the Deep Aquifers Study together with other agencies and adjacent subbasins; Modeling and evaluating combinations of Marina-Ord,

Corral de Tierra, and regional projects, as multiple projects may be needed to mitigate overdraft and address seawater intrusion; Conducting multi-agency coordination and interested party outreach and engagement.

Category (a): Component Administration

Prepare reports detailing component work completed during reporting period as outlined in Exhibit F, "Report Formats and Requirements" of this Agreement, for inclusion in Component 1 Quarterly Progress Reports. Quarterly Progress Reports will include sufficient information for the DWR Grant Manager to understand and review backup documentation submitted with invoices. Quarterly invoices will accompany the Quarterly Progress Reports. Collect and organize backup documentation by the Component 3 budget category and task and prepare a summary Excel document detailing contents of the backup documentation organized by task.

Prepare the Draft Component Completion Report and submit it to the DWR Grant Manager for comment and review 90 days before the work completion date for the component. DWR's Grant Manager will review the Draft Component Completion Report and provide comments and edits within 30 days of receipt, when possible. Submit a Final Component Completion Report addressing the DWR Grant Manager's comments within 30 days before the work completion date. The report shall be prepared and presented in accordance with the provisions of Exhibit F, "Report Formats and Requirements" and approved by the DWR Grant Manager within 30 days after the work completion date. All deliverables listed within the Work Plan shall be submitted with the Final Component Completion Report unless a new deliverable due date was approved by the DWR Grant Manager.

Deliverables:

- Component reporting to be included in Quarterly Progress Reports and Invoices
- Draft and Final Component Completion Reports

Category (b): Environmental / Engineering / Design

Task 1: Development of Deep Aquifers Management Options

Develop management actions and monitoring programs of the Deep Aquifers to implement management guidance coming from the Deep Aquifer Study. Engage in a Deep Aquifers agency working group with Monterey County, Monterey County Water Resources Agency, the Seaside Watermaster, and other agencies that manage or monitor aspects of the Deep Aquifers. Refine interim local management options for immediate action. Develop long-term management actions to manage the Deep Aquifers sustainably and prevent further groundwater level declines, seawater intrusion, and subsidence. Strengthen monitoring of the Deep Aquifers and Deep Aquifers management actions based on Deep Aquifers Study recommendations. Operationalize both local and regional management actions through bringing to GSA Boards of Directors for approval.

Deliverables:

- Deep Aquifers Management Recommendations Memorandum
- Deep Aquifers Monitoring Plan

Task 2: Modeling Assessment of Multi-Project Scenarios and Impacts on the Monterey Subbasin

Complete groundwater modeling of multi-project scenarios to assess impacts to Monterey Subbasin and increase understanding of projects and management actions. Build on modeling completed for individual projects and management actions under other grants or grant components, develop realistic combinations of projects and management actions, such as demand management coupled with the MCWD injection well. Work collaboratively to develop model scenarios and inputs and assess outputs.

Deliverables:

- Technical Memo summarizing modeling results

Task 3: Project Update Report

Develop a Project Update Report that summarizes updated information on projects and management actions resulting from this grant and other concurrent work in a comparable, digestible format. Include refined estimates of costs in relation to benefits and potential beneficiaries in the Report. Build off work done under the Round 1 SGMA Implementation Grant in the 180/400-Foot Aquifer Subbasin and include Task 3 modeling of multiple projects together and partial implementation of multiple projects to help refine the options for reaching sustainability across all subbasins. Draft the Report for easy comparison and to enable interested parties to engage in prioritizing, selecting, and moving forward towards sustainability. Ensure Report is complementary to and consistent with similar reports for other subbasins.

Deliverables:

- Project Update Report

Category (c): Implementation / Construction

Not applicable to this component

Category (d): Monitoring / Assessment

Not applicable to this component

Category (e): Engagement / Outreach

Not applicable to this component

COMPONENT 4: ENGAGEMENT OF INTERESTED PARTIES AND DOMESTIC WELL OWNERS

Component 4 engages interested parties and conducts outreach in the Corral de Tierra Management Area of the Monterey Subbasin. Engagement builds on SVBGSA's robust collaborative approach and conducts additional outreach to underrepresented communities. It aims to increase awareness of groundwater conditions, SVBGSA efforts, and individual actions that can be undertaken to increase water reliability. Since SVBGSA jointly implements the Monterey Subbasin GSP with MCWD GSA and work relates to and at times overlaps with work of other agencies, SVBGSA will collaborate with partner agencies to ensure coordination of efforts.

Category (a): Component Administration

Prepare reports detailing component work completed during reporting period as outlined in Exhibit F, "Report Formats and Requirements" of this Agreement, for inclusion in Component 1 Quarterly Progress Reports. Quarterly Progress Reports will include sufficient information for the DWR Grant Manager to understand and review backup documentation submitted with invoices. Quarterly invoices will accompany the Quarterly Progress Reports. Collect and organize backup documentation by the Component 4 budget category and task and prepare a summary Excel document detailing contents of the backup documentation organized by task.

Prepare the Draft Component Completion Report and submit it to the DWR Grant Manager for comment and review 90 days before the work completion date for the component. DWR's Grant Manager will review the Draft Component Completion Report and provide comments and edits within 30 days of receipt, when possible. Submit a Final Component Completion Report addressing the DWR Grant Manager's comments within 30 days before the work completion date. The report shall be prepared and presented in accordance with the provisions of Exhibit F, "Report Formats and Requirements" and approved by the DWR Grant Manager within 30 days after the work completion date. All deliverables listed within the Work Plan shall be submitted with the Final Component Completion Report unless a new deliverable due date was approved by the DWR Grant Manager.

Deliverables:

- Component reporting to be included in Quarterly Progress Reports and Invoices
- Draft and Final Component Completion Reports

Category (b): Environmental / Engineering / Design

Not applicable to this component

Category (c): Implementation / Construction

Not applicable to this component

Category (d): Monitoring / Assessment

Not applicable to this component

Category (e): Engagement / Outreach

Task 1: SVBGSA Interested Party Engagement Meetings and Materials

Conduct regular, open, public meetings to provide interested parties opportunities to be informed and engaged in GSP implementation which includes scientific communication and groundwater model educational programs in addition to the development of outreach materials. Staff booths at community events and develop storyboards for the website. Conduct engagement and outreach with the following committees and communities annually over the contract period: SVBGSA Board of Directors (4 meetings); SVBGSA Advisory Committee (6 meetings); Subbasin Implementation Committees (16 meetings); Groundwater Technical Advisory Committee Meetings (6 meetings); Public Workshops (2). Produce accessible communications products including web page information, outreach materials, public presentations, and hosting of public workshops.

Deliverables:

- Copies of committee meetings, board meetings, and workshop agendas and meeting packets
- Photo of Updated Web Home Page
- Copies of updated Mailchimp newsletters

Task 2: Outreach to Underrepresented Communities and Domestic Well Owners

Prioritize implementation of the SVBGSA Underrepresented Communities Engagement Strategy. Help support hiring an Outreach Coordinator to provide additional information to underrepresented communities and domestic well owners to engage them in GSP implementation, before and during public meetings. Conduct simultaneous translation of workshops and translation of written materials. Work with domestic well owners to connect them to resources and information for water reliability, including the Dry Well Notification System, well registration, and conservation opportunities.

Deliverables:

- Updated SVBGSA URC engagement strategy
- Translated materials available on SVBGSA website
- Copies of outreach materials for domestic well owners.

Task 3: Water Quality Coordination Group, and Land Use Jurisdiction Coordination Program, and Other Coordination with Partner Agencies

Partner with local Agencies to jointly implement the GSP. Coordinate on jointly implementing the Water Quality Coordination Group, and Land Use Jurisdiction Coordination Program. Conduct coordination meetings with the following committees and communities over the contract period: Land Use Jurisdiction Coordination Program (2 meetings); Water Quality Coordination Group (1 meeting); Monterey County Water Resources Agency (2 per year); Monterey County Environmental Health Bureau (2 per year); and MCWD GSA (3 per year).

Deliverables:

- Land Use Jurisdiction Coordination Program Update Report
- Water Quality Coordination Group meeting agenda and report out

Task 4: Project Specific Meetings for Interested Parties

Conduct project specific meetings for interested parties to engage in project development and provide input including: Seawater Intrusion Project Design and its delivery to the Corral de Tierra (6 meetings); Corral Stormwater Retention Pond (2 meetings).

Deliverables:

- Interested party outreach meeting agendas and meeting packets

Exhibit B

BUDGET

Grant Title: GSP Implementation Activities in the Monterey Subbasin

Grantee: Marina Coast Water District Groundwater Sustainability Agency

Components	Grant Amount
Component 1: Grant Administration	\$262,610
Component 2: Monterey Subbasin Data Expansion and SGMA Compliance	\$4,949,000
Component 3: Project Update Report	\$786,300
Component 4: Engagement of Interested Parties and Domestic Well Owners	\$450,000
Total:	\$6,447,910

Component 1: Grant Administration

Component serves a need of a DAC, SDAC, Tribe and/or Underrepresented Community?

(check all that apply): ☐DAC, ☐SDAC, ☐Tribe, and/or ☐Underrepresented Community

Budget Categories	Grant Amount
(a) Grant Agreement Administration	\$262,610
Total:	\$262,610

Component 2: Monterey Subbasin Data Expansion and SGMA Compliance

Component 2 serves a need of a DAC, SDAC, Tribe and/or Underrepresented Community?

(check all that apply): ☒ DAC, ☒ SDAC, ☐ Tribe, and/or ☒ Underrepresented Community

Budget Categories	Grant Amount
(a) Component Administration	\$214,000
(b) Environmental / Engineering / Design	\$137,000
(c) Implementation / Construction	\$2,904,000
(d) Monitoring / Assessment	\$1,694,000
(e) Engagement / Outreach	\$0
Total:	\$4,949,000

Component 3: Project Update Report

Component 3 serves a need of a DAC, SDAC, Tribe and/or Underrepresented Community?

(check all that apply): ☒ DAC, ☒ SDAC, ☐ Tribe, and/or ☒ Underrepresented Community

Budget Categories	Grant Amount
(a) Component Administration	\$61,300
(b) Environmental / Engineering / Design	\$725,000
(c) Implementation / Construction	\$0
(d) Monitoring / Assessment	\$0
(e) Engagement / Outreach	\$0
Total:	\$786,300

Component 4: Engagement of Interested Parties and Domestic Well Owners

Component 4 serves a need of a DAC, SDAC, Tribe and/or Underrepresented Community?

(check all that apply): ☒ DAC, ☒ SDAC, ☐ Tribe, and/or ☒ Underrepresented Community

Budget Categories	Grant Amount
(a) Component Administration	\$50,000
(b) Environmental / Engineering / Design	\$0
(c) Implementation / Construction	\$0
(d) Monitoring / Assessment	\$0
(e) Engagement / Outreach	\$400,000
Total:	\$450,000

Exhibit C
SCHEDULE

Grant Title: GSP Implementation Activities in the Monterey Subbasin

Categories	Start Date ¹	End Date ¹
Component 1: Grant Administration		
(a) Grant Agreement Administration	10/05/2022	4/30/2026
Component 2: Monterey Subbasin Data Expansion and SGMA Compliance		
(a) Grant Agreement Administration	1/1/2023	03/31/2026
(b) Environmental / Engineering / Design	1/1/2023	03/31/2026
(c) Implementation / Construction	12/1/2023	03/31/2026
(d) Monitoring / Assessment	1/1/2023	03/31/2026
(d) Education / Outreach	N/A	N/A
Component 3: Project Update Report		
(a) Grant Agreement Administration	10/05/2022	03/31/2026
(b) Environmental / Engineering / Design	10/05/2022	03/31/2026
(c) Implementation / Construction	N/A	N/A
(d) Monitoring / Assessment	N/A	N/A
(d) Education / Outreach	N/A	N/A
Component 4: Engagement of Interested Parties and Domestic Well Owners		
(a) Grant Agreement Administration	01/01/2023	03/31/2026
(b) Environmental / Engineering / Design	N/A	N/A
(c) Implementation / Construction	N/A	N/A
(d) Monitoring / Assessment	N/A	N/A
(d) Education / Outreach	01/01/2023	03/31/2026

NOTES:

¹Exhibit C Schedule only dictates the work start date and the work end date for the Budget Category listed. The Grantee must adhere to the Deliverable Due Date Schedule that has been approved by the DWR Grant Manager. The dates listed in Exhibit C Schedule are date ranges that correlates to the Deliverable Due Date Schedule. Eligible costs for each line item will only be approved if the work completed falls within the date ranges listed in Exhibit C.

Exhibit D
STANDARD CONDITIONS

D.1. ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:

- A. **Separate Accounting of Funding Disbursements:** the Grantee shall account for the money disbursed pursuant to this Grant Agreement separately from all other Grantee funds. The Grantee shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. The Grantee shall keep complete and accurate records of all receipts and disbursements on expenditures of such funds. The Grantee shall require its contractors or subcontractors to maintain books, records, and other documents pertinent to their work in accordance with generally accepted accounting principles and practices. Records are subject to inspection by the State at any and all reasonable times.
- B. **Disposition of Money Disbursed:** All money disbursed pursuant to this Grant Agreement shall be deposited in a non-interest bearing account, administered, and accounted for pursuant to the provisions of applicable law.
- C. **Remittance of Unexpended Funds:** The Grantee shall remit to the State any unexpended funds that were disbursed to the Grantee under this Grant Agreement and were not used to pay Eligible Project Costs within a period of sixty (60) calendar days from the final disbursement from the State to the Grantee of funds or, within thirty (30) calendar days of the expiration of the Grant Agreement, whichever comes first.

D.2. ACKNOWLEDGEMENT OF CREDIT AND SIGNAGE: The Grantee shall include appropriate acknowledgement of credit to the State for its support when promoting the Project or using any data and/or information developed under this Grant Agreement. Signage shall be posted in a prominent location at Project site(s) (if applicable) or at the Grantee's headquarters and shall include the Department of Water Resources color logo and the following disclosure statement: "Funding for this project has been provided in full or in part from The California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018 and through an agreement with the State Department of Water Resources." The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this paragraph.

D.3. AMENDMENT: This Grant Agreement may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any way contrary to applicable law. Requests by the Grantee for amendments must be in writing stating the amendment request and the reason for the request. Requests solely for a time extension must be submitted at least 90 days prior to the work completion date set forth in Paragraph 2, "Term of Grant Agreement." Any other request for an amendment must be submitted at least 180 days prior to the work completion date set forth in Paragraph 2, "Term of Grant Agreement." The State shall have no obligation to agree to an amendment.

D.4. AMERICANS WITH DISABILITIES ACT: By signing this Grant Agreement, the Grantee assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

D.5. AUDITS: The State reserves the right to conduct an audit at any time between the execution of this Grant Agreement and the completion of the Project, with the costs of such audit borne by the State. After completion of the Project, the State may require the Grantee to conduct a final audit to the State's specifications, at the Grantee's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by the Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and the State may elect to pursue any remedies provided in Paragraph 9, "Default Provisions" or take any other action it deems necessary to protect its interests. The Grantee agrees it shall return any audit disallowances to the State.

Pursuant to Government Code section 8546.7, the Grantee shall be subject to the examination and audit by the State for a period of three (3) years after final payment under this Grant Agreement with respect of all matters connected with this Grant Agreement, including but not limited to, the cost of administering this Grant Agreement. All records of the Grantee or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after receipt of the final disbursement under this Agreement. If an audit reveals any impropriety, the Bureau of State Audits or the State Controller's Office may conduct a full audit of any or all of the Grantee's activities. (Pub. Resources Code, § 80012, subd. (b).)

- D.6. BUDGET CONTINGENCY: If the Budget Act of the current year covered under this Grant Agreement does not appropriate sufficient funds for this program, this Grant Agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of the State to make any payments under this Grant Agreement. In this event, the State shall have no liability to pay any funds whatsoever to the Grantee or to furnish any other considerations under this Grant Agreement and the Grantee shall not be obligated to perform any provisions of this Grant Agreement. Nothing in this Grant Agreement shall be construed to provide the Grantee with a right of priority for payment over any other Grantee. If funding for any fiscal year after the current year covered by this Grant Agreement is reduced or deleted by the Budget Act, by Executive Order, or by order of the Department of Finance, the State shall have the option to either cancel this Grant Agreement with no liability occurring to the State, or offer a Grant Agreement amendment to the Grantee to reflect the reduced amount.
- D.7. CALIFORNIA CONSERVATION CORPS: The Grantee may use the services of the California Conservation Corps or other community conservation corps as defined in Public Resources Code section 14507.5.
- D.8. CEQA: Activities funded under this Grant Agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA). (Pub. Resources Code, § 21000 et seq.) Any work that is subject to CEQA and funded under this Agreement shall not proceed until documents that satisfy the CEQA process are received by the DWR Grant Manager and the State has completed its CEQA compliance. Work funded under this Agreement that is subject to a CEQA document shall not proceed until and unless approved by the Department of Water Resources. Such approval is fully discretionary and shall constitute a condition precedent to any work for which it is required. If CEQA compliance by the Grantee is not complete at the time the State signs this Agreement, once the State has considered the environmental documents, it may decide to require changes, alterations, or other mitigation to the Project; or to not fund the Project. Should the State decide to not fund the Project, this Agreement shall be terminated in accordance with Paragraph 9, "Default Provisions."
- D.9. CHILD SUPPORT COMPLIANCE ACT: The Grantee acknowledges in accordance with Public Contract Code section 7110, that:
- A. The Grantee recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Family Code section 5200 et seq.; and
 - B. The Grantee, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
- D.10. CLAIMS DISPUTE: Any claim that the Grantee may have regarding performance of this Agreement including, but not limited to, claims for additional compensation or extension of time, shall be submitted to the DWR Project Representative, within thirty (30) days of the Grantee's knowledge of the claim. The State and the Grantee shall then attempt to negotiate a resolution of such claim and process an amendment to this Agreement to implement the terms of any such resolution.

- D.11. COMPETITIVE BIDDING AND PROCUREMENTS: The Grantee's contracts with other entities for the acquisition of goods and services and construction of public works with funds provided by the State under this Grant Agreement must be in writing and shall comply with all applicable laws and regulations regarding the securing of competitive bids and undertaking competitive negotiations. If the Grantee does not have a written policy to award contracts through a competitive bidding or sole source process, the Department of General Services' *State Contracting Manual* rules must be followed and are available at: <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/State-Contracting>.
- D.12. COMPUTER SOFTWARE: The Grantee certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Grant Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.
- D.13. CONFLICT OF INTEREST: All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code section 1090 and Public Contract Code sections 10410 and 10411, for State conflict of interest requirements.
- A. Current State Employees: No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
 - B. Former State Employees: For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.
 - C. Employees of the Grantee: Employees of the Grantee shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act. (Gov. Code, § 87100 et seq.)
 - D. Employees and Consultants to the Grantee: Individuals working on behalf of a Grantee may be required by the Department to file a Statement of Economic Interests (Fair Political Practices Commission Form 700) if it is determined that an individual is a consultant for Political Reform Act purposes.
- D.14. DELIVERY OF INFORMATION, REPORTS, AND DATA: The Grantee agrees to expeditiously provide throughout the term of this Grant Agreement, such reports, data, information, and certifications as may be reasonably required by the State.
- D.15. DISPOSITION OF EQUIPMENT: The Grantee shall provide to the State, not less than 30 calendar days prior to submission of the final invoice, an itemized inventory of equipment purchased with funds provided by the State. The inventory shall include all items with a current estimated fair market value of more than \$5,000.00 per item. Within 60 calendar days of receipt of such inventory the State shall provide the Grantee with a list of the items on the inventory that the State will take title to. All other items shall become the property of the Grantee. The State shall arrange for delivery from the Grantee of items that it takes title to. Cost of transportation, if any, shall be borne by the State.
- D.16. DRUG-FREE WORKPLACE CERTIFICATION: Certification of Compliance: By signing this Grant Agreement, the Grantee, its contractors or subcontractors hereby certify, under penalty of perjury under

the laws of the State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code, § 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:

- A. Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section 8355.
- B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355 to inform employees, contractors, or subcontractors about all of the following:
 - i. The dangers of drug abuse in the workplace,
 - ii. The Grantee's policy of maintaining a drug-free workplace,
 - iii. Any available counseling, rehabilitation, and employee assistance programs, and
 - iv. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
- C. Provide, as required by Government Code section 8355, that every employee, contractor, and/or subcontractor who works under this Grant Agreement:
 - i. Will receive a copy of the Grantee's drug-free policy statement, and
 - ii. Will agree to abide by terms of the Grantee's condition of employment, contract or subcontract.

- D.17. EASEMENTS: Where the Grantee acquires property in fee title or funds improvements to real property already owned in fee by the Grantee using State funds provided through this Grant Agreement, an appropriate easement or other title restriction shall be provided and approved by the State. The easement or other title restriction must be in first position ahead of any recorded mortgage or lien on the property unless this requirement is waived by the State.

Where the Grantee acquires an easement under this Agreement, the Grantee agrees to monitor and enforce the terms of the easement, unless the easement is subsequently transferred to another land management or conservation organization or entity with State permission, at which time monitoring and enforcement responsibilities will transfer to the new easement owner.

Failure to provide an easement or other title restriction acceptable to the State may result in termination of this Agreement.

- D.18. FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED CIVIL ENGINEER: Upon completion of the Project, the Grantee shall provide for a final inspection and certification by a California Registered Civil Engineer that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Grant Agreement.

- D.19. GRANTEE'S RESPONSIBILITIES: The Grantee and its representatives shall:

- A. Faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A, "Work Plan" and in accordance with Project Exhibit B, "Budget" and Exhibit C, "Schedule."
- B. Must maintain eligibility requirements as outlined in the 2021 Guidelines, amended April 2023, and 2021 PSP and pursuant to Paragraph 10.
- C. Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Grant Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by the Grantee in the application, documents, amendments, and communications filed in support of its request for funding.
- D. Comply with all applicable California, federal, and local laws and regulations.
- E. Implement the Project in accordance with applicable provisions of the law.

- F. Fulfill its obligations under the Grant Agreement and be responsible for the performance of the Project.
 - G. Obtain any and all permits, licenses, and approvals required for performing any work under this Grant Agreement, including those necessary to perform design, construction, or operation and maintenance of the Project. The Grantee shall provide copies of permits and approvals to the State.
 - H. Be solely responsible for design, construction, and operation and maintenance of projects within the work plan. Review or approval of plans, specifications, bid documents, or other construction documents by the State is solely for the purpose of proper administration of funds by the State and shall not be deemed to relieve or restrict responsibilities of the Grantee under this Agreement.
 - I. Be solely responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Grantee shall be responsible for any and all disputes arising out of its contracts for work on the Project, including but not limited to payment disputes with contractors and subcontractors. The State will not mediate disputes between the Grantee and any other entity concerning responsibility for performance of work.
- D.20. GOVERNING LAW: This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
- D.21. INCOME RESTRICTIONS: The Grantee agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Grantee under this Agreement shall be paid by the Grantee to the State, to the extent that they are properly allocable to costs for which the Grantee has been reimbursed by the State under this Agreement. The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this paragraph.
- D.22. INDEMNIFICATION: The Grantee shall indemnify and hold and save the State, its officers, agents, and employees, free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Project and this Agreement, and any breach of this Agreement. The Grantee shall require its contractors or subcontractors to name the State, its officers, agents and employees as additional insureds on their liability insurance for activities undertaken pursuant to this Agreement.
- D.23. INDEPENDENT CAPACITY: The Grantee, and the agents and employees of the Grantees, in the performance of the Grant Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.
- D.24. INSPECTION OF BOOKS, RECORDS, AND REPORTS: During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Grant Agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Grant Agreement. Failure or refusal by the Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and the State may withhold disbursements to the Grantee or take any other action it deems necessary to protect its interests.
- D.25. INSPECTIONS OF PROJECT BY STATE: The State shall have the right to inspect the work being performed at any and all reasonable times during the term of the Grant Agreement. This right shall extend to any subcontracts, and the Grantee shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Grant Agreement with the State.
- D.26. LABOR CODE COMPLIANCE: The Grantee agrees to be bound by all the provisions of the Labor Code regarding prevailing wages and shall monitor all contracts subject to reimbursement from this Agreement to assure that the prevailing wage provisions of the Labor Code are being met. Current Department of Industrial Relations (DIR) requirements may be found at: <http://www.dir.ca.gov/lcp.asp>.

For more information, please refer to DIR's *Public Works Manual* at: <http://www.dir.ca.gov/dlse/PWManualCombined.pdf>. The Grantee affirms that it is aware of the provisions of section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance, and the Grantee affirms that it will comply with such provisions before commencing the performance of the work under this Agreement and will make its contractors and subcontractors aware of this provision.

- D.27. **MODIFICATION OF OVERALL WORK PLAN:** At the request of the Funding Recipient, the State may at its sole discretion approve non-material changes to the portions of Exhibits A, B, and C which concern the budget and schedule without formally amending this Funding Agreement. Non-material changes with respect to work plan are changes that help clarify the original language, addition of task without deleting others, and minor edits that will not result in change to the original scope. Non-material changes with respect to the budget are changes that only result in reallocation of the budget and will not result in an increase in the amount of the State Funding Agreement. Non-material changes with respect to the Project schedule are changes that will not extend the term of this Funding Agreement. Requests for non-material changes to the budget and schedule must be submitted by the Funding Recipient to the State in writing and are not effective unless and until specifically approved by the State's Program Manager in writing.
- D.28. **NONDISCRIMINATION:** During the performance of this Grant Agreement, the Grantee and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital status, and denial of medial and family care leave or pregnancy disability leave. The Grantee and its contractors or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. The Grantee and its contractors or subcontractors shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code, § 12990) and the applicable regulations promulgated there under (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Fair Employment and Housing are incorporated into this Agreement by reference. The Grantee and its contractors or subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
- The Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Grant Agreement.
- D.29. **OPINIONS AND DETERMINATIONS:** Where the terms of this Grant Agreement provide for action to be based upon, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.
- D.30. **PERFORMANCE BOND:** Where contractors are used, the Grantee shall not authorize construction to begin until each contractor has furnished a performance bond in favor of the Grantee in the following amounts: faithful performance (100%) of contract value, and labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than \$25,000.00. Any bond issued pursuant to this paragraph must be issued by a California-admitted surety. (Pub. Contract Code, § 7103; Code Civ. Proc., § 995.311.)
- D.31. **PRIORITY HIRING CONSIDERATIONS:** If this Grant Agreement includes services in excess of \$200,000, the Grantee shall give priority consideration in filling vacancies in positions funded by the Grant Agreement to qualified recipients of aid under Welfare and Institutions Code section 11200 in accordance with Public Contract Code section 10353.
- D.32. **PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION:** The Grantee shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner

whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Project, or with the Grantee's service of water, without prior permission of the State. The Grantee shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of the Grantee meet its obligations under this Grant Agreement, without prior written permission of the State. The State may require that the proceeds from the disposition of any real or personal property be remitted to the State.

- D.33. PROJECT ACCESS: The Grantee shall ensure that the State, the Governor of the State, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of this Agreement.
- D.34. REMAINING BALANCE: In the event the Grantee does not submit invoices requesting all of the funds encumbered under this Grant Agreement, any remaining funds revert to the State. The State will notify the Grantee stating that the Project file is closed and any remaining balance will be disencumbered and unavailable for further use under this Grant Agreement.
- D.35. REMEDIES NOT EXCLUSIVE: The use by either party of any remedy specified herein for the enforcement of this Grant Agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.
- D.36. RETENTION: The State shall withhold ten percent (10%) of the funds requested by the Grantee for reimbursement of Eligible Project Costs until the Project is completed and Final Report is approved. Any retained amounts due to the Grantee will be promptly disbursed to the Grantee, without interest, upon completion of the Project.
- D.37. RIGHTS IN DATA: The Grantee agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes and other written or graphic work produced in the performance of this Grant Agreement shall be made available to the State and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act. (Gov. Code, § 6250 et seq.) The Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Grant Agreement, subject to appropriate acknowledgement of credit to the State for financial support. The Grantee shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so. The State shall have the right to use any data described in this paragraph for any public purpose.
- D.38. SEVERABILITY: Should any portion of this Grant Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Grant Agreement shall continue as modified.
- D.39. SUSPENSION OF PAYMENTS: This Grant Agreement may be subject to suspension of payments or termination, or both if the State determines that:
- A. The Grantee, its contractors, or subcontractors have made a false certification, or
 - B. The Grantee, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Grant Agreement.
- D.40. SUCCESSORS AND ASSIGNS: This Grant Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Grant Agreement or any part thereof, rights hereunder, or interest herein by the Grantee shall be valid unless and until it is approved by the State and made subject to such reasonable terms and conditions as the State may impose.
- D.41. TERMINATION BY THE GRANTEE: Subject to State approval which may be reasonably withheld, the Grantee may terminate this Agreement and be relieved of contractual obligations. In doing so, the Grantee must provide a reason(s) for termination. The Grantee must submit all progress reports summarizing accomplishments up until termination date.

- D.42. TERMINATION FOR CAUSE: Subject to the right to cure under Paragraph 9, "Default Provisions," the State may terminate this Grant Agreement and be relieved of any payments should the Grantee fail to perform the requirements of this Grant Agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 9, "Default Provisions."
- D.43. TERMINATION WITHOUT CAUSE: The State may terminate this Agreement without cause on 30 days' advance written notice. The Grantee shall be reimbursed for all reasonable expenses incurred up to the date of termination.
- D.44. THIRD PARTY BENEFICIARIES: The parties to this Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or any duty, covenant, obligation or understanding established herein.
- D.45. TIMELINESS: Time is of the essence in this Grant Agreement.
- D.46. UNION ORGANIZING: The Grantee, by signing this Grant Agreement, hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Grant Agreement. Furthermore, the Grantee, by signing this Grant Agreement, hereby certifies that:
- A. No State funds disbursed by this Grant Agreement will be used to assist, promote, or deter union organizing.
 - B. The Grantee shall account for State funds disbursed for a specific expenditure by this Grant Agreement to show those funds were allocated to that expenditure.
 - C. The Grantee shall, where State funds are not designated as described in (b) above, allocate, on a pro rata basis, all disbursements that support the program.
 - D. If the Grantee makes expenditures to assist, promote, or deter union organizing, the Grantee will maintain records sufficient to show that no State funds were used for those expenditures and that the Grantee shall provide those records to the Attorney General upon request.
- D.47. VENUE: The State and the Grantee hereby agree that any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Agreement.
- D.48. WAIVER OF RIGHTS: None of the provisions of this Grant Agreement shall be deemed waived unless expressly waived in writing. It is the intention of the parties here to that from time to time either party may waive any of its rights under this Grant Agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Grant Agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.

Exhibit E
AUTHORIZING RESOLUTION ACCEPTING FUNDS

November 29, 2022

Resolution No. 2022 – GSA03
Resolution of the Board of Directors
Marina Coast Water District Groundwater Sustainability Agency
Authorizing a Monterey Sub-basin Sustainable Groundwater Management (SGM) Grant
Program SGMA Implementation Grant Application

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District Groundwater Sustainability Agency (“District”), at a special meeting duly called and held on November 29, 2022 via a video conference pursuant to Governor Newsom's Executive Order N-29-20, as follows:

WHEREAS, in the fall of 2014, the California legislature adopted, and the Governor signed into law, three bills (SB 1168, AB 1739, and SB 1319) collectively referred to as the "Sustainable Groundwater Management Act" ("SGMA"), that initially became effective on January 1, 2015, and that has been amended from time-to-time thereafter; and,

WHEREAS, the stated purpose of SGMA, as set forth in California Water Code section 10720.1, is to provide for the sustainable management of groundwater basins at a local level by providing local groundwater agencies with the authority, and technical and financial assistance necessary, to sustainably manage groundwater; and,

WHEREAS, SGMA requires the designation of Groundwater Sustainability Agencies ("GSAs") for the purpose of achieving groundwater sustainability through the adoption and implementation of regulatory programs known as Groundwater Sustainability Plans ("GSPs") or an alternative plan for all medium and high priority basins as designated by the California Department of Water Resources ("DWR"); and,

WHEREAS, SGMA requires GSAs to adopt GSPs for each basin/subbasin within the GSA's jurisdiction; and,

WHEREAS, GSPs for basins designated medium priority in DWR's Bulletin 118, and for those basins designated, are due to be filed with DWR no later than January 31, 2022; and,

WHEREAS, the Monterey Sub-basin of the Salinas Valley Groundwater Basin ("Sub basin") is designated medium priority; and,

WHEREAS, the Marina Coast Water District Groundwater Sustainability Agency (MCWDGSA) in coordination with the Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) developed a GSP for the Subbasin as required by SGMA; and,

WHEREAS, in January 2022, the District adopted a Groundwater Sustainability Plan (GSP) for the Monterey Subbasin and submitted it to the Department of Water Resources. The plan provides a path to achieve and document sustainable groundwater management within 20 years and preserves the long-term sustainability of the Monterey Subbasin now and into the future; and,

WHEREAS, the Monterey Subbasin GSP contained various projects and management actions to achieve sustainability including an Indirect Potable Reuse project, and,

WHEREAS, the California Department of Water Resources is accepting application for the "2021 Sustainable Groundwater Management (SGM) Grant program SGMA Implementation Grant pursuant to the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018 (Public Resources Code 80000, et seq.) and Budget Act of 2021 and 2022"; and,

WHEREAS, the MCWDGSA is responsible for implementing the Monterey Subbasin Groundwater Sustainability Plan for the Marina Ord Area and by agreement the SVBGSA is responsible for implementing the GSP in the Corral De Tierra portion of the Monterey Subbasin to achieve sustainability by 2042; and,

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District Groundwater Sustainability does hereby:

1. Authorize an application be made to the Department of Water Resources to obtain a grant under the 2021 Sustainable Groundwater Management (SGM) Grant Program SGMA Implementation Grant pursuant to the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018 (Pub. Resources Code, § 80000, et seq.) and the Budget Acts of 2021 and 2022. Be it further resolved that the MCWD GSA has the authority and shall enter into a funding agreement with the Department of Water Resources to receive a grant for: GSP Implementation Activities in the Monterey Subbasin.
2. Authorize and direct the General Manager of the MCWD GSA, to prepare the necessary data, conduct investigations, file such application, execute a funding agreement and any future amendments thereto, submit invoices, and submit any reporting requirements with the Department of Water Resources.

PASSED AND ADOPTED November 29, 2022, by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors Moore, Morton, Cortez, Shriner

Noes: Directors None

Absent: Directors None

Abstained: Directors Abstained


Jan Shriner, President

ATTEST:


Renlee Scherzinger, Secretary

Exhibit F

REPORT FORMATS AND REQUIREMENTS

The following reporting formats should be utilized. Please obtain State approval prior to submitting a report in an alternative format.

1. QUARTERLY PROGRESS REPORTS

A Quarterly Progress Report template will be provided by the DWR Grant Manager. Grantees must use the template provided for all Quarterly Progress Reports to obtain reimbursement reported. The Quarterly Progress Report must accompany an Invoice and be numbered the same for ease of reference for auditing purposes. In addition, the reporting period for the Quarterly Progress Report must also align with the corresponding quarterly Invoice.

2. COMPONENT COMPLETION REPORT

Component Completion Reports shall generally use the following format. This report should summarize all work completed as part of this grant. This is standalone document and should not reference other documents or websites. Web links are edited or removed over time. These grants can be audited several years after they are closed. Therefore, links are not appropriate to include in the close out reports.

EXECUTIVE SUMMARY – Should include a brief summary of project information and include the following items:

- Brief description of work proposed to be done in the original application
- Description of actual work completed and any deviations from the work plan identified in the Grant Agreement

REPORTS AND/OR PRODUCTS – The following items should be provided

- Final Evaluation report
- Electronic copies of any data collected, not previously submitted
- As-built drawings
- Final geodetic survey information
- Self-Certification that the Project meets the stated goal of the Grant Agreement (e.g. 100-year level of flood protection, HMP standard, PI-84-99, etc.)
- Project photos
- Discussion of problems that occurred during the work and how those problems were resolved
- A final project schedule showing actual progress versus planned progress

COSTS AND DISPOSITION OF FUNDS – A list of showing:

- The date each invoice was submitted to the State
- The amount of the invoice
- The date the check was received
- The amount of the check (If a check has not been received for the final invoice, then state this in this section.)
- A summary of the payments made by the Grantee for meeting its cost sharing obligations under this Grant Agreement.
- A summary of final funds disbursement including:
 - Labor cost of personnel of agency/ major consultant /sub-consultants. Indicate personnel, hours, rates, type of profession and reason for consultant, i.e., design, CEQA work, etc.
 - Evaluation cost information, shown by material, equipment, labor costs, and any change orders

- Any other incurred cost detail
- A statement verifying separate accounting of funding disbursements
- Summary of project cost including the following items:
 - Accounting of the cost of project expenditure;
 - Include all internal and external costs not previously disclosed; and
 - A discussion of factors that positively or negatively affected the project cost and any deviation from the original project cost estimate.

ADDITIONAL INFORMATION – Any relevant additional Information should be included.

3. GRANT COMPLETION REPORT

The Grant Completion Report shall generally use the following format. This report should summarize all work completed as part of this grant.. This is standalone document and should not reference other documents or websites. Web links are edited or removed over time. These grants can be audited several years after they are closed. Therefore, links are not appropriate to include in the close out reports.

- Executive Summary: consisting of a maximum of ten (10) pages summarizing information for the grant as well as the individual projects.
- Brief discussion whether the level, type, or magnitude of benefits of each project are comparable to the original project proposal; any remaining work to be completed and mechanism for their implementation; and a summary of final funds disbursement for each project.

Additional Information: Summary of the submittal schedule for the Post Performance Reports applicable for the projects in this Grant Agreement.

4. POST-PERFORMANCE REPORT

The Post Performance Report (PPR) should be concise and focus on how each project is performing compared to its expected performance. The PPR should be following the Methodology Report for the specific project type(s) provided by the DWR Grant Manager. The PPR should identify whether the project is being operated and maintained. DWR requirements is for all funded projects should be maintained and operated for a minimum of 15 years. If the project is not being maintained and operated, justification must be provided. A PPR template may be provided by the assigned DWR Grant Manager upon request. The PPR should follow the general format of the template and provide requested information as applicable. The following information, at a minimum, shall be provided:

Reports and/or products

- Header including the following:
 - Grantee Name
 - Implementing Agency (if different from Grantee)
 - Grant Agreement Number
 - Project Name
 - Funding grant source
 - Report number
- Post Performance Report schedule
- Time period of the annual report (e.g., January 2018 through December 2018)
- Project Description Summary
- Discussion of the project benefits
- An assessment of any differences between the expected versus actual project benefits as stated in the original application. Where applicable, the reporting should include quantitative metrics (e.g., new acre-feet of water produced that year, etc.).
- Summary of any additional costs and/or benefits deriving from the project since its completion, if applicable.
- Any additional information relevant to or generated by the continued operation of the project.

Exhibit G

REQUIREMENTS FOR DATA SUBMITTAL

Surface and Groundwater Quality Data:

Groundwater quality and ambient surface water quality monitoring data that include chemical, physical, or biological data shall be submitted to the State as described below, with a narrative description of data submittal activities included in project reports, as described in Exhibit G, "Requirements for Data Submittal."

Surface water quality monitoring data shall be prepared for submission to the California Environmental Data Exchange Network (CEDEN). The CEDEN data templates are available on the CEDEN website. Inclusion of additional data elements described on the data templates is desirable. Data ready for submission should be uploaded to your CEDEN Regional Data Center via the CEDEN website. CEDEN website: <http://www.ceden.org>.

If a project's Work Plan contains a groundwater ambient monitoring element, groundwater quality monitoring data shall be submitted to the State for inclusion in the State Water Resources Control Board's Groundwater Ambient Monitoring and Assessment (GAMA) Program. Information on the GAMA Program can be obtained at: https://www.waterboards.ca.gov/water_issues/programs/gama/. If further information is required, the Grantee can contact the State Water Resources Control Board (SWRCB) GAMA Program. A listing of SWRCB staff involved in the GAMA program can be found at: https://www.waterboards.ca.gov/water_issues/programs/gama/contact.shtml.

Groundwater Level Data

For each project that collects groundwater level data, the Grantee will need to submit this data to DWR's Water Data Library (WDL), with a narrative description of data submittal activities included in project reports, as described in Exhibit F, "Report Formats and Requirements." Information regarding the WDL and in what format to submit data in can be found at: <http://www.water.ca.gov/waterdatalibrary/>.

Exhibit H

STATE AUDIT DOCUMENT REQUIREMENTS

The following provides a list of documents typically required by State Auditors and general guidelines for Grantees. List of documents pertains to both State funding and the Grantee's Local Cost Share and details the documents/records that State Auditors would need to review in the event of this Grant Agreement is audited. Grantees should ensure that such records are maintained for each funded project.

State Audit Document Requirements

Internal Controls

1. Organization chart (e.g., Agency's overall organization chart and organization chart for the State funded Program/Project).
2. Written internal procedures and flowcharts for the following:
 - a) Receipts and deposits
 - b) Disbursements
 - c) State reimbursement requests
 - d) Expenditure tracking of State funds
 - e) Guidelines, policy, and procedures on State funded Program/Project
3. Audit reports of the Agency internal control structure and/or financial statements within the last two years.
4. Prior audit reports on the State funded Program/Project.

State Funding:

1. Original Grant Agreement, any amendment(s) and budget modification documents.
2. A listing of all bond-funded grants, loans, or subventions received from the State.
3. A listing of all other funding sources for each Program/Project.

Contracts:

1. All subcontractor and consultant contracts and related or partners' documents, if applicable.
2. Contracts between the Agency and member agencies as related to the State funded Program/Project.

Invoices:

1. Invoices from vendors and subcontractors for expenditures submitted to the State for payments under the Grant Agreement.
2. Documentation linking subcontractor invoices to State reimbursement, requests and related Grant Agreement budget line items.
3. Reimbursement requests submitted to the State for the Grant Agreement.

Cash Documents:

1. Receipts (copies of warrants) showing payments received from the State.
2. Deposit slips (or bank statements) showing deposit of the payments received from the State.
3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, and/or agents under the grants or loans.
4. Bank statements showing the deposit of the receipts.

Accounting Records:

1. Ledgers showing entries for funding receipts and cash disbursements.
2. Ledgers showing receipts and cash disbursement entries of other funding sources.
3. Bridging documents that tie the general ledger to requests for Grant Agreement reimbursement.

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

Personnel:

1. List of all contractors and Agency staff that worked on the State funded Program/Project.
2. Payroll records including timesheets for contractor staff and the Agency personnel who provided services charged to the program

Project Files:

1. All supporting documentation maintained in the project files.
2. All Grant Agreement related correspondence.

Exhibit I
PROJECT LOCATION

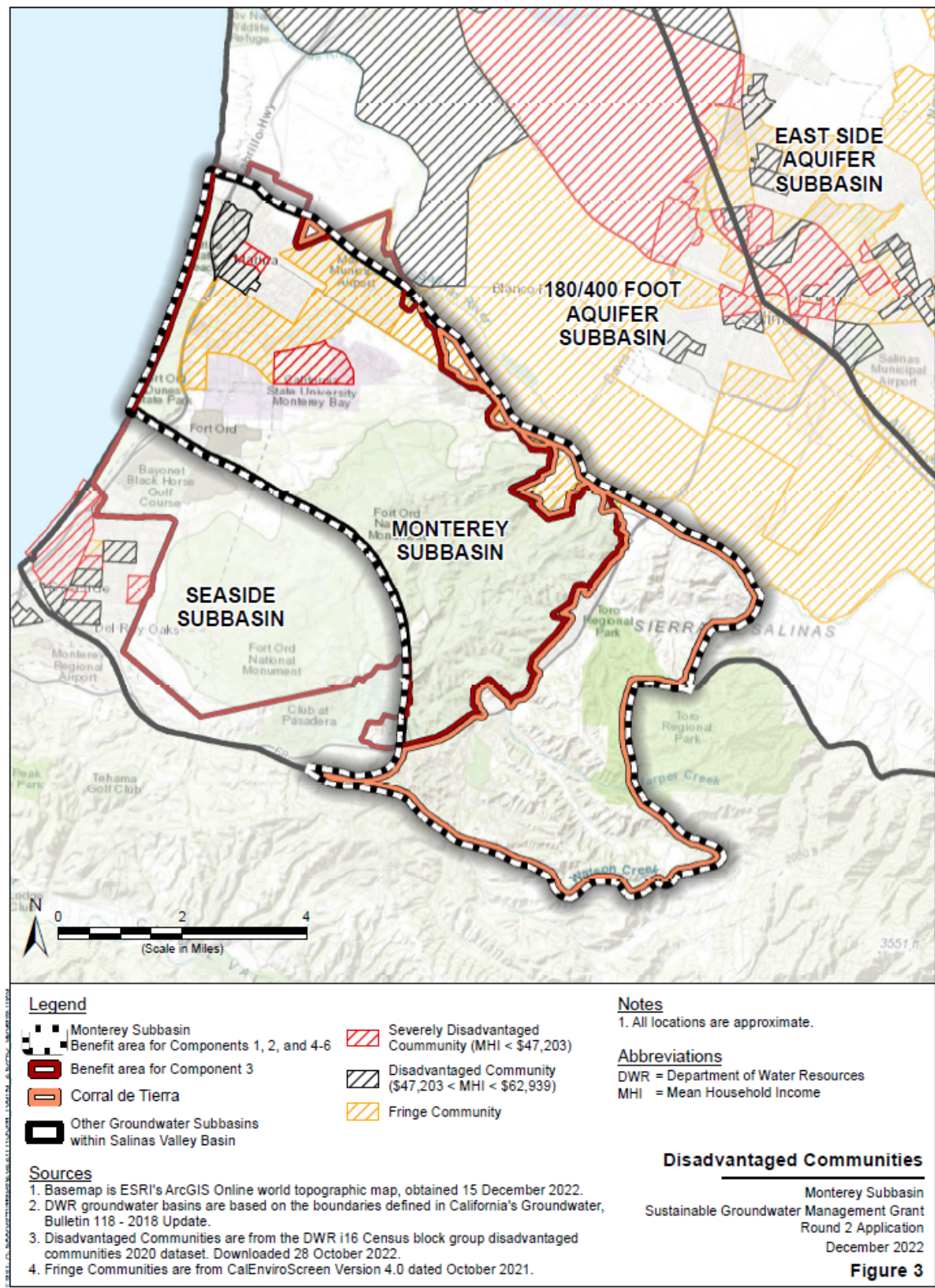


Exhibit J

MONITORING AND MAINTENANCE PLAN COMPONENTS AND GUIDANCE

Introduction

- Goals and objectives of project
- Site location and history
- Improvements implemented
- Monitoring and Reporting Plan

For each construction Component or Project contained in Exhibit A, a post-performance monitoring and reporting plan shall be submitted according to the Monitoring Method(s) developed by DWR. The Monitoring Methods are designed to provide the necessary steps needed to monitor Components or Project within the grant to DWR's monitoring standards. The detailed Monitoring Methods and protocols specific to the Components or Project listed in Exhibit A will be provided by the Grant Manager. The full monitoring method report is available on the SGM Grant Program website at: www.water.ca.gov/sgmgrants.

Exhibit K
APPRAISAL SPECIFICATIONS
NOT APPLICABLE

For property acquisitions funded this Grant Agreement, the Grantee must submit an appraisal for review and approval by the Department of General Services or DWR's Real Estate Branch prior to reimbursement or depositing State funds into an escrow account. All appraisal reports, regardless of report format, must include all applicable Appraisal Specifications below. Appraisals for a total compensation of \$150,000 or more shall be reported as a Self-Contained Appraisal Report. Appraisals for a total compensation of less than \$150,000 may be reported as a Summary Appraisal Report, which includes all information necessary to arrive at the appraiser's conclusion. Appraisal Specifications 14, 16, 21, 23-25, and 28 shall be narrative analysis regardless of the reporting format.

1. Title page with sufficient identification of appraisal assignment.
2. Letter of transmittal summarizing important assumptions and conclusions, value estimate, date of value and date of report.
3. Table of contents.
4. Assumptions and Limiting Conditions, Extraordinary Assumptions, and Hypothetical Conditions as needed.
5. Description of the scope of work, including the extent of data collection and limitations, if any, in obtaining relevant data.
6. Definition of Fair Market Value, as defined by Code of Civil Procedure, section 1263.320.
7. Photographs of subject property and comparable data, including significant physical features and the interior of structural improvements, if applicable.
8. Copies of Tax Assessor's plat map with the subject marked along with all contiguous assessor's parcels that depict the ownership.
9. A legal description of the subject property, if available.
10. For large, remote or inaccessible parcels, provide aerial photographs or topographical maps depicting the subject boundaries.
11. Three-year subject property history, including sales, listings, leases, options, zoning, applications for permits, or other documents or facts that might indicate or affect use or value.
12. Discussion of any current Agreement of Sale, option, or listing of subject property. This issue required increased diligence since state agencies often utilize non-profit organizations to quickly acquire sensitive-habitat parcels using Option Agreements. However, due to confidentiality clauses, the terms of the Option are often not disclosed to the State. If the appraiser discovers evidence of an Option or the possible existence of an Option, and the terms cannot be disclosed due to a confidentiality clause, then the appraiser is to cease work and contact the client.
13. Regional, area, and neighborhood analyses. This information may be presented in a summary format.
14. Market conditions and trends including identification of the relevant market area, a discussion of supply and demand within the relevant market area, and a discussion of the relevant market factors impacting demand for site acquisition and leasing within the relevant market area. This information may be presented in a summary format.
15. Discussion of subject land/site characteristics (size, topography, current use, elevations, zoning and land use issues, development entitlements, General Plan designation, utilities, offsite improvements, access, land features such as levees and creeks, offsite improvements, easements and encumbrances, covenants,

conditions and restrictions, flood and earthquake information, toxic hazards, water rights, mineral rights, toxic hazards, taxes and assessments, etc.).

16. Description of subject improvements including all structures, square footage, physical age, type of construction, quality of construction, condition of improvements and/or identification of any permanent plantings. Discussion of construction cost methodology, costs included and excluded, accrued depreciation from all causes, remaining economic life, items of deferred maintenance and cost to cure, and incurable items. Construction cost data must include cost data source, date of estimate or date of publication of cost manual, section and page reference of cost manual, copies of cost estimate if provided from another source, replacement or reproduction cost method used, and supporting calculations including worksheets or spreadsheets.
17. Subject property leasing and operating cost history, including all items of income and expense.
18. Analysis and conclusion of the larger parcel for partial taking appraisals. For partial taking appraisals, Appraisal Specifications generally apply to the larger parcel rather than an ownership where the larger parcel is not the entire ownership.
19. Include a copy of a recent preliminary title report (within the past year) as an appraisal exhibit. Discuss the title exceptions and analyze the effect of title exceptions on fair market value.
20. For appraisals of partial takings or easements, a detailed description of the taking or easement area including surface features and topography, easements, encumbrances or improvements including levees within the subject partial take or easement, and whether the take area is characteristic of the larger parcel. Any characteristics of the taking area, including existing pre-project levees that render the take area different from the larger parcel must be addressed in the valuation.
21. Opinion of highest and best use for the subject property, based on an in depth analysis supporting the concluded use which includes the detail required by the complexity of the analysis. Such support typically requires a discussion of the four criteria of tests utilized to determine the highest and best use of a property. If alternative feasible uses exist, explain and support market, development, cash flow, and risk factors leading to an ultimate highest and best use decision.
22. All approaches to market value applicable to the property type and in the subject market. Explain and support the exclusion of any usual approaches to value.
23. Map(s) showing all comparable properties in relation to the subject property.
24. Photographs and plat maps of comparable properties.
25. In depth discussion of comparable properties, similarities and differences compared to the subject, adjustments to the comparable data, and discussion of the reliability and credibility of the data as it relates to the indicated subject property value. Improved comparable sales which are used to compare to vacant land subject properties must include an allocation between land and improvements, using methodology similar to methodology used in item 16 above to estimate improvement value when possible, with an explanation of the methodology used.
26. Comparable data sheets.
 - a) For sales, include information on grantor/Grantee, sale/recordation dates, listed or asking price as of the date of sale, highest and best use, financing, conditions of sale, buyer motivation, sufficient location information (street address, post mile, and/or distance from local landmarks such as bridges, road intersections, structures, etc.), land/site characteristics, improvements, source of any allocation of sale price between land and improvements, and confirming source.
 - b) For listings, also include marketing time from list date to effective date of the appraisal, original list price, changes in list price, broker feedback, if available.
 - c) For leases, include significant information such as lessor/lessee, lease date and term, type of lease, rent and escalation, expenses, size of space leased, tenant improvement allowance, concessions, use

restrictions, options, and confirming source. When comparing improved sales to a vacant land subject, the contributory value of the improvements must be segregated from the land value.

27. For appraisals of easements, a before and after analysis of the burden of the easement on the fee, with attention to how the easement affects highest and best use in the after condition. An Easement Valuation Matrix or generalized easement valuation references may be used ONLY as a reference for a secondary basis of value.
28. For partial taking and easement appraisals, valuation of the remainder in the after condition and analysis and identification of any change in highest and best use or other characteristics in the after condition, to establish severance damages to the remainder in the after condition, and a discussion of special and general benefits, and cost to cure damages or construction contract work.
29. There are occasions where properties involve water rights, minerals, or salable timber that require separate valuations. If an appraisal assignment includes water rights, minerals, or merchantable timber that requires separate valuation, the valuation of the water rights, minerals, or merchantable timber must be completed by a credentialed subject matter specialist.
30. For partial taking and easement appraisals, presentation of the valuation in California partial taking acquisition required format.
31. Implied dedication statement.
32. Reconciliation and final value estimate. Include analysis and comparison of the comparable sales to the subject, and explain and support conclusions reached.
33. Discussion of any departures taken in the development of the appraisal.
34. Signed Certification consistent with the language found in Uniform Standards of Professional Appraisal Practice.
35. If applicable, in addition to the above, appraisals of telecommunication sites must also provide:
 - a) A discussion of market conditions and trends including identification of the relevant market, a discussion of supply and demand within the relevant market area and a discussion of the relevant market factors impacting demand for site acquisition and leasing within the relevant market area.

An analysis of other (ground and vault) leases comparable to subject property. Factors to be discussed in the analysis include the latitude, longitude, type of tower, tower height, number of rack spaces, number of racks occupied, placement of racks, power source and adequacy, back-up power, vault and site improvements description and location on site, other utilities; access, and road maintenance costs.

Exhibit L
INFORMATION NEEDED FOR ESCROW PROCESSING AND CLOSURE
NOT APPLICABLE

The Grantee must provide the following documents to the State Project Representative during the escrow process. Property acquisition escrow documents must be submitted within the term of this Grant Agreement and after a qualified appraisal has been approved.

- Name and Address of Title Company Handling the Escrow
- Escrow Number
- Name of Escrow Officer
- Escrow Officer's Phone Number
- Dollar Amount Needed to Close Escrow
- Legal Description of Property Being Acquired
- Assessor's Parcel Number(s) of Property Being Acquired
- Copy of Title Insurance Report
- Entity Taking Title as Named Insured on Title Insurance Policy
- Copy of Escrow Instructions in Draft Form Prior to Recording for Review Purposes
- Copy of Final Escrow Instructions
- Verification that all Encumbrances (Liens, Back Taxes, and Similar Obligations) have been Cleared Prior to Recording the Deed to Transfer Title
- Copy of Deed for Review Purposes Prior to Recording
- Copy of Deed as Recorded in County Recorder's Office
- Copy of Escrow Closure Notice

EXHIBIT M

INVOICE GUIDANCE FOR ADMINISTRATIVE AND OVERHEAD CHARGES

The funds provided pursuant to this Agreement may only be used for costs that are directly related to the funded Project. The following provides a list of typical requirements for invoicing, specifically providing guidance on the appropriate methods for invoicing administrative and direct overhead charges.

Administration Charges

Indirect and General Overhead (i.e., indirect overhead) charges are not an allowable expense for reimbursement. However, administrative expenses that are apportioned directly to the project are eligible for reimbursement. Cost such as rent, office supplies, fringe benefits, etc. can be "Direct Costs" and are eligible expenses as long as:

- There is a consistent, articulated method for how the costs are allocated that is submitted and approved by the Grant Manager. The allocation method must be fully documented for auditors.
- A "fully-burdened labor rate" can be used to capture allowable administrative costs.
- The administrative/overhead costs can never include:
 - Non-project specific personnel and accounting services performed within the Grantee or an LPS' organization
 - Generic markup
 - Tuition
 - Conference fees
 - Building and equipment depreciation or use allowances
- Using a general overhead percentage is never allowed

Labor Rates

The Grantee must provide DWR with supporting documentation for personnel hours (see personnel billing rates letter in example invoice packet). The personnel rate letter should be submitted to the DWR Grant Manager prior to submittal of the first invoice. The supporting documentation must include, at a minimum, employee classifications that will be reimbursed by grant funds and the corresponding hourly rate range. These rates should be "burdened"; the burdened rate must be consistent with the Grantee's/Local Project Sponsors standardized allocation methodology. The supporting documentation should also provide an explanation of what costs make up the burdened rate and how those costs were determined. This information will be used to compare against personnel hours summary table invoice back up documentation. Periodic updates may be needed during the life of the grant which would be handled through a revised billing rate letter.

Certificate Of Completion

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Subject: Complete with Docusign: 4600015624 Amendment 1.pdf		
FormID:		
Optional 1:		
Source Envelope:		
Document Pages: 94	Signatures: 1	Envelope Originator:
Certificate Pages: 5	Initials: 0	Bryce Matsumura
AutoNav: Enabled		715 P Street
Envelopeld Stamping: Enabled		Sacramento, CA 95814
Time Zone: (UTC-08:00) Pacific Time (US & Canada)		Bryce.Matsumura@water.ca.gov
		IP Address: 136.200.53.21

Record Tracking

Status: Original	Holder: Bryce Matsumura	Location: DocuSign
July 22, 2024 09:05	Bryce.Matsumura@water.ca.gov	
Security Appliance Status: Connected	Pool: StateLocal	
Storage Appliance Status: Connected	Pool: Department of Water Resources	Location: DocuSign

Signer Events	Signature	Timestamp
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Eric Garcia	<i>Eric Garcia</i>	Sent: July 22, 2024 09:13
eric.garcia@water.ca.gov		Viewed: July 22, 2024 10:56
Security Level: Email, Account Authentication (None)		Signed: July 22, 2024 10:58
	Signature Adoption: Pre-selected Style	
	Using IP Address: 136.200.53.16	

Electronic Record and Signature Disclosure:
Not Offered via DocuSign

In Person Signer Events	Signature	Timestamp
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Editor Delivery Events	Status	Timestamp
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Agent Delivery Events	Status	Timestamp
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Intermediary Delivery Events	Status	Timestamp
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Certified Delivery Events	Status	Timestamp
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Carbon Copy Events	Status	Timestamp
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FAB Grant Support	<div>COPIED</div>	Sent: July 22, 2024 10:58
fabgrantsupport@water.ca.gov		

Security Level: Email, Account Authentication (None)

Electronic Record and Signature Disclosure:
Accepted: May 30, 2023 | 14:35
ID: 09c28b78-52e2-4947-baf1-0fbe441a78c4

Jorge Baca	<div>COPIED</div>	Sent: July 22, 2024 10:58
jorge.baca@water.ca.gov		

Senior Engineering Geologist
Department of Water Resources

Security Level: Email, Account Authentication (None)

Electronic Record and Signature Disclosure:
Not Offered via DocuSign

Witness Events	Signature	Timestamp
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Notary Events	Signature	Timestamp
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Envelope Summary Events	Status	Timestamps
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Certified Delivered	Security Checked	July 22, 2024 10:56
Signing Complete	Security Checked	July 22, 2024 10:58
Completed	Security Checked	July 22, 2024 10:58

Payment Events	Status	Timestamps
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Electronic Record and Signature Disclosure
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