

FLOODPLAIN MANAGEMENT, PROTECTION, AND RISK AWARENESS GRANT PROGRAM

PROPOSITION 68 DRAFT GUIDELINES



**STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES
DIVISION OF FLOOD MANAGEMENT**

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The Department of Water Resources (DWR) has prepared this document with appendices, which includes Guidelines and Proposal Solicitation information for applicants to submit proposals for grants for the Floodplain Management, Protection, and Risk Awareness Program. Please read the document in its entirety, including all Appendices for pertinent information on eligibility, application procedures, and necessary forms. Appendix B includes procedures for the proposal process, and Appendix I includes a template for Concept Proposals, the first step in the application process.

Section 1 Program Description and Funding Authority

These Guidelines govern the Floodplain Management, Protection, and Risk Awareness Program (Program) established in the Budget Act of 2019 (Assembly Bill [AB] 74, Item 3860-101-6088) and funded by the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Fund Act of 2018 (Proposition 68; Water Code, § 80000 et seq.).

Proposition 68 authorized the Legislature to appropriate funding to DWR for competitive grants that reduce flood risks associated with stormwater flooding¹, mudslides, and flash flooding.² Of the funding available, a maximum of 10 percent will be allocated for planning and monitoring projects.³ Priority points will be given to flood risk reduction projects located in a Federal Emergency Management Agency (FEMA) special flood hazard area; however, funding projects to achieve FEMA accreditation is not an objective of the Program.

The Program will be implemented in alignment with key State and federal guidance documents, which primarily include:

- California Water Plan
- California’s Central Valley Flood Protection Plan (CVFPP)
- California Governor’s Water Resilience Portfolio⁴
- [Unified National Plan for Floodplain Management 1994](#)
- National Flood Insurance Program (NFIP) requirements
- [USACE FMP-101: Floodplain Management Plans, A Short Course \(PCoP Webinar Series\)](#)

Program implementation will also be guided by the criteria presented in Sections 3 and 4 and the following objectives (when economically feasible):

- Alignment with FEMA’s Hazard Mitigation Assistance: Building Resilient Infrastructure and Communities and Hazard Mitigation Grant Program (HMGP)
- Leverage State and federal investments to complete construction features

¹ Water Code Section 10561.5(b): “Stormwater” means temporary surface water runoff and drainage generated by immediately preceding storms. This definition shall be interpreted consistent with the definition of “stormwater” in Section 122.26 of Title 40 of the Code of Federal Regulations.

² California Public Resources Code section 80145(a)(2).

³ California Public Resources Code section 80006(a).

⁴ 2020 Water Resilience Portfolio, In Response to the Executive Order N-10-19, July 2020.
www.waterresilience.ca.gov

- Implement locally preferred actions that are identified in either completed feasibility studies, approved Local Hazard Mitigation Plans (LHMP), or Floodplain Management Plans
- Incorporate use of nature-based solutions, including floodplain restoration
- Evaluate benefits of non-structural methods to reduce flood risk
- Support local floodplain management resiliency
- Discourage projects that induce population growth in floodplains
- Encourage measures to reduce flood insurance premiums, including participation in the NFIP and Community Rating System.

Section 2 Eligible Funding Recipients

Eligible funding recipients include any California public agency, nonprofit organization, public utility agency, federally recognized Indian Tribe, State Indian Tribe listed on the Native American Heritage Commission’s California Tribal Consultation List, or mutual water company.

- A. Proposals submitted by Public Utility Agencies and Mutual Water Companies shall include a detailed statement to demonstrate how the proposed project has a clear and definite public purpose. The purpose shall be to benefit the users of the water system and not the investors.
- B. Any applicant that is also an urban water supplier must adopt and submit an urban water management plan in accordance with the Urban Water Management Planning Act (Water Code, § 10610 et seq.) and in compliance with the Sustainable Water Use and Demand Reduction Act (Water Code, § 10608, et seq.) in order to be an eligible funding recipient.
- C. Any applicant that is also an agricultural water supplier must adopt and submit an agricultural water management plan in accordance with the Agricultural Water Management Planning Act (Water Code, § 10800 et seq.) and in compliance with the Sustainable Water Use and Demand Reduction Act (Water Code, § 10608, et seq.) in order to be an eligible funding recipient.

Section 3 Project Types and Eligibility Criteria

Projects funded under the Program must meet the criteria described in the following sections. The applicant shall be responsible for quantifying the public benefits and providing this information to the DWR.

3.1 Geographic Criteria

Eligible projects must be located in a California watershed including coastal, alluvial fan, and riverine basins. However, Delta conveyance facility projects are excluded.⁵

⁵ Water Code section 80145(b): Funds provided by this chapter shall not be expended to pay the costs of the design, construction, operation, mitigation, or maintenance of Delta conveyance facilities.

3.2 Planning Projects

Planning projects eligible for funding under this Program must include the planning and monitoring necessary for the successful selection and design of an implementation project authorized under these Guidelines.

Examples of planning projects include, but are not limited to:

- Purchase and installation of data collection gages, i.e. precipitation and stream.
- Flood risk reduction mapping, alluvial fans or other landforms, burned areas, severity of burns and simulating burn severities, vegetation mapping.
- Evaluation of risks based on mapping and data collection efforts.
- Decision support tools that evaluate the benefits and costs of multi-benefit stormwater projects.
- Projects to implement a stormwater resource plan developed in accordance with Part 2.3 (commencing with section 10560) of Division 6 of the Water Code.
- Community Rating System (CRS) class advancement or application letter of interest submittal.
- Development and update of LHMPs in coordination with the California Governor's Office of Emergency Services (CalOES).
- Early warning notification systems.

Design and/or construction of selected planning projects is not fundable under this subsection.

3.3 Implementation Projects

Implementation projects eligible for funding under this Program must address flood risk reduction with stormwater, mudslide, and flash flood-related protection, promote wise use of floodplains, and include multiple benefit features when applicable.

Examples of stormwater flood risk reduction projects include, but are not limited to the construction or repair:

- Structural projects like retention or detention basins,
- Stormwater management system upgrades,
- Floodwalls,
- Channel widening,
- Nature-based projects like runoff reduction / stormwater infiltration basins and bioswales,
- Administrative projects such as acquisition and relocation programs.

The use of green infrastructure for stormwater controls or best management practices is encouraged.

Examples of mudslide and flash-flood risk reduction projects include, but are not limited to construction or repair:

- Slope stabilization,
- Erosion protection,
- Revegetation,
- Flow barriers / diversion structures,
- Debris basins, clearing of debris basins due to past events,
- Early warning systems,
- Acquisition and relocation programs.

All implementation projects must include a capital asset acquisition or construction component and must not yet be under construction or acquired. Design and environmental documentation may be incorporated into the implementation project scope.

3.4 Additional Eligibility Criteria

- A. Projects must promote State planning priorities, including floodplain management,⁶ which are intended to promote equity, strengthen the economy, protect the environment, and promote public health and safety in the State, including in urban, suburban, and rural communities, as detailed in Government Code section 65041.
- B. Stormwater Resource Plans – Water Code section 10563(c)(1) requires the development of a stormwater resource plan and compliance with these provisions to receive grants for stormwater and dry weather runoff capture projects. This requirement does not apply to Disadvantaged Communities (DACs) with a population of 20,000 or less, and/or is not a co-permittee for a municipal separate stormwater system national pollutant discharge elimination system permit issued to a municipality with a population greater than 20,000 (Water Code § 10563(b)).
- C. Projects are required to incorporate measures that support the DWR's efforts to address risks arising from climate change.⁷ These measures include reducing greenhouse gas emissions and carbon sequestration⁸ and enhancing the resiliency of communities to the impacts of climate change. Projects must identify climate change impacts assumed in its design and explain how the proposed project will mitigate those impacts.⁹
- D. Applicant must also demonstrate whether the proposed project is located within a geographic area that may be changed significantly due to actions that could reasonably be expected to result from an adopted or approved State, local and/or federal planning effort (such as the Central Valley Flood Protection Plan, the San Joaquin River Restoration Program, or a U.S. Army Corps of Engineers' feasibility study). If the proposed project is within such a geographic area, the applicant must:

⁶ California Executive Order B-39-77.

⁷ California Governor's Executive Order B-30-15, April 29, 2015.

⁸ Public Resources Code section 80001(b)(7).

⁹ <https://resources.ca.gov/Initiatives/Building-Climate-Resilience>.

- i. Describe how the applicant is coordinating with the other planning effort(s);
 - ii. Demonstrate that the proposed project is generally consistent with the other planning effort(s) that affect the same geographic area; and
 - iii. Demonstrate that the benefits from the proposed project are not likely to be reduced significantly or eliminated due to changes that can be expected to result from the long-term planning effort(s).
- E. Applicants must be prepared to conserve in perpetuity any property improvements or property interests acquired pursuant to this Program, either by a recorded conservation easement, deed restriction, or similar limitation to fee title held and enforced by an identified third party. Any such limitation shall not be on parity or subordinate to any other limitation; there will be no exceptions to this requirement.
- F. Applicants, or co-applicants, for implementation projects within the jurisdictional area of the Central Valley Flood Protection Board, and with specific named responsibilities for compliance with Senate Bill 5 (SB5) Flood Management (Stats. 2007, ch. 364), must demonstrate compliance or adequate progress in the application, and how the project complies with those responsibilities.
- G. Grant funds cannot be used to fulfill any mitigation requirements imposed by law.¹⁰
- H. Projects must provide workforce education and training, contractor, and job opportunities for disadvantaged communities, where practicable

Section 4 Additional Project Considerations

This section describes additional considerations that applicants may incorporate into their project proposals in addition to the preceding project eligibility criteria. The following is a list of ideas, potential project benefits, and features to be considered. Please also review Appendix C, which identifies project proposal scoring criteria.

4.1 Additional Planning Project Considerations

When scoping a planning project for mapping, risk assessment, or other planning need, consider the following:

- A. Consider coordinating and acquiring mapping information from or sharing mapping information with other entities to broaden common understanding of alluvial, flood-after-fire, or other flash-flood hazards (e.g. FEMA, U.S. Geological Survey, California Geological Survey, DWR Floodplain Management Office, other jurisdictional agencies or municipalities in the area).
- B. Consider assuming post-fire conditions in evaluating flood risk.
- C. Consider pre-project water quality monitoring to anticipate changes in water quality during flood events.

¹⁰ Public Resources Code section 80020.

4.2 Additional Implementation Project Considerations

When scoping an implementation project, consider the following:

- A. When scoping projects, consider avoiding risk intensification. Demonstrate actions that will prohibit or reduce risk intensification.
- B. Protecting or enhancing existing natural habitats, or providing new ones, to leads to conjunctive regional habitats. Consider acquiring land if necessary.
- C. Consider ways to improve water quality and other natural resources.
- D. Consider capturing stormwater to reduce runoff and water pollution. Stormwater may be used for natural treatment methods to improve floodwater / stormwater quality (e.g. bioswales, retention / detention basins, sedimentation basins, and wetlands).
- E. Consider breaching existing levees or constructing setback levees to provide transitory storage of floodwater and reconnecting floodplains for wildlife habitats.
- F. Consider projects that restore natural fluvial and related biological processes, including protecting riparian habitats.
- G. Consider seasonal diversion of floodwater flows onto agricultural lands for temporary floodplain and aquatic food creation.
- H. Consider efficient use and conservation of water supplies, or use of recycled water, when establishing plantings.
- I. Consider construction of earthen bottom detention, or retention basins that capture floodwaters. Support native riparian or wetland vegetation, and/or recharging of groundwater.
- J. Consider laying back the banks of incised streams to support native vegetation and improve conveyance.
- K. Consider incorporating portfolio actions listed in California's Water Resilience Portfolio to help Californians "Be Prepared" (flood-focused actions in Section 25), or other California Water Resilience Portfolio actions that align with this Program's goals.
- L. Consider including one-time costs to create or improve flood-related emergency notification, early warning systems, or response procedures.

Where possible applicants should also:

- A. When available, provide a FIRMette¹¹ of the project area,
- B. Provide model-based inundation or floodplain maps showing the before-project and after-project conditions,
- C. Describe studies of alternatives that were eliminated prior to deciding on the proposed project,
- D. Indicate if the proposed project is part of a Regional Flood Management Plan or Integrated Regional Water Management Plan,
- E. Describe the benefit-to-cost ratio and valuation methods used.

¹¹ <https://msc.fema.gov/portal/home>.

4.3 Special Considerations

Special consideration will be given in the form of supplemental points to projects that directly benefit disadvantaged communities (DAC) or severely disadvantaged communities (SDAC).

Section 5 Grant Awards

Applicants for competitive grant funding under the Program must file a complete grant proposal package with DWR during an open solicitation period. Proposal requirements will be prescribed in a Proposal Solicitation Package (PSP) released by DWR when funding is available. DWR will not revise the proposal requirements during any period in which competitive project proposals are being solicited. Applicants are required to refer to the Program website for current status of any proposal solicitations. Local cost-share requirements for all projects funded under these Guidelines are described as follows.

5.1 Local Cost-Share

A match of 25 percent (%) of local cost-share (matching funds) is required. Local cost-share may include, but is not limited to federal funds, local funds, or donated services from non-State sources.¹² Other State funds, if part of the funding package for the proposal, must be included in the total proposal cost but cannot be used as local cost-share. Higher priority will be given to projects with private, federal, and local fund shares beyond the minimum required.¹³ The local cost-share requirement may be waived or reduced for projects that directly benefit a DAC. A more detailed definition of “Local Cost-Share” can be found in Appendix D.

Section 6 Funding Agreement Requirements

For all projects awarded funding by DWR, the funding recipient will need to execute a funding agreement with the State. A funding agreement template is attached as Appendix H. The following is a partial list of requirements that will be contained within any funding agreement.

6.1 Eligible Project Costs

State funding may only be used for eligible project costs. These include the reasonable costs of environmental evaluation, project management, studies, design, land and easement acquisition, legal fees, preparation of environmental documentation, environmental mitigations, monitoring, project construction, and construction management. Reimbursable administrative expenses are the necessary costs incidentally but directly related to the funded project, including the portion of overhead and administrative expenses that are directly related to the project.

If State funding is requested for real estate acquisition or relocation, it must have at least 50 percent of its area within the FEMA coastal V/VE or coastal A/AE zones or FEMA Special

¹² If the Applicant is a State agency, then the “local” cost share may include funds from State sources.

¹³ Public Resources Code section 80001(b)(2).

Flood Hazard Area (SFHA). The project must also provide substantial flood risk reduction benefits to a FEMA SFHA, which is determined by using the detailed methods identified in the current FEMA *Guidelines and Standards for Flood Risk Analysis and Mapping*.¹⁴

Eligible project costs include those eligible costs incurred after the date of the notice of award from DWR. Note that only incurred project costs are reimbursed by DWR. Advanced funds will not be provided.

Costs that are not eligible include:

- A. Operation and maintenance costs
- B. Routine maintenance
- C. Vegetation / habitat maintenance costs
- D. Purchase of equipment that is not an integral part of the funded project
- E. Establishment of a reserve fund
- F. Support of existing agency requirements and mandates
- G. Payment of principal or interest on existing indebtedness, any interest payments, or costs associated with project financing
- H. 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
- I. Duplicate work to obtain new data that the State already has available, unless previously approved by the State or waived by the State
- J. Any 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 Funding Recipient; non-project-specific accounting and personnel services performed within the Funding Recipient's organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; and, generic overhead or markup. This prohibition applies to the Funding Recipient and any subcontract or sub-agreement for work on the funded project that will be reimbursed with grant funds from DWR.

6.2 Conflict of Interest and Confidentiality

All participants are subject to State conflict-of-interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the proposal being rejected and any agreement 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.

As part of the conflict of interest requirements, individuals working on behalf of a Funding Recipient may be required by the State 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.

¹⁴ <https://www.fema.gov/flood-maps/guidance-partners/guidelines-standards>.

Applicants should be aware that when submitting a proposal to the State, they will waive their rights to the confidentiality of the contents of the proposal. Once final awards have been announced by DWR, all proposals are subject to disclosure pursuant to the California Public Records Act (Gov. Code, § 6250 et seq.).

6.3 Indemnify and Hold Harmless

As part of the funding agreement, applicants shall indemnify and hold harmless the State, its officers, agents, and employees from any and all liability from any claims and damages (including inverse condemnation) arising from the planning, design, construction, repair, replacement, rehabilitation, maintenance, and operation of the project, and any breach of the funding agreement.

6.4 Labor Code Compliance

As part of the funding agreement, the funding recipient shall agree to be bound by all the provisions of the Labor Code regarding prevailing wages, and shall monitor all contracts subject to reimbursement from the funding 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 funding recipient will also affirm 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.

6.5 California Environmental Quality Act (CEQA)

All activities funded pursuant to the Program must comply with CEQA (Pub. Resources Code, § 21000 et seq.). Any work that is subject to CEQA and funded under a funding agreement shall not proceed until documents that satisfy the CEQA process are received by DWR, and DWR has completed its CEQA compliance. Any work funded under the Program that is subject to CEQA shall not proceed until and unless approved by DWR; such approval is fully discretionary. If CEQA compliance by the funding recipient is not complete at the time a funding agreement is executed by the parties, once DWR 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, the funding agreement shall be terminated.

6.6 Income Restrictions

Any capital asset acquired or constructed in any part with grant funds may not be used to generate income of any kind. The funding recipient shall agree that any refunds, rebates, credits, or other amounts (including any interest) accruing to or received by the funding recipient pursuant to this Program shall be paid by the funding recipient to the State, to the extent that they are properly allocable to costs for which the funding recipient has been reimbursed by the State pursuant to a funding agreement.

6.7 Competitive Bidding and Procurement

A funding recipient's contracts with other entities for the acquisition of goods, services, and construction of public works with funds provided by the State must be in writing and shall

comply with all applicable laws and regulations regarding the securing of competitive bids and undertaking competitive negotiations. If a funding recipient does not have a written policy to award contracts through a competitive bidding or sole source process, DWR 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>.

6.8 Signage or Acknowledgement of Credit

To the extent practicable, a project supported by funds from the Floodplain Management, Protection, and Risk Awareness Program, will include signage and other relevant forms of acknowledgement informing the public that the project received funds from DWR and the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Fund Act of 2018. Specific verbiage will be included in the final grant agreement.

6.9 Monitoring and Maintenance Reporting

As part of the funding agreement, the funding recipient shall prepare a monitoring and maintenance plan that outlines the plans for monitoring the restored site, assessing maintenance needs, and carrying out known and unanticipated maintenance actions necessary or required during and after completion of the Project. The funding recipient shall prepare a Draft Monitoring and Maintenance Plan during the design phase of the Project and submit it to the State in accordance with the funding agreement. The Final Monitoring and Maintenance Plan shall be approved prior to disbursement of grant funds for construction or monitoring activities.

Section 7 Guideline Amendments

These Guidelines may be amended after completion of the initial proposal solicitation. Amendments to the Guidelines will be publicly posted and made available for comment for at least 45 days.

Appendix A

Definitions

In interpreting and applying these Guidelines, the following definitions and acronyms will apply:

“Acquisition:” Obtaining a real property interest, including easements, fee title, leases, water, water rights, or interest in water obtained for the purposes of instream flows and development rights.

“Alluvial Fan:” “Alluvial fan flooding”: means flooding occurring on the surface of an alluvial fan, or similar landform, which originates at the apex and is characterized by: high-velocity flows, active processes of erosion, sediment transport, deposition, and unpredictable flow paths.

“California Environmental Quality Act (CEQA):” Statute that requires State and local agencies to identify the significant environmental impacts of their actions and to avoid or mitigate those impacts.

“Climate Change:” Climate refers to conditions, such as temperature and precipitation, measured over an extended period of time.

“Conservation Easement:”¹⁵ Any limitation in a deed, will, or other instrument in the form of a restriction, covenant, or condition, which is or has been executed by or on behalf of the owner of the land subject to such easement. It is binding upon successive owners of such land, and the purpose of which is to retain land predominantly in its natural, scenic, historical, agricultural, forested, or open-space condition.

“Decision Support Tool:” A decision support tool (or decision support system), which assists in solution development based on expert data and user input. The goal of a decision support tool is to enhance the decision-making ability and efficiency of the user. These tools can vary widely, from state issued best management practice manuals to databases of manufactured devices.

“DWR:” The California Department of Water Resources.

“Disadvantaged Community (DAC):” A community with an annual median household income that is less than 80 percent of the statewide annual median household income.¹⁶

“Eligible Funding Recipient:” A California public agency, nonprofit organization, public utility agency, federally recognized Indian tribe, State Indian tribe listed on the Native American Heritage Commission’s California Tribal Consultation List, and mutual water company.

¹⁵ Civil Code, § 815, et seq.

¹⁶ DWR has developed and posted for public use a GIS-based tool to help applicants determine disadvantaged status for grant proposals which is consistent with the definition in Water Code section 79505.5(a).

<https://gis.water.ca.gov/app/dacs/>

“FEMA Zone AE and A:” Special Flood Hazard Areas subject to flooding from a 100-year flood. Zones AE and A are floodplains with and without base flood elevations, respectively.

“FEMA Coastal Zones VE:” Special Flood Hazard Areas subject to flooding from a 100-year flood. Zone VE is a coastal area with an additional hazard associated with storm waves and has base the flood elevations identified.

“Flash flood:” Rapid rises of water in drainage basins typically caused by high intensity, short duration storm events that occur with little warning. Flash floods often occur on steep slopes in arid climates in canyons, streams, drainage channels, or alluvial fans. They frequently cause damage from high velocity erosive flows and sediment deposition in agricultural or rural areas; they also cause damage to property and infrastructure in urban areas.

“Funding Agreement” or “Agreement:” An agreement entered into by a successful applicant and the State, where the State provides funds for the applicant’s project pursuant to the Program.

“Funding Recipient:” An eligible applicant or entity selected to receive funding as a signatory pursuant to the Program.

“Induce Population Growth:” The tendency for a population increase and/or intensity in a floodplain, following the construction of flood management improvements. The State does not promote flood management improvements that would induce urban development and associated population growth in rural floodplains. Flood improvements can be made to accommodate some level of future growth while avoiding broader urban development that leads to risk intensification and potential increases in aggregate, economic, and life safety risk.

“Median Household Income:” The median household income data reported in the most recently published U. S. Census, as updated by the California Department of Finance, Population Research Unit, for the year in which a project proposal is submitted to DWR.

“Mudflow:” A condition where there is a river, flow or inundation of liquid mud down a hillside, usually as a result of a dual condition of loss of brush cover, and the subsequent accumulation of water on the ground preceded by a period of unusually heavy or sustained rain. A mudslide may occur as a distinct phenomenon while a landslide is in progress, and will be recognized as such only if the mudflow, and not the landslide, is the proximate cause of damage that occurs.¹⁷

“Multi-benefit:” Projects that provide more than one public benefit. For example, Projects that reduce flood risk and enhance fish and wildlife habitat, as well as create additional public benefits such as: sustaining agricultural production, improving water quality and water supply reliability, increasing groundwater recharge, supporting commercial fisheries, and providing public recreation and educational opportunities, or any combination thereof.

“Nonprofit organization:” means an organization qualified to do business in California and qualified under Section 501(c)(3) of Title 26 of the United States Code.

“Project:” All planning, engineering, acquisition of real property interests, construction and related activities undertaken to implement a discrete action to be funded under the Program.

¹⁷ 44 CFR § 59.1

“Public Agency:” A State agency or department, special district, joint powers authority, any county, city, city and county, or other political subdivision of the state. For purposes of this Program, a public agency must have authority to implement flood management projects.

“Public utility agency (water):” A public agency where services are performed for or delivers water to the public and is subject to the jurisdiction and regulation of the Public Utilities Commission.

“Setback Levee:” A new levee constructed completely separate (except for the “tie-ins”) from an existing levee, which allows for removal of the existing levee and creation of additional floodplain connected to the stream.

“Severely Disadvantaged Community (SDAC):” A community with an annual median household income that is less than 60 percent of the statewide annual median household income.

“State:” The State of California, acting by and through the Department of Water Resources.

“Wise Use of Floodplains¹⁸:” A floodplain is being put to wise use when the activities that take place on it consider the risks to human life and property from floods, as well as the risks to the floodplain's natural functions posed by human activity. The concept of wise use emphasizes the floodplain's geography, natural functions, periodic inundation, nexus to the watershed, and directs decisionmakers to the potential interaction of natural resources and functions with existing or proposed human activity.

¹⁸ Unified National Program for Floodplain Management, Federal Interagency Floodplain Management Task Force, 1994.

Appendix B

Proposal Solicitation and Ranking Process

DWR has \$25 million available to grant for projects under the Floodplain Management, Protection, and Risk Awareness Program during this solicitation. Funds are available through June 2024. Of the funding available, a maximum of 10 percent will be allocated for planning and monitoring projects. It is recommended that the project work be completed by the end of calendar year 2023 to allow time to process final invoices and close out projects by June 2024. If the quantity of funds requested exceeds the amount available, DWR may choose to partially fund some or all proposals, may refer proposals to other funding programs, or may not fund selected eligible concept proposals.

Solicitation of proposals for these funds will begin with the request for Concept Proposals, to avoid the expense of preparing full proposals for all projects.

Concept Proposals –

Eligible applicants submit a concept proposal containing a brief description of the proposed project. Concept proposals must be prepared using the form in Appendix I.

For electronic submittal, please email the form to DWR at: FMPRA@water.ca.gov. The time/date stamp on the email accompanying the electronic form will establish the official date and time of submittal. For hard copy submittal, please send the form with a postmark prior to the due date to the program office at 3464 El Camino Avenue, Suite 200, Sacramento, CA 95821. Concept proposals that are incomplete or do not meet the deadline will be rejected.

Concept proposals will be evaluated, but not scored, based on the scoring criteria. All proposals will be provided written feedback on basic eligibility, and a summary of the total number of concept proposals received and the competitive environment for the Program. No applicant will be denied the opportunity to submit a full proposal; however, **a concept proposal must be submitted for a full proposal to be considered for funding**. Feedback on concept proposals will be provided within 30 days of the submittal deadline.

Submittal Deadline: 5:00pm, <Date TBA>

Full Proposals –

Full proposals are free form – i.e., a template is not provided. For full proposal submittals, all of the following basic information must be included:

1. The agency name, primary contact, address, phone number, and email address.
2. The name, title, phone number, and email address of the authorized representative who may sign a funding agreement on behalf of the applicant.
3. The agency's flood management authority.
4. A scope of work, schedule, and budget for the proposed project, summarized at the task level.
5. Proposed State and local cost-share percentages and supporting information.

6. A description of the project location, with reference to tributaries or communities effected by or benefitting from the project.
7. One adopted and certified original of Appendix E- Authorizing Resolution, Appendix F - Attorney's certification, and Appendix G- Environmental Information Form.

Please submit **one** electronic copy and **three** hard copies of your proposal. Submitting electronic files using a USB flash drive, via email, or via cloud sharing is acceptable; the files should be compatible with Microsoft Word or in a searchable Adobe portable document format with content copying enabled. All content must be completely legible and suitable for reproduction.

Submittal Deadline: 5:00pm, <Date TBA>

The Full Proposal package must be postmarked on or before the submittal deadline listed above. Proposals received after this deadline will be rejected.

DWR will review all timely submittals for completeness within two weeks of receipt. A complete review and ranking of the full proposal will take three to five months. This includes a detailed proposal review, management review, and management approval of the proposed awards. Proposed awards will be publicly posted for 15 days. The final awards will be determined after that period. Funded and non-funded project applicants will be notified, and the grant agreement execution process will begin for funded projects. The template grant agreement is provided in Appendix H, which will be executed for projects that are awarded funding.

Where to Submit full proposals

California Department of Water Resources
3464 El Camino Avenue, Suite 200
Sacramento CA, 95821
Attn: Mehdi Mizani

For questions:
Mehdi Mizani, Program Manager
Floodplain Management, Protection, and Risk Awareness Program
(916) 480-5351
Mehdi.Mizani@water.ca.gov

Appendix C

Proposal Evaluation and Scoring

The proposal review team will use the criteria in this appendix to evaluate the benefits of proposed projects. The highest points will be assigned to proposals that fulfill the purposes of the Program and that list important details about the proposed project. Points will be assigned proportionately within each criterium as identified.

Planning and Monitoring Projects (Section 3.2) must receive a minimum of 12 points to be eligible for a Planning & Monitoring grant award and will be evaluated using Criteria in Table C-1.

Table C-1 Planning & Monitoring Project Scoring Criteria	Maximum Points
A) Will the proposed project, if completed and construction implemented, mitigate flood risk related to stormwater flooding, mudslides, and flash flooding?	10
B) Are there opportunities for the proposed project to achieve multiple benefits? (1 point per potential benefit up to 4 points) <ul style="list-style-type: none"> - Enhancing fish and wildlife habitat - Sustaining agriculture production - Improving water quality - Improving water reliability - Groundwater recharge - Sheltering and evacuation - Supporting commercial fisheries - Providing public recreation - Educational opportunities 	4
C) Could the proposed project benefit a DAC or SDAC? (yes = 3 points)	3
D) The extent to which the applicant can demonstrate the project meets the following: (1 point per yes) <ol style="list-style-type: none"> 1. Is the proposed project part of a larger prioritization of projects (e.g. Regional Flood Management Plan, Integrated Water Management Plan)? 2. Is any prior study or evaluation being used to advance the proposed project? 3. Could the proposed project cause the community to enter the CRS or advance in ranking in the CRS? 	3
E) Has the community prioritized planning & implementation projects in their LHMP? (yes = 1 point)	1
F) Has the community pre-prepared a Notice of Intent for the annual pre-disaster (Building Resilient Infrastructure and Communities), post-disaster HMGP or other FEMA Hazard Mitigation Assistance grant programs?	1
G) Will the proposed activities lead to the further refinement of a project that is not currently eligible under other existing funding opportunities?	1
TOTAL POSSIBLE POINTS	23

Implementation Projects (Section 3.3) must receive a minimum of 30 points to be eligible for an Implementation grant award and will be evaluated using Criteria in Table C-2.

Table C-2 Implementation Project Scoring Criteria	Maximum Points
<p>A) The extent to which the project achieves public safety via stormwater, mudslide, and flash-flood risk reduction (25 points) Is the project in one of FEMA's flood zones as identified in Section 6.1 of the Guidelines? (Yes = 5 points)</p>	30
<p>B) The extent to which the project achieves the following multiple benefits (3 points per additional benefit, maximum of 12 points):</p> <ul style="list-style-type: none"> - Enhancing fish and wildlife habitat - Sustaining agriculture production - Improving water quality - Improving water reliability - Groundwater recharge - Sheltering and evacuation - Supporting commercial fisheries - Providing public recreation - Educational opportunities 	12
<p>C) The extent to which the project benefits a disadvantaged community (consistent with Appendix D):</p> <ul style="list-style-type: none"> a) 80%-100% DAC/SDAC Benefit: (5 points) b) 60%-79.9% DAC/SDAC Benefit: (4 points) c) 40%-59% DAC/SDAC Benefit: (3 points) d) 20% - 39.9% DAC/SDAC Benefit: (2 point) e) Less than 20%: (1 point) 	5
<p>D) The extent to which the proposal includes a complete, reasonable, and well-thought-out:</p> <ul style="list-style-type: none"> • scope of work (1 point) • budget (1 point) • schedule (1 point) 	3
<p>E) The extent to which the project leverages the resources of private, federal, or local funding sources by exceeding the minimum required funding match: (DAC/SDAC's that meet this criterion will be assigned 5 points)</p> <ul style="list-style-type: none"> i) minimum funding match exceeded by at least 5% (1 point) ii) minimum funding match exceeded by at least 10% (3 points) iii) minimum funding match exceeded by at least 15% (5 points) 	5
<p>G) The extent to which the project will deliver sustainable outcomes in the long-term (e.g. non-structural measures, utilizing green infrastructure, natural systems or systems that mimic natural systems, minimal to no long-term operation, and maintenance costs).</p>	2
<p>H) Does the community participate in the NFIP CRS?</p> <ul style="list-style-type: none"> i) Participates in the CRS and designated as a Class 10, 9 or 8 (1point) ii) Participates in the CRS and designated as a Class \leq 7 (2 points) 	2

<p>I) The extent to which the project:</p> <p>i) Provides the greatest public benefit, as demonstrated by the Benefit to Cost Ratio (BCR):</p> <p>a) BCR < 1.0 or unknown (0 points)</p> <p>b) BCR ≥ 1.0 and < 2 (1 point)</p> <p>c) BCR ≥ 2 (2 points)</p>	2
<p>J) Does the project utilize the California Conservation Corps or certified community conservation Corps?¹⁹ (Yes = 1 point, No = 0 points)</p>	1
TOTAL POSSIBLE POINTS	62

¹⁹ Public Resources Code section 80016.

Appendix D

Local Cost Share Reduction

Applicants may propose a reduced local cost-share for projects that directly benefit one or more DACs or SDACs. To substantiate the reduced local cost-share, applicants should submit substantiating documentation with the full proposal. Project benefits to a DAC or SDAC may be claimed based on percentage of population or geographic area benefitted. Proposed cost shares that have approved documentation will be assigned as follows:

Benefit to a DAC / SDAC	Percent (%) Local Share
80% - 100%	0
60% - 79.9%	5
40% - 59.9%	10
20% - 39.9%	15
Less than 20%	20

Applicants should ensure the description of the DAC and SDAC are adequate for DWR to determine whether the communities meet the definitions. Applicants must provide the following information for each project claiming benefits to a DAC and SDAC:

- Percentage of the project benefits provided to a DAC and SDAC, by geographic area, population, or other rationale demonstrated as satisfactory by DWR.
- Calculations that support the project benefits in the DAC and SDAC, such as a map or shapefile that shows the project benefit area overlaid onto the DAC or SDAC.
- Information that demonstrates support for the project by effected DACs and SDACs (e.g., letter(s) of support, financial commitments, etc.).
- If representative census data that adequately represents the community cannot be found, alternative studies (local income surveys, a subset of a block group, older ACS data, etc.) may be substituted in the attachment. Include justification for the use of alternate data.

To determine the Median Household Income (MHI) for DACs and SDACs, applicants may use a single type of census geography or combinations of census geographies that best represent DACs and SDACs. GIS data files used within the DACs and SDACs mapping tool are available to download and use at <https://gis.water.ca.gov/app/dacs/>.

Please note that the American Community Survey (ACS) of the U.S. Census provides a dataset that can be used as a source to estimate a community's MHI. The most recent and most comprehensive data available is the 5-year period of 2014 - 2018. The ACS data gives estimates of MHI for different census geographies, such as states, counties, census places (incorporated cities and unincorporated towns), census tracts, and census block groups. Using the ACS data from 2018, the California Statewide MHI is \$72,228. A DAC and SDAC is defined as a community with an annual median household income that is less than 80 and 60 percent, respectively, of the statewide annual median household income.

Appendix E

Local Public Agency Authorizing Resolution Template

Resolution No. _____

A Resolution by the (Local Governing Body Name) of the (Agency Name)
Authorizing a Proposal for funding from the Department of Water Resources and
Designating a Representative to Execute the Agreement and any Amendments
thereto, for the (Project Name) Project

WHEREAS, the (agency name) is a (agency type) with responsibility for and authority over (e.g. flood management, ecosystem management, water quality management) in the area proposed for the project and is willing to participate in, coordinate, and collaborate with other interested parties that are participating in the development of the (agency name) project;

WHEREAS, the (agency name) is authorized to enter into an agreement with the Department of Water Resources and the State of California;

THEREFORE, BE IT RESOLVED by the (Local Governing Body Name) of the (agency name) as follows:

1. That pursuant and subject to all of the terms and conditions of the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Fund Act of 2018 (Proposition 68; Water Code, § 80000 et seq.), the (agency name) shall submit a proposal to obtain funding for the (project name) Project from the Department of Water Resources.
2. That the (Local Governing Body Name) authorizes the (title of authorized representative), or designee, to execute the funding agreement with the Department of Water Resources and any amendments thereto.
3. That the (title of authorized representative), or designee, shall prepare the necessary data, make investigations, and take other such actions as necessary and appropriate to execute the (project name) Project.

CERTIFICATION

I hereby certify that the foregoing Resolution (#) was duly and regularly adopted by the (Local Governing Body Name) of the (agency name) at the meeting held on (date), motion by (member name) and seconded by (member name), motion passed by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Attest:

Chair, (Local Governing Body Name) _____

Name and Title

Appendix F:

Attorney's Certification Form

(The applicant's attorney shall answer the following questions regarding this proposal and where indicated, shall cite statutory authority or other references.)

- Is the Applicant a political subdivision of the State of California? ()Yes ()No

Citation: _____

- Does the Applicant have legal authority to enter into a funding agreement with the State of California? ()Yes ()No

Citation: _____

- What steps are required by law for the Applicant to contract with the State?

Citation: _____

- What is the statutory authority under which the Applicant may obtain funds for the purpose, amount, and duration requested?

Citation: _____

- What is the statutory authority under which the Applicant was formed and is authorized to operate?

Citation: _____

- Is the Applicant required to hold an election before entering into a funding contract with the State? ()Yes ()No

Citation: _____

- Will a funding agreement between the Applicant and the State be subject to review and approval by other governmental agencies? Yes No

Identify all such agencies: _____

Citation: _____

- Describe any pending litigation that impacts the financial condition of the Applicant or the operation of flood management facilities. If none is pending, so state.

- Does the Applicant have legal authority and jurisdiction to implement a flood control program and the authority to make land use decisions at the Project site and in the protected area? Yes No

Citation: _____

I certify that I am a duly qualified and licensed attorney in California representing the applicant agency and that I have answered the questions on this page and the preceding page to the best of my knowledge.

By _____ Date

(Signature of Applicant Agency's Attorney)

(Printed Name of Applicant Agency's Attorney)

(Title) (Bar No.)

(Name of Applicant Agency)

Appendix G
ENVIRONMENTAL INFORMATION FORM

Grantees are responsible for complying with all applicable laws and regulations for their projects, including the California Environmental Quality Act (CEQA). Work that is subject to the California Environmental Quality Act (CEQA) shall not proceed under this Agreement until documents that satisfy the CEQA process are received by the Department of Water Resources (Department) and the Department has completed its CEQA compliance. Work that is subject to a CEQA shall not proceed until and unless approved by the Department. Such approval is fully discretionary and shall constitute a condition precedent to any work for which it is required. Once CEQA documentation has been completed, the Department will consider the environmental documents and decide whether to continue to fund the project or to require changes, alterations or other mitigation.

Grant Recipient: _____

Project Manager: _____

Phone Number: _____ Agreement #: _____

Address: _____

1. List the source of any other grants or funds received from the Department of Water Resources to implement a portion of this project.

2. Is this a project as defined by CEQA? Yes No (if "yes", skip to #3) If "no", please explain below then skip to #8.

3. Is this project exempt from CEQA compliance? Yes No (if "no", skip to #4) If "yes", provide reasons for exemption. Cite the CEQA Article, Section and Title of the CEQA exemption, if appropriate. A partial list of the statutory exemptions is found in Cal. Code Regs., tit.14, art. 18 (sections 15260 – 15285) and a list of categorical exemptions is found in Cal. Code Regs., tit. 14, art. 19 (sections 15300 – 15332). A copy of CEQA and the applicable regulations may be found at:
http://resources.ca.gov/ceqa/docs/2016_CEQA_Statutes_and_Guidelines.pdf

Check appropriate box below:

- Lead Agency has already filed a Notice of Exemption (NOE) with the State Clearinghouse and/or County Clerk. Attach copy of NOE and, if applicable, a copy of Board Resolution.
- Lead Agency will file a NOE with the State Clearinghouse and/or County Clerk. Provide estimated date: _____
- Lead Agency will NOT file a NOE with the State Clearinghouse and/or County Clerk.

If Lead Agency chooses not to file a NOE, sufficient documentation and information must be submitted to the Project Director, along with this form, to allow DWR to make its own determination that the project is exempt from CEQA.

Reason for exemption:

Approved by FAIR Committee for Interim Use
ENVIRONMENTAL INFORMATION FORM

4. If the project will require CEQA compliance, identify the Lead Agency.
CEQA Lead Agency: _____

5. Please check types of CEQA documents that have been or are to be prepared:

- Initial Study
- Negative Declaration / Mitigated Negative Declaration
- Environmental Impact Report

6. Please describe the status of the CEQA documents, expected date of completion, and estimated cost, if requesting DWR funds relating to CEQA compliance:

Status: _____

Date of Completion: _____

Estimated Costs: _____

7. If the CEQA document has been completed, please provide the name of the document and the State Clearinghouse number, if available. Submit two copies to the Program Manager.

8. Please list all environmental permits you must obtain to complete the project: (attach additional pages, as necessary)

TYPE OF PERMIT REQUIRED

PERMITTING AGENCY

TYPE OF PERMIT REQUIRED	PERMITTING AGENCY
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

9. This form was completed by:

Print or Type Name

Phone Number

Signature

Date

Please send the completed and signed form to DWR Project Manager.

For DWR internal use:

- DWR received environmental documents.
- DWR made findings.

Appendix H

**STATE OF CALIFORNIA
CALIFORNIA NATURAL RESOURCES AGENCY
DEPARTMENT OF WATER RESOURCES**

Agreement Number: 46000XXXXX

**FUNDING AGREEMENT BETWEEN THE STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES
AND
<INSERT FUNDING RECIPIENT NAME>**

**FOR A <PROJECT TYPE>
FOR THE < PROJECT NAME>**

**A PART OF THE FLOODPLAIN MANAGEMENT, PROTECTION, AND RISK AWARENESS PROGRAM
UNDER
THE CALIFORNIA DROUGHT, WATER, PARKS, CLIMATE, COASTAL PROTECTION, AND OUTDOOR
ACCESS FOR ALL ACT OF 2018,
WATER CODE, SECTION 80000 ET SEQ.**

FUNDING AGREEMENT BETWEEN THE STATE OF CALIFORNIA (DEPARTMENT OF WATER RESOURCES) AND

<FUNDING RECIPIENT NAME>

<SAP AGREEMENT NUMBER>

**FLOODPLAIN MANAGEMENT, PROTECTION, AND RISK AWARENESS PROGRAM
PUBLIC RESOURCES CODE SECTION 80000, ET SEQ.**

THIS FUNDING AGREEMENT is entered into by and between the Department of Water Resources of the State of California, herein referred to as the "State" and the <insert Funding Recipient Name>, a <select appropriate descriptor and delete others – public agency, non-profit, etc.> in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Funding Recipient," which parties do hereby agree as follows:

1. PURPOSE. State shall provide funding from the the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018 to Funding Recipient to assist in financing the <insert project title> (Project) pursuant to Public Resources Code section 80145.
2. TERM OF FUNDING AGREEMENT. The term of this Funding Agreement begins on the date this Funding Agreement is initially executed by State, through final payment plus three (3) years unless otherwise terminated or amended as provided in this Agreement. However, all work shall be completed by <Insert date based on schedule> and no funds may be requested after <Insert date work completed + 3 - 6 months>.
3. PROJECT COST. The reasonable cost of the Project is estimated to be \$<insert Project Cost>.
4. FUNDING AMOUNT. The maximum amount payable by the State under this Agreement shall not exceed \$<INSERT AMOUNT>.
5. FUNDING RECIPIENT COST SHARE. Funding Recipient agrees to fund the difference between the actual Total Project Cost, as estimated in Exhibit B, and the amount specified in Paragraph 4, if any. Cost Share consists of Funding Match and Other State Funds, as documented in Exhibit B; see Exhibit H for guidance. Funding Match is equivalent to Cost Share, when Other State Funds are not present. Funding Recipient is required to provide a Funding Match of <if applicable, Insert percentage – must be at least the minimum mandated by the Program Guidelines/authorizing legislation> of the Total Project Cost. Funding Recipient's required funding match is estimated to be \$<INSERT AMOUNT>. Costs incurred or in-kind services performed after <insert date> may be counted as Funding Match.
6. BASIC CONDITIONS. State shall have no obligation to disburse money for the Project under this Funding Agreement until Funding Recipient has satisfied the following conditions:
 - A. Funding Recipient demonstrates the availability of sufficient funds to complete the Project, as stated in the Award Letter, by submitting the most recent three (3) years of audited financial statements.
 - B. For the term of this Funding Agreement, Funding Recipient submits timely Quarterly Progress Reports as required by Paragraph 13, "Submission of Reports."
 - C. Funding Recipient submits all deliverables as specified in Paragraph 13 of this Funding Agreement and in Exhibit A.
 - D. Prior to the commencement of construction or implementation activities, Funding Recipient shall submit the following to the State:

- i. Final plans and specifications certified by a California Registered Civil Engineer as to compliance for the Project as listed in Exhibit A of this Funding Agreement.
- ii. Work that is subject to the California Environmental Quality Act (CEQA) and or environmental permitting shall not proceed under this Funding Agreement until the following actions are performed:
 - a. Funding Recipient submits to the State all applicable environmental permits as indicated on the Environmental Information Form to the State,
 - b. Documents that satisfy the CEQA process are received by the State,
 - c. State has completed its CEQA compliance review as a Responsible Agency, and
 - d. Funding Recipient receives written concurrence from the State of Lead Agency's CEQA document(s) and State notice of verification of environmental permit submittal.

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, State will consider the environmental documents and decide whether to continue to fund the project or to require changes, alterations or other mitigation. Funding Recipient 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 15, "Project Monitoring Plan Requirements."

7. DISBURSEMENT OF FUNDS. State will disburse to Funding Recipient the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Funding 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 Funding Recipient under this Funding Agreement shall be deposited in a non-interest bearing account and shall be used solely to pay Eligible Project Costs.
8. ELIGIBLE PROJECT COST. Funding Recipient shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Exhibit B. Eligible Project Costs include the reasonable costs of studies, engineering, design, land and easement acquisition, 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 **<insert date>** shall be eligible for reimbursement.

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

- A. Costs, other than those noted above, incurred prior to the award date of this Grant.
- B. Operation and maintenance costs, including post construction performance and monitoring costs.
- C. Purchase of equipment not an integral part of a project.
- D. Establishing a reserve fund.

- E. Purchase of water supply.
 - F. Monitoring and assessment costs for efforts required after project construction is complete.
 - G. Replacement of existing funding sources for ongoing programs.
 - H. Support of existing agency requirements and mandates (e.g., punitive regulatory agency requirement).
 - I. 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 land purchased prior to <insert appropriate date, such date limitations included in the program guidelines/PSP, grant award date, effective date of agreement.>
 - J. 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 Funding Recipient; non-project-specific accounting and personnel services performed within the Funding Recipient's organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; and, generic overhead or markup. This prohibition applies to the Funding Recipient and any subcontract or sub-agreement for work on the Project that will be reimbursed pursuant to this Agreement.
9. METHOD OF PAYMENT. After the disbursement requirements in Paragraph 6 "Basic Conditions" are met, State will disburse the whole or portions of State funding to Funding Recipient, following receipt from Funding Recipient via US mail or Express mail delivery of a "wet signature" invoice, or an electronic invoice certified and transmitted via DocuSign for costs incurred, including Cost Share, and timely Quarterly Progress Reports as required by Paragraph 13, "Submission of Reports." Payment will be made no more frequently than quarterly, in arrears, upon receipt of an invoice bearing the Funding Agreement number. State will notify Funding Recipient, in a timely manner, whenever, upon review of an Invoice, 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 State. Funding Recipient may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to State to cure such deficiency(ies). If Funding Recipient fails to submit adequate documentation curing the deficiency(ies), State will adjust the pending invoice by the amount of ineligible or unapproved costs.

Invoices submitted by Funding Recipient shall include the following information:

- A. Costs incurred for work performed in implementing the Project during the period identified in the particular invoice.
- B. Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for the Project during the period identified in the particular invoice for the implementation of a project.
- C. Invoices shall be submitted on forms provided by State and shall meet the following format requirements:
 - i. Invoices must contain the date of the invoice, the time period covered by the invoice, and the total amount due.

- ii. Invoices must be itemized based on the categories (i.e., tasks) specified in Exhibit B. 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 4, "Funding Amount" and those costs that represent Funding Recipient's costs, as applicable, in Paragraph 5, "Funding Recipient Cost Share."
- v. Original signature and date (in ink) of Funding Recipient's Project Representative. Submit the original "wet signature" copy of the invoice form to the following address: Floodplain Management, Protection, and Risk Awareness Program, c/o Mehdi Mizani, Program Manager, 3464 El Camino Avenue, Suite 200, Sacramento, California 95821 or an electronic signature certified and transmitted via DocuSign from authorized representative to Mehdi Mizani, Program Manager.

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 Funding Recipient 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 Funding Recipient 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, §§ 115, 470, 487-489.)

10. WITHHOLDING OF DISBURSEMENTS BY STATE. If State determines that the Project is not being implemented in accordance with the provisions of this Funding Agreement, or that Funding Recipient has failed in any other respect to comply with the provisions of this Funding Agreement, and if Funding Recipient does not remedy any such failure to State's satisfaction, State may withhold from Funding Recipient 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 Funding Recipient and State notifies Funding Recipient of its decision not to release funds that have been withheld pursuant to Paragraph 11, the portion that has been disbursed shall thereafter be repaid immediately with interest at the California general obligation bond interest rate at the time the State notifies the Funding Recipient, as directed by State. State may consider Funding Recipient's refusal to repay the requested disbursed amount a material breach subject to the default provisions in Paragraph 11, "Default Provisions." If State notifies Funding Recipient of its decision to withhold the entire funding amount from Funding Recipient pursuant to this Paragraph, this Funding Agreement shall terminate upon receipt of such notice by Funding Recipient and the State shall no longer be required to provide funds under this Funding Agreement and the Funding Agreement shall no longer be binding on either party.

11. DEFAULT PROVISIONS. Funding Recipient will be in default under this Funding Agreement if any of the following occur:

- A. Substantial breaches of this Funding Agreement, or any supplement or amendment to it, or any other agreement between Funding Recipient and State evidencing or securing Funding Recipient's obligations;
- B. Making any false warranty, representation, or statement with respect to this Funding Agreement or the application filed to obtain this Funding Agreement;
- C. Failure to operate or maintain the Project in accordance with this Funding Agreement.
- D. Failure to make any remittance required by this Funding Agreement, including any remittance recommended as the result of an audit conducted pursuant to Paragraph D.5.
- E. Failure to submit timely progress reports.
- F. Failure to routinely invoice State.
- G. Failure to meet any of the requirements set forth in Paragraph 12, "Continuing Eligibility."

Should an event of default occur, State shall provide a notice of default to the Funding Recipient and shall give Funding Recipient at least ten (10) calendar days to cure the default from the date the notice is sent via first-class mail to the Funding Recipient. If the Funding Recipient fails to cure the default within the time prescribed by the State, State may do any of the following:

- A. Declare the funding be immediately repaid, with interest, which shall be equal to State of California general obligation bond interest rate in effect at the time of the default.
- B. Terminate any obligation to make future payments to Funding Recipient.
- C. Terminate the Funding Agreement.
- D. Take any other action that it deems necessary to protect its interests.

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

12. CONTINUING ELIGIBILITY. Funding Recipient must meet the following ongoing requirement(s) to remain eligible to receive State funds:

- A. An urban water supplier shall have adopted and submitted an urban water management plan in accordance with the Urban Water Management Planning Act (Water Code commencing with section 10610) and shall update it as required during the term of this Agreement as required by the Water Code.
- B. An Agricultural water supplier shall have adopted and submitted an agricultural water management plan in accordance with the Agricultural Water Management Planning Act (Water Code commencing with section 10800) and shall update it as required during the term of this agreement as required by the Water Code.
- C. Water Code §10563(c) requires the development of a stormwater resource plan and compliance with these provisions to receive grants for stormwater and dry weather runoff capture projects. This requirement does not apply to DACs with a population of 20,000 or less and that is not a co-permittee for a municipal separate stormwater system national pollutant discharge elimination system permit issued to a municipality with a population greater than 20,000 (Water Code § 10563(c)).

13. SUBMISSION OF REPORTS. The submittal and approval of all reports is a requirement for the successful completion of this Funding 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 State. All reports shall be submitted to the State's Project Manager, and shall be submitted via DWR's "Grant Review and Tracking System" (GRanTS). If requested, Funding Recipient shall promptly provide any additional information deemed necessary by State for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit F. 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: Funding Recipient shall submit Quarterly Progress Reports to meet the State's requirement for disbursement of funds. Quarterly Progress Reports shall be uploaded via GRanTS, and the State's Project Manager notified of upload. Quarterly Progress Reports shall, in part, provide a brief description of the work performed, Funding Recipients activities, milestones achieved, any accomplishments and any problems encountered in the performance of the work under this Funding Agreement during the reporting period. The first Quarterly Progress Report should be submitted to the State no later than **<insert a reasonable date, generally at least 1 quarter after the execution of the agreement>** with future reports then due on successive three-month increments based on the invoicing schedule and this date.
- B. Project Completion Reports: Funding Recipient shall submit a Project Completion Report within ninety (90) calendar days of Project completion. The Project Completion Report shall include, in part, a description of actual work done, any changes or amendments to the Project, and a final schedule showing actual progress versus planned progress, copies of any final documents or reports generated or utilized during the Project. The Project Completion Report shall also include, if applicable, certification of final Project by a registered civil engineer, 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.
- C. Post-Performance Reports: Funding Recipient shall submit Post-Performance Reports. Post-Performance Reports shall be submitted to State within ninety (90) calendar days after the first operational year of the Project has elapsed. This record keeping and reporting process shall be repeated annually for a total of 3 years after the completed Project begins operation.
14. **OPERATION AND MAINTENANCE OF PROJECT.** For the useful life of construction and implementation projects and in consideration of the funding made by State, Funding Recipient 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. Funding Recipient or their successors may, with the written approval of State, transfer this responsibility to use, manage, and maintain the property. For purposes of this Funding 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 Funding Recipient to ensure

operation and maintenance of the projects in accordance with this provision may, at the option of State, be considered a breach of this Funding Agreement and may be treated as default under Paragraph 11, "Default Provisions."

15. PROJECT MONITORING PLAN REQUIREMENTS. Exhibit A of this Funding Agreement shall contain activities to develop and submit to State a Project Monitoring Plan. See Exhibit I Monitoring And Maintenance Plan Components for guidance on the development of the Project Monitoring Plan. The Project Monitoring Plan should also include:

- A. Baseline conditions.
- B. Brief discussion of monitoring systems to be used.
- C. Methodology of monitoring.
- D. Frequency of monitoring.
- E. Location of monitoring points.

A Project Monitoring Plan shall be submitted to the State prior to disbursement of State funds for construction or monitoring activities. See Exhibit G, "Requirements for Data Submittal", for web links and information regarding other State monitoring and data reporting requirements.

16. NOTIFICATION OF STATE. Funding Recipient shall promptly notify State, in writing, of the following items:

- A. Events or proposed changes that could affect the scope, budget, or work performed under this Funding Agreement. Funding Recipient agrees that no substantial change in the scope of the Project will be undertaken until written notice of the proposed change has been provided to State and 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 Funding Agreement and provide the opportunity for attendance and participation by State's representatives. Funding Recipient shall make such notification at least 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 Funding Recipient 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 Funding Recipient agrees to implement appropriate actions as directed by the State.
- D. The initiation of any litigation or the threat of litigation against the Funding Recipient regarding the Project or that may affect the Project in any way.
- E. 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." Funding Recipient shall notify the State's Project Manager of the inspection date at least 14 calendar days prior to the inspection in order to provide State the opportunity to participate in the inspection.

17. **NOTICES.** Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Funding 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.

18. **PERFORMANCE EVALUATION.** Upon completion of this Funding Agreement, Funding Recipient’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 Funding Recipient.

19. **PROJECT REPRESENTATIVES.** The Project Representatives during the term of this Funding Agreement are as follows:

Department of Water Resources <Insert DWR Project Representative, title, name, mailing address and contact information>	<Insert Funding Recipient Project Representative title, name, mailing address and contact information>
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Direct all inquiries to the Project Manager:

Department of Water Resources <Insert DWR Project Manager name, mailing address and contact information>	<Insert Funding Recipient Project Manager name, mailing address and contact information>
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Either party may change its Project Representative or Project Manager upon written notice to the other party.

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

- Exhibit A – Work Plan
- Exhibit B – Budget
- Exhibit C – Schedule
- Exhibit D – Standard Conditions
- Exhibit E – Funding Recipient Authorizing Resolution Accepting Funds
- Exhibit F – Report Formats and Requirements

Exhibit G – Requirements for Data Submittal

Exhibit H – State Audit Document Requirements and Funding Match Guidelines for Funding Recipients

Exhibit I – Monitoring and Maintenance Plan Components

Exhibit J – Project Location

Exhibit K – Information Needed for Escrow Process and Closure

Exhibit L – Appraisal Specifications

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

<p>STATE OF CALIFORNIA DEPARTMENT OF WATER RESOURCES</p> <p>_____</p> <p><Insert DWR Project Representative, Title, and Division></p> <p>Date _____</p>	<p><Insert Funding Recipient name></p> <p>_____</p> <p><Insert Funding Recipient Project Representative Name and title></p> <p>Date _____</p>
<p>Approved as to Legal Form and Sufficiency</p> <p>_____</p> <p><Insert name and title></p> <p>Office of Chief Counsel</p> <p>Date _____</p>	

Exhibit A
WORK PLAN

Exhibit B
BUDGET

Exhibit C
SCHEDULE

Exhibit D
STANDARD CONDITIONS

D.1. ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:

- A. **Separate Accounting of Funding Disbursements:** Funding Recipient shall account for the money disbursed pursuant to this Funding Agreement separately from all other Funding Recipient funds. Funding Recipient shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Funding Recipient shall keep complete and accurate records of all receipts and disbursements on expenditures of such funds. Funding Recipient 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 State at any and all reasonable times.
- B. **Disposition of Money Disbursed:** All money disbursed pursuant to this Funding 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:** Funding Recipient shall remit to State any unexpended funds that were disbursed to Funding Recipient under this Funding Agreement and were not used to pay Eligible Project Costs within a period of sixty (60) calendar days from the final disbursement from State to Funding Recipient of funds or, within thirty (30) calendar days of the expiration of the Funding Agreement, whichever comes first.

D.2. ACKNOWLEDGEMENT OF CREDIT AND SIGNAGE: Funding Recipient 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 Funding Agreement. Signage shall be posted in a prominent location at Project site(s) (if applicable) or at the Funding Recipient'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 Funding Recipient 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 Funding 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 Funding Recipient 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. Any other request for an amendment must be submitted at least 180 days prior to the work completion date set forth in Paragraph 2. State shall have no obligation to agree to an amendment.

D.4. AMERICANS WITH DISABILITIES ACT: By signing this Funding Agreement, Funding Recipient assures 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: State reserves the right to conduct an audit at any time between the execution of this Funding Agreement and the completion of the Project, with the costs of such audit borne by State. After completion of the Project, State may require Funding Recipient to conduct a final

audit to State's specifications, at Funding Recipient's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by Funding Recipient to comply with this provision shall be considered a breach of this Funding Agreement, and State may elect to pursue any remedies provided in Paragraph 11 or take any other action it deems necessary to protect its interests. The Funding Recipient agrees it shall return any audit disallowances to the State.

Pursuant to Government Code section 8546.7, the Funding Recipient shall be subject to the examination and audit by the State for a period of three (3) years after final payment under this Funding Agreement with respect of all matters connected with this Funding Agreement, including but not limited to, the cost of administering this Funding Agreement. All records of Funding Recipient 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 Funding Recipient's activities. (Pub. Resources Code, § 80012, subd. (b).)

- D.6. BUDGET CONTINGENCY: If the Budget Act of the current year covered under this Funding Agreement does not appropriate sufficient funds for this program, this Funding Agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of State to make any payments under this Funding Agreement. In this event, State shall have no liability to pay any funds whatsoever to Funding Recipient or to furnish any other considerations under this Funding Agreement and Funding Recipient shall not be obligated to perform any provisions of this Funding Agreement. Nothing in this Funding Agreement shall be construed to provide Funding Recipient with a right of priority for payment over any other Funding Recipient. If funding for any fiscal year after the current year covered by this Funding 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 Funding Agreement with no liability occurring to State, or offer a Funding Agreement amendment to Funding Recipient to reflect the reduced amount.
- D.7. CALIFORNIA CONSERVATION CORPS: Funding Recipient 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 Funding 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 State's Project 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 Funding Recipient is not complete at the time the State signs this Agreement, once 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 11.
- D.9. CHILD SUPPORT COMPLIANCE ACT: The Funding Recipient acknowledges in accordance with Public Contract Code section 7110, that:

- A. The Funding Recipient 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 Funding Recipient, 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 Funding Recipient 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 Funding Recipient's knowledge of the claim. State and Funding Recipient 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: Funding Recipient's contracts with other entities for the acquisition of goods and services and construction of public works with funds provided by State under this Funding 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 Funding Recipient 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: Funding Recipient certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Funding 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 Funding Recipient: Employees of the Funding Recipient 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 Funding Recipient: Individuals working on behalf of a Funding Recipient 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: Funding Recipient agrees to expeditiously provide throughout the term of this Funding Agreement, such reports, data, information, and certifications as may be reasonably required by State.
- D.15. DISPOSITION OF EQUIPMENT: Funding Recipient shall provide to State, not less than 30 calendar days prior to submission of the final invoice, an itemized inventory of equipment purchased with funds provided by 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 State shall provide Funding Recipient with a list of the items on the inventory that State will take title to. All other items shall become the property of Funding Recipient. State shall arrange for delivery from Funding Recipient of items that it takes title to. Cost of transportation, if any, shall be borne by State.
- D.16. DRUG-FREE WORKPLACE CERTIFICATION: Certification of Compliance: By signing this Funding Agreement, Funding Recipient, its contractors or subcontractors hereby certify, under penalty of perjury under the laws of 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. Funding Recipient'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 Funding Agreement:
 - i. Will receive a copy of Funding Recipient's drug-free policy statement, and
 - ii. Will agree to abide by terms of Funding Recipient's condition of employment, contract or subcontract.

D.17. EASEMENTS: Where the Funding Recipient acquires property in fee title or funds improvements to real property already owned in fee by the Funding Recipient using State funds provided through this Funding Agreement, an appropriate easement or other title restriction providing for floodplain preservation and agricultural and/or wildlife habitat conservation for the subject property in perpetuity, approved by the State, shall be conveyed to a regulatory or trustee agency or conservation group acceptable to 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 Funding Recipient acquires an easement under this Agreement, the Funding Recipient 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 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, Funding Recipient 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 Funding Agreement.

D.19. FUNDING RECIPIENT'S RESPONSIBILITIES: Funding Recipient 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. Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Funding Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Funding Recipient in the application, documents, amendments, and communications filed in support of its request for funding.
- C. Comply with all applicable California, federal, and local laws and regulations.
- D. Implement the Project in accordance with applicable provisions of the law.
- E. Fulfill its obligations under the Funding Agreement and be responsible for the performance of the Project.
- F. Obtain any and all permits, licenses, and approvals required for performing any work under this Funding Agreement, including those necessary to perform design, construction, or operation and maintenance of the Project. Funding Recipient shall provide copies of permits and approvals to State.
- G. 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 State is solely for the purpose of proper administration of funds by State and shall not be deemed to relieve or restrict responsibilities of Funding Recipient under this Agreement.

- H. 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 Funding Recipient 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 Funding Recipient and any other entity concerning responsibility for performance of work.
- D.20. GOVERNING LAW: This Funding Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
- D.21. INCOME RESTRICTIONS: The Funding Recipient agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Funding Recipient under this Agreement shall be paid by the Funding Recipient to the State, to the extent that they are properly allocable to costs for which the Funding Recipient has been reimbursed by the State under this Agreement. The Funding Recipient 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: Funding Recipient 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, including, but not limited to any claims or damages arising from planning, design, construction, maintenance and/or operation of levee rehabilitation measures for this Project and any breach of this Agreement. Funding Recipient 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: Funding Recipient, and the agents and employees of Funding Recipients, in the performance of the Funding 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 Funding 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 Funding Agreement. Failure or refusal by Funding Recipient to comply with this provision shall be considered a breach of this Funding Agreement, and State may withhold disbursements to Funding Recipient or take any other action it deems necessary to protect its interests.
- D.25. INSPECTIONS OF PROJECT BY STATE: State shall have the right to inspect the work being performed at any and all reasonable times during the term of the Funding Agreement. This right shall extend to any subcontracts, and Funding Recipient shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Funding Agreement with State.
- D.26. LABOR CODE COMPLIANCE: The Funding Recipient 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 Funding Recipient 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 Funding Recipient 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 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 Funding Agreement, Funding Recipient 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/domestic partner status, gender identity, and denial of medial and family care leave or pregnancy disability leave. Funding Recipient 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. Funding Recipient 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 Commission are incorporated into this Agreement by reference. Funding Recipient 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.
- Funding Recipient shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Funding Agreement.
- D.29. **OPINIONS AND DETERMINATIONS:** Where the terms of this Funding 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 Funding Recipient shall not authorize construction to begin until each contractor has furnished a performance bond in favor of the Funding Recipient 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 Funding Agreement includes services in excess of \$200,000, the Funding Recipient shall give priority consideration in filling vacancies in positions funded by the Funding 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 Funding Recipient 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 Funding Recipient's service of water, without prior permission of State. Funding Recipient 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 Funding Recipient meet its obligations under this Funding Agreement, without prior written permission of State. State may require that the proceeds from the disposition of any real or personal property be remitted to State.
- D.33. PROJECT ACCESS: The Funding Recipient 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 Funding Recipient does not submit invoices requesting all of the funds encumbered under this Agreement, any remaining funds revert to the State. The State will notify the Funding Recipient 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 Funding 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 Funding Recipient for reimbursement of Eligible Project Costs until the Project is completed and Final Report is approved. Any retained amounts due to the Funding Recipient will be promptly disbursed to the Funding Recipient, without interest, upon completion of the Project.
- D.37. RIGHTS IN DATA: Funding Recipient 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 Funding 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.) Funding Recipient may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Funding Agreement, subject to appropriate acknowledgement of credit to State for financial support. Funding Recipient 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 Funding Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Funding Agreement shall continue as modified.
- D.39. SUSPENSION OF PAYMENTS: This Funding Agreement may be subject to suspension of payments or termination, or both if the State determines that:

- A. Funding Recipient, its contractors, or subcontractors have made a false certification, or
 - B. Funding Recipient, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Funding Agreement.
- D.40. SUCCESSORS AND ASSIGNS: This Funding Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Funding Agreement or any part thereof, rights hereunder, or interest herein by the Funding Recipient shall be valid unless and until it is approved by State and made subject to such reasonable terms and conditions as State may impose.
- D.41. TERMINATION BY FUNDING RECIPIENT: Subject to State approval which may be reasonably withheld, Funding Recipient may terminate this Agreement and be relieved of contractual obligations. In doing so, Funding Recipient must provide a reason(s) for termination. Funding Recipient must submit all progress reports summarizing accomplishments up until termination date.
- D.42. TERMINATION FOR CAUSE: Subject to the right to cure under Paragraph 11, the State may terminate this Funding Agreement and be relieved of any payments should Funding Recipient fail to perform the requirements of this Funding Agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 11.
- D.43. TERMINATION WITHOUT CAUSE: The State may terminate this Agreement without cause on 30 days' advance written notice. The Funding Recipient 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 Funding Agreement.
- D.46. TRAVEL: Travel includes the reasonable and necessary costs of transportation, subsistence, and other associated costs incurred by personnel during the term of this Funding Agreement. Any reimbursement for necessary travel and per diem shall be at rates not to exceed those set by the California Department of Human Resources. These rates may be found at: <http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx>. Reimbursement will be at the State travel and per diem amounts that are current as of the date costs are incurred. No travel outside the State of California shall be reimbursed unless prior written authorization is obtained from the State.
- D.47. UNION ORGANIZING: Funding Recipient, by signing this Funding Agreement, hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Funding Agreement. Furthermore, Funding Recipient, by signing this Funding Agreement, hereby certifies that:
- A. No State funds disbursed by this Funding Agreement will be used to assist, promote, or deter union organizing.
 - B. Funding Recipient shall account for State funds disbursed for a specific expenditure by this Funding Agreement to show those funds were allocated to that expenditure.
 - C. Funding Recipient 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 Funding Recipient makes expenditures to assist, promote, or deter union organizing, Funding Recipient will maintain records sufficient to show that no State funds were used for those expenditures and that Funding Recipient shall provide those records to the Attorney General upon request.
- D.48. VENUE: The State and the Funding Recipient 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 Funding Recipient hereby waives any existing sovereign immunity for the purposes of this Agreement.
- D.49. WAIVER OF RIGHTS: None of the provisions of this Funding 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 Funding Agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Funding 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
FUNDING RECEPIENT AUTHORIZING RESOLUTION ACCEPTING FUNDS

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. PROGRESS REPORTS

Progress reports shall generally use the following format. This format may be modified as necessary to effectively communicate information.

PROJECT STATUS

Describe the work performed during the time period covered by the report including but not limited to:

PROJECT INFORMATION

- Legal matters
- Engineering Evaluations
- Environmental matters
- Status of permits, easements, rights-of-way, rights of entry and approvals as may be required by other State, federal, and/or local agencies
- Major accomplishments during the quarter (i.e. tasks completed, milestones met, meetings held or attended, press releases, etc.)
- Issues/concerns that have, will, or could affect the schedule or budget, with a recommendation on how to correct the matter
- Describe differences between the work performed and the work outlined in the Overall Work Plan, including change orders
- Demonstrate financial ability to pay local cost share of Eligible Project Costs required to complete the Project
- Estimate the percentage completion of the overall project
- Identify key issues that need to be resolved
- Photos documenting progress

COST INFORMATION

- Provide a list showing all project costs incurred during the time period covered by the report by the Funding Recipient and each contractor working on the Project and which of these costs are Eligible Project Costs
- A discussion on how the actual budget is progressing in comparison to the project budget included in the Overall Work Plan
- A list of any changes approved to the budget in accordance with Funding Agreement and a revised budget, by task, if changed from latest budget in the Overall Work Plan
- A discussion of whether there have been any changes to the Funding Recipient's finance plan for payment of the Funding Recipient's share of Eligible Project Costs

SCHEDULE INFORMATION

- A schedule showing actual progress verses planned progress
- A discussion on how the actual schedule is progressing in comparison to the original or last reported schedule
- A list of any changes approved to the Schedule in accordance with Funding Agreement and a revised schedule, by task, if changed from latest reported schedule

2. PROJECT COMPLETION REPORT

Project Completion Reports shall generally use the following format.

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 Funding 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 Agreement (e.g. 100-year level of flood protection, HMP standard, PL-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 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 Funding Recipient for meeting its cost sharing obligations under this Funding 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.

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 F.

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 Funding Recipient 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, Funding Recipient 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. Information regarding the WDL and in what format to submit data in can be found at: <http://www.water.ca.gov/waterdatalibrary/>.

In the near future, DWR's WDL will be replaced by the California Statewide Groundwater Elevation Monitoring program (CASGEM). Once this Program comes online Funding Recipient will then submit groundwater level data to CASGEM. Information regarding the CASGEM program can be found at: <http://www.water.ca.gov/groundwater/casgem/>.

Exhibit H

STATE AUDIT DOCUMENT REQUIREMENTS AND FUNDING MATCH GUIDELINES FOR FUNDING RECIPIENTS

The following provides a list of documents typically required by State Auditors and general guidelines for Funding Recipients. List of documents pertains to both State funding and Funding Recipient's Funding Match and details the documents/records that State Auditors would need to review in the event of this Funding Agreement is audited. Funding Recipients should ensure that such records are maintained for the 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 Funding 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 the 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 Funding Agreement.
2. Documentation linking subcontractor invoices to State reimbursement, requests and related Funding Agreement budget line items.
3. Reimbursement requests submitted to the State for the Funding 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 Funding 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 Funding Agreement related correspondence.

Funding Match Guidelines

Funding Match (often referred to as cost share) consists of non-State funds, including in-kind services. In-kind services are defined as work performed (i.e., dollar value of non-cash contributions) by the Funding Recipient (and potentially other parties) directly related to the execution of the funded project. Examples include volunteer services, equipment use, and use of facilities. The cost of in-kind service can be counted as funding match in-lieu of actual funds (or revenue) provide by the Funding Recipient. Other funding match and in-kind service eligibility conditions may apply. Provided below is guidance for documenting funding match with and without in-kind services.

1. Although tracked separately, in-kind services shall be documented and, to the extent feasible, supported by the same methods used by the Funding Recipient for its own employees. Such documentation should include the following:
 - a. Detailed description of the contributed item(s) or service(s)
 - b. Purpose for which the contribution was made (tied to project work plan)
 - c. Name of contributing organization and date of contribution
 - d. Real or approximate value of contribution. Who valued the contribution and how was the value determined? (e.g., actual, appraisal, fair market value, etc.). Justification of rate. (See item #2, below)
 - e. Person's name and the function of the contributing person
 - f. Number of hours contributed
 - g. If multiple sources exist, these should be summarized on a table with summed charges

- h. Source of contribution if it was provided by, obtained with, or supported by government funds
2. Rates for volunteer or in-kind services shall be consistent with those paid for similar work in the Funding Recipient's organization. For example, volunteer service of clearing vegetation performed by an attorney shall be valued at a fair market value for this service, not the rate for professional legal services. In those instances, in which the required skills are not found in the recipient organization, rates shall be consistent with those paid for similar work in the labor market. Paid fringe benefits that are reasonable, allowable and allocable may be included in the valuation.
3. Funding match contribution (including in kind services) shall be for costs and services directly attributed to activities included in the Funding Agreement. These services, furnished by professional and technical personnel, consultants, and other skilled and unskilled labor may be counted as in-kind if the activities are an integral and necessary part of the project funded by the Funding Agreement.
4. Cash contributions made to a project shall be documented as revenue and in-kind services as expenditure. These costs should be tracked separately in the Funding Recipient's accounting system.

Exhibit I

MONITORING AND MAINTENANCE PLAN COMPONENTS

Introduction

- Goals and objectives of project
- Site location and history
- Improvements implemented

Monitoring and Maintenance Plan

- Monitoring Metrics (ex: Plant establishment, bank erosion, hydraulic characteristics, habitat expansion)
- Maintenance Metrics (ex: irrigation, pest management, weed abatement, continuous invasive species removal until natives established)
- Special Environmental Considerations (ex: resource agency requirements, permit requirements, CEQA/NEPA mitigation measures)
- Performance Measures, or success/failure criteria monitoring results measured against (ex: percent canopy cover after 1, 5, 10 years, water temperature decrease, site specific sediment scour or retention)
- Method of Reporting (ex: paper reports, online databases, public meetings)
- Frequency of Duration Monitoring and Reporting (daily, weekly, monthly, yearly)
- Frequency and Duration of Maintenance Activities
- Responsible Party (who is conducting monitoring and/or maintenance) Implementing responsibility (i.e., who is responsible for monitoring and maintenance)
- Adaptive Management Strategies (i.e., what happens when routine monitoring or maintenance encounters a problem)

Exhibit J

Project Location

Project Location/Site/Vicinity Map – Provide a map and/or diagrams depicting the project location and site characteristics including the area and watershed encompassed by the project and disadvantaged communities within the project area (if applicable).

Project Drawings and Sketches – Provide drawings or sketches of project features in adequate detail to describe them.

If needed, provide a description of the project location including overlying jurisdiction (City, County, State, or Federal land), Assessor Parcel Numbers, property addresses, legal descriptions, and Latitude/Longitude of project site.

Exhibit K

Information Needed for Escrow Processing and Closure

The Funding Recipient 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 Funding 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 L

Appraisal Specifications

For property acquisitions funded this Funding Agreement, the Funding Recipient 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.
- b) 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.

Appendix I

Concept Proposal Template

Floodplain Management, Protection, and Risk Awareness Grant Program

Please limit concept proposals to no more than 3 pages of typewritten responses. Figures or maps may be attached to the concept proposal in addition to the 3 typewritten pages. Please include all of the following:

Project Information

Project Name:

Project Location (e.g. County, City):

Applicant Information

Applicant Name:

Mailing Address:

Primary Point of Contact:

Title, Telephone, e-mail address:

Additional Contact(s)

Name, Organization:

Title, Telephone, e-mail address:

Eligibility Questions

Does the project reduce flood risk?	Yes	No
Does the project enhance fish and wildlife habitat?	Yes	No
Does the project include a construction or acquisition component?	Yes	No
Is the project located in a California Coastal Watershed?	Yes	No

Please provide a clear description of the proposed project and its status, addressing the eligibility answers provided above in the following sections of your concept proposal:

Project Description: Scope of work, budget, and schedule (1 page max)

Other Considerations (1 page max)

Figure or Map Attachments (4 pages max)