

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Environmental Resources

BOARD AGENDA # *B-2

Urgent Routine

AGENDA DATE November 24, 2015

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval for the Director of Environmental Resources to Apply for, Sign, Enter Into an Agreement, and Receive a Sustainable Groundwater Planning Grant for Stressed Basins with the California Department of Water Resources

STAFF RECOMMENDATIONS:

1. Authorize the Director of Environmental Resources, or designee, to apply for, sign, enter into an agreement, and receive a Sustainable Groundwater Planning Grant for Stressed Basins, including any amendments, with the California Department of Water Resources.
2. Adopt a Resolution with the California Department of Water Resources.

FISCAL IMPACT:

The estimated cost of the development of a County-wide Programmatic Environmental Impact Report (PEIR) is \$585,000. The PEIR relates to implementation of the County's revised Groundwater Ordinance and development of the foundational groundwater planning necessary for the preparation of Groundwater Sustainability Plans for each of the four groundwater subbasins located within Stanislaus County's geographical footprint. The grant application is capped at \$250,000. Therefore, the local cost share required by the grant is \$335,000.

(Continued on next page)

BOARD ACTION AS FOLLOWS:

No. 2015-581

On motion of Supervisor Chiesa, Seconded by Supervisor O'Brien

and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Monteith, DeMartini, and Chairman Withrow

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:

ATTEST: Christine Ferraro
CHRISTINE FERRARO TALLMAN, Clerk

File No.

Approval for the Director of Environmental Resources to Apply for, Sign, Enter Into an Agreement, and Receive a Sustainable Groundwater Planning Grant for Stressed Basins with the California Department of Water Resources

FISCAL IMPACT (Continued):

The suggested cost sharing approach is still under consideration. It is envisioned that the local cost share balance of \$335,000 would be funded through contributions from the County, the cities, and the water districts whom will also be beneficiaries of the PEIR related to long-term sustainable groundwater resources management. If the grant proposal is approved for funding by the Department of Water Resources, staff will return to the Board of Supervisors to seek approval for the local share funding strategy at that time.

DISCUSSION:

This item seeks approval to apply for a Sustainable Groundwater Planning Grant (SGWP). The source of funds for this grant program is from the “Water Quality, Supply, and Infrastructure Improvement Act of 2014,” otherwise known as Proposition 1. The SGWP is designed to encourage sustainable management of groundwater resources by providing funding for projects that support the Sustainable Groundwater Management Act (SGMA) through planning and implementation. Of the \$100 million that is included in Proposition 1 in support of SGMA, the California Department of Water Resources (DWR) is rolling forward an initial \$10 million to be made available, via a competitive basis, to Counties with stressed groundwater basins.

For the purposes of this solicitation, a stressed groundwater basin is characterized as a groundwater basin in which one or more of the following conditions exists: (1) the groundwater basin is identified by DWR as being in critical overdraft; or (2) groundwater levels within the basin are declining or fluctuating causing impacts including: reduced groundwater storage, seawater intrusion, threatening or degrading water quality, land subsidence, and/or surface water depletion. There are groundwater basins within Stanislaus County that meet this requirement.

The purpose of the grants funds includes, but is not limited to, the following:

- To update or develop County groundwater ordinances to improve sustainable management of groundwater.
- To update or develop plans that protect basins and their beneficial uses and help facilitate basin-wide sustainable groundwater management or actions that will lead to the update or development of such plans.

Applicants for this round of funding must meet all eligibility criteria in order to be considered for grant funding. The solicitation-specific eligibility criteria are listed below.

- The applicant must be a County government;

Approval for the Director of Environmental Resources to Apply for, Sign, Enter Into an Agreement, and Receive a Sustainable Groundwater Planning Grant for Stressed Basins with the California Department of Water Resources

- Groundwater basins, or portions of a groundwater basin, that are not subject to adjudication;
- Must be compliant with the California Statewide Groundwater Elevation Monitoring program; and
- The County must be applying for funding to address sustainability of a stressed groundwater basin.

Eligible project types include updating or developing groundwater plans that protect basins and their beneficial uses and help facilitate basin-wide sustainable groundwater management, or actions that will lead to the update or development of such plans. Examples are listed below:

- Development and completion of interagency agreements that foster the formation of a Groundwater Sustainability Agency; and
- Completion of basin assessments, determining data gaps, data collection, groundwater modeling, etc.

Staff intends to apply for grant funds to assist with the development of a County-wide Programmatic Environmental Impact Report (PEIR) that will support implementation of the County's Groundwater Ordinance (County Code Section 9.37) and lay the foundation for the development of Groundwater Sustainability Plans for each of the four groundwater subbasins that exist within the geographical footprint of Stanislaus County. All public entities (agricultural and urban) as well as private agricultural landowners will benefit from this type of fundamental PEIR planning document. The grant application must be submitted electronically by 5:00 p.m. on Tuesday, December 8, 2015, in order to be eligible for further consideration.

The grant application must be accompanied by a resolution adopted by the applicant's governing body designating an authorized representative to submit the application and execute an agreement with the State of California for SGWP Counties with Stressed Basins Grant. The required resolution language is included with this report as Attachment A.

POLICY ISSUE:

The recommended actions support the Board's priorities of A Healthy Community, Effective Partnerships, and a Well Planned Infrastructure System by ensuring a coordinated approach towards regional groundwater resources management. Continued participation in groundwater management activities supports the DER's mission to promote a safe and healthy environment and improve the quality of life in the community through a balance of science, education, partnerships and environmental regulation.

Approval for the Director of Environmental Resources to Apply for, Sign, Enter Into an Agreement, and Receive a Sustainable Groundwater Planning Grant for Stressed Basins with the California Department of Water Resources

STAFFING IMPACTS:

Existing staff will be utilized to provide the necessary support to the activities of the grant funding program.

CONTACT PERSON:

Jami Aggers, Director of Environmental Resources
Walter Ward, Water Resources Manager

Telephone:209-525-6770
Telephone:209-525-6710

ATTACHMENTS:

Resolution (Attachment A)

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
STATE OF CALIFORNIA

Date: November 24, 2015

2015-581

On motion of Supervisor Chiesa Seconded by Supervisor O'Brien
and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Monteith, DeMartini and Chairman Withrow

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

THE FOLLOWING RESOLUTION WAS ADOPTED:

Item # *B-2


A RESOLUTION OF THE BOARD OF SUPERVISORS AUTHORIZING THE DIRECTOR OF ENVIRONMENTAL RESOURCES TO SIGN THE STRESSED BASINS GRANT

WHEREAS, The Stanislaus County Board of Supervisors authorizes that an application be made to the California Department of Water Resources to obtain a Counties with Stressed Basins Grant under the Sustainable Groundwater Planning Grant Program pursuant to the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1) (Water Code Section 79700 et seq.); and,

WHEREAS, the Director of Environmental Resources or designee is hereby authorized and empowered to enter into an agreement to receive the grant for the: Programmatic Environmental Impact Report for Groundwater Ordinance Implementation.

THEREFORE, BE IT FURTHER RESOLVED, that the Director of the Department of Environmental Resources of Stanislaus County is hereby authorized and directed to prepare the necessary data, conduct investigations, file such application, and execute a grant agreement with California Department of Water Resources.

ATTEST: **CHRISTINE FERRARO TALLMAN, Clerk**
Stanislaus County Board of Supervisors,
State of California



File No.

**GRANT AGREEMENT BETWEEN THE STATE OF CALIFORNIA (DEPARTMENT OF WATER RESOURCES) AND
STANISLAUS COUNTY
AGREEMENT NUMBER 4600011512
PROPOSITION 1 SUSTAINABLE GROUNDWATER PLANNING (SGWP) GRANT
PUBLIC RESOURCE CODE §79700 ET SEQ.**

THIS GRANT AGREEMENT is entered into by and between the Department of Water Resources of the State of California, herein referred to as the "State" or "DWR" and Stanislaus County, herein referred to as the "Grantee", which parties do hereby agree as follows:

1. PURPOSE. State shall provide funding from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Water Code, § 79770 et seq.) to assist the Grantee in financing planning activities (Project) that will improve sustainable groundwater management.
2. TERM OF GRANT AGREEMENT. The term of this Grant Agreement begins on the date this Grant Agreement is executed by State, and terminates on March 31, 2018, or when all of the Parties' obligations under this Grant Agreement are fully satisfied, whichever occurs earlier.
3. GRANT AMOUNT. The maximum amount payable by the State under this Agreement shall not exceed \$250,000.
4. GRANTEE COST SHARE. Grantee is required to provide a Local Cost Share (non-state funds) of not less than 50 percent of the Total Project Cost unless a Disadvantaged Community waiver is granted. Grantee agrees to provide a Local Cost Share (non-state funds) for the amount as documented in Exhibit B Budget. Local Cost Share may include expenses directly related to Exhibit A Work Plan after November 4, 2014.
5. GRANTEE'S RESPONSIBILITY. Grantee and its representatives shall:
 - a) Faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A (Work Plan) and in accordance with Exhibit B (Budget) and Exhibit C (Schedule).
 - b) Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Grant Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Grantee in the application, documents, amendments, and communications filed in support of its request for Water Quality, Supply, and Infrastructure Improvement Act of 2014 financing.
 - c) Comply with all applicable California laws and regulations.
 - d) Implement the Project in accordance with applicable provisions of the law.
 - e) Fulfill its obligations under the Grant Agreement, and be responsible for the performance of the project.
6. DISBURSEMENT OF FUNDS. State will disburse to Grantee the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Grant Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the federal government, or any loss of tax-free status on state bonds, pursuant to any federal statute or regulation.
7. ELIGIBLE PROJECT COST. Grantee 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. Reasonable administrative expenses may be included as Total Project Costs and will depend on the complexity of the project preparation, planning, coordination, construction, acquisitions, and implementation. Reimbursable administrative expenses are the necessary costs incidentally but directly related to the project including the portion of overhead and administrative expenses that are directly related to the project included in this Agreement in accordance with the standard accounting practices of the Grantee. Work performed on the project after March 22, 2016, shall be eligible for reimbursement.

Costs that are not eligible for reimbursement or to be used as Local Cost Share include, but are not limited to the following items:

- a) Costs for preparing and filing a grant application belonging to another solicitation

- b) Operation and maintenance costs, including post construction project performance and monitoring costs
 - c) Purchase of equipment not an integral part of the project
 - d) Establishing a reserve fund
 - e) Purchase of water supplies
 - f) Replacement of existing funding sources for ongoing programs
 - g) Support of existing punitive regulatory agency requirements and/or mandates in response to negligent behavior
 - h) Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of the project, as set forth and detailed by engineering and feasibility studies or acquisition of land by eminent domain
 - i) Payment of principal or interest of existing indebtedness or any interest payments unless the debt is incurred after effective date of a grant award with the State, the granting agency agrees in writing to the eligibility of the costs for reimbursement before the debt is incurred, and the purposes for which the debt is incurred are otherwise reimbursable project costs
 - j) Overhead not directly related to project costs
 - k) Meals, food items, or refreshments
 - l) Costs associated with travel unless the project directly benefits a Disadvantaged Community or Severely Disadvantaged Community.
8. METHOD OF PAYMENT. Submit a copy of invoice for costs incurred and supporting documentation to the DWR Project Manager. Additionally, the original invoice form with signature and date (in ink) of Grantee's Authorized Representative, as indicated on paragraph 19 of this Agreement, must be sent to the DWR Project Manager for approval. Invoices shall include the following information:
- a) Costs incurred for work performed in implementing the projects 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 projects 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:
 - 1) Invoices must contain the date of the invoice, the time period covered by the invoice, and the total amount due.
 - 2) 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 (e.g., hours or days worked times the hourly or daily rate = the total amount claimed).
 - 3) Sufficient evidence (e.g., receipts, copies of checks, time sheets, etc.) as determined by the State must be provided for all costs included in the invoice. Other Cost Share shall be accounted for separately in the progress reports.
 - 4) DWR Project Manager will notify Grantee, in a timely manner, when, upon review of an Invoice, the State determines that any portion or portions of the costs claimed are not eligible costs or are not supported by documentation or receipts acceptable to State. Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to State to correct such deficiency(ies). If Grantee fails to submit adequate documentation correcting the deficiency(ies), State will adjust the pending invoice by the amount of ineligible or unapproved costs. After the requirements are met, State will disburse the whole or portions of State funding to Grantee, following receipt from Grantee via US mail or Express mail delivery of a "wet signature" invoice for costs incurred, including Cost Share, and timely Quarterly Progress Reports as required by Paragraph 14, Submission of Reports. Payment will be made no more frequently than monthly, in arrears, upon receipt of an invoice bearing the Grant Agreement number.
9. WITHHOLDING OF DISBURSEMENTS BY STATE. If the State determines that a project is not being implemented in accordance with the provisions of this Grant Agreement, or that Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if Grantee does not remedy any such failure to State's satisfaction, State may withhold from Grantee all or any portion of the State funding and take any

other action that it deems necessary to protect its interests. Where a portion of the State funding has been disbursed to the Grantee and State notifies Grantee 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 Grantee, as directed by State. State may consider Grantee's refusal to repay the requested disbursed amount a contract breach subject to the default provisions in Paragraph 10, "Default Provisions." If State notifies Grantee of its decision to withhold the entire funding amount from Grantee pursuant to this paragraph, this Grant Agreement shall terminate upon receipt of such notice by Grantee and the State shall no longer be required to provide funds under this Grant Agreement and the Grant Agreement shall no longer be binding on either party.

10. DEFAULT PROVISIONS. Grantee will be in default under this Grant Agreement if any of the following occur:

- a) Substantial breaches of this Grant Agreement, or any supplement or amendment to it, or any other agreement between Grantee and State evidencing or securing Grantee's obligations.
- b) Making any false warranty, representation, or statement with respect to this Grant Agreement or the application filed to obtain this Grant Agreement.
- c) Failure to maintain an adopted IRWM Plan that meets the requirements contained in Part 2.2 of Division 6 of the Water Code, commencing with §10530.
- d) Failure to make any remittance required by this Grant Agreement.
- e) Failure to comply with Labor Compliance Program requirements (Paragraph 18).
- f) Failure to submit timely progress reports.
- g) Failure to routinely invoice State.
- h) Failure to meet any of the requirements set forth in Paragraph 11, "Continuing Eligibility."

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

- a) Declare the funding be immediately repaid, with interest, at the California general obligation bond interest rate at the time the State notifies the Grantee of the default.
- b) Terminate any obligation to make future payments to Grantee.
- c) Terminate the Grant 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 Grant Agreement in the manner provided by law, Grantee agrees to pay all costs incurred by State including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

11. CONTINUING ELIGIBILITY. Grantee must meet the following ongoing requirement(s) to remain eligible to receive State funds:

- a) An urban water supplier that receives grant funds governed by this Grant Agreement must maintain compliance with the Urban Water Management Planning Act (UWMP; Water Code, § 10610 et seq.) and Sustainable Water Use and Demand Reduction, Part 2.55 of Division 6 (Water Code, § 10608 et seq.). The 2015 UWMP update must be submitted to DWR by July 1, 2016. To maintain eligibility and continue funding disbursements, an urban water supplier must have their 2015 UWMP deemed consistent by DWR on or before January 1, 2017. For more information, visit the following website: <http://www.water.ca.gov/urbanwatermanagement>.
- b) An agricultural water supplier receiving grant funding must have their Agricultural Water Management Plan (AWMP) deemed consistent by DWR. The most recent AWMP update must have been submitted to DWR by December 31, 2015. To maintain eligibility and continue funding disbursements, an agricultural water supply must have their 2015 AWMP deemed consistent by DWR on or before October 1, 2016. For more information, visit the following website: <http://www.water.ca.gov/wateruseefficiency/agricultural/agmgmt.cfm>.
- c) Grantees diverting surface water must maintain compliance with diversion reporting requirements as outlined in Part 5.1 of Division 2 of the Water Code.

- d) Grantees that have been designated as monitoring entities under the California Statewide Groundwater Elevation Monitoring (CASGEM) Program must maintain reporting compliance, as required by Water Code §10932 and the CASGEM Program.

12. PERMITS, LICENSES, APPROVALS, AND LEGAL OBLIGATIONS. Grantee shall be responsible for obtaining any and all permits, licenses, and approvals required for performing any work under this Grant Agreement, including those necessary to perform design, construction, or operation and maintenance of the Projects. Grantee shall be responsible for observing and complying with any applicable federal, state, and local laws, rules or regulations affecting any such work, specifically those including, but not limited to, environmental, procurement, and safety laws, rules, regulations, and ordinances. Grantee shall provide copies of permits and approvals to State.
13. RELATIONSHIP OF PARTIES. If applicable, Grantee is 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 Grantee under this Grant Agreement.
14. SUBMISSION OF REPORTS. The submittal and approval of all reports is a requirement for the successful completion of this Grant Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to State. All reports shall be submitted to the State's Project Manager, and shall be submitted via DWR's GRanTS. If requested, Grantee 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 Grant Completion Report is a requirement for the release of any funds retained for such projects.
 - a) Progress Reports: Grantee shall submit progress reports on a regular and consistent basis to meet the State's requirement for disbursement of funds. The reporting period shall not exceed one quarter in length. The progress reports shall be sent via e-mail to the State's Project Manager and shall be uploaded into GRanTS. The progress reports shall provide a brief description of the work performed during the reporting period including: Grantee's activities, milestones achieved, any accomplishments, and any problems encountered in the performance of the work under this Agreement.
 - b) Grant Completion Report: Grantee shall submit a Grant Completion Report within ninety (90) calendar days of project completion. Grant 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 a project. Final retention will not be disbursed until the Grant Completion Report has been submitted and approved.
15. NOTIFICATION OF STATE. Grantee 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 Grant Agreement. Grantee agrees that no substantial change in the scope of a project(s) 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 work plan, schedule or term, and budget.
 - b) Any public or media event publicizing the accomplishments and/or results of this Grant Agreement and provide the opportunity for attendance and participation by State's representatives. Grantee shall make such notification at least 14 calendar days prior to the event.
16. NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Grant Agreement shall be in writing. Notices may be transmitted by any of the following means:
 - a) By delivery in person.
 - b) By certified U.S. mail, return receipt requested, postage prepaid.

- c) By "overnight" delivery service; provided that next-business-day delivery is requested by the sender.
- d) By electronic means.

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 addresses set forth in Paragraph 19. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.

- 17. PERFORMANCE EVALUATION. Upon completion of this Grant Agreement, Grantee's performance will be evaluated by the State and a copy of the evaluation will be placed in the State file and a copy sent to the Grantee.
- 18. LABOR COMPLIANCE. The Grantee agrees to be bound by all the provisions of the Labor Code regarding prevailing wages and shall monitor all contracts subject to reimbursement from this Agreement to assure that the prevailing wage provisions of the Labor Code are being met. Current Department of Industrial Relations (DIR) requirements may be found at: <http://www.dir.ca.gov/lcp.asp>. For more information, please refer to DIR's Public Works Manual at: <http://www.dir.ca.gov/dlse/PWManualCombined.pdf>.
- 19. PROJECT REPRESENTATIVES. The Project Representatives during the term of this Grant Agreement are as follows:

Department of Water Resources
Arthur Hinojosa
Chief, Division of IRWM
P.O. Box 942836
Sacramento CA 94236-0001
Phone: (916) 653-4736
e-mail: Arthur.Hinojosa@water.ca.gov

Stanislaus County Department of Environmental Resources
Jami Aggers, Director
3800 Cornucopia Way, Suite C
Modesto, CA 95358
Phone: (209) 525-6700
e-mail: jagers@envres.org

Direct all inquiries to the Project Manager:

Department of Water Resources
Christopher Olvera
Division of IRWM
3374 East Shields Avenue
Fresno, CA 93726
Phone: (559) 230-3373
e-mail: Christopher.Olvera@water.ca.gov

Stanislaus County Department of Environmental Resources
Walter Ward, Water Resources Manager
3800 Cornucopia Way, Suite C
Modesto, CA 95358
Phone: (209) 525-6710
e-mail: wward@envres.org

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

- 20. STANDARD PROVISIONS. The following Exhibits are attached and made a part of this Grant Agreement by this reference:

- Exhibit A – Work Plan
- Exhibit B – Budget
- Exhibit C – Schedule
- Exhibit D – Standard Conditions
- Exhibit E – Authorizing Resolution
- Exhibit F – Report Formats and Requirements
- Exhibit G – Requirements for Statewide Monitoring and Data Submittal
- Exhibit H – State Audit Document Requirements and Local Cost Share Guidelines for Grantees

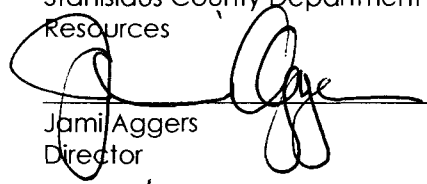
IN WITNESS WHEREOF, the parties hereto have executed this Grant Agreement.

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

for 
Arthur Hinojosa, P.E., Chief
Division of Integrated Regional Water Management

Date 7/7/16

Stanislaus County Department of Environmental
Resources


Jami Aggers
Director

Date 6/29/16

Approved as to Legal Form and Sufficiency


Robin Brewer, Assistant Chief Counsel
Office of Chief Counsel

Date 7-7-16

EXHIBIT A WORKPLAN

PROJECT TITLE: Programmatic Environmental Impact Report for Implementation of the Stanislaus County Groundwater Ordinance

PROJECT SUMMARY: The Project will develop a Programmatic Environmental Impact Report (PEIR) to facilitate implementation of a local groundwater ordinance, as well as address several key aspects relevant to early stages of Groundwater Sustainability Plan (GSP) development and Sustainable Groundwater Management Act (SGMA)-compliance planning in the County, including issues identification, analysis of data gaps, and assessment of mitigation and management opportunities. The objective is to develop a 3D hydrologic model to characterize groundwater conditions and to facilitate communication, outreach, and data sharing to support both Groundwater Sustainability Agency (GSA) formation and the early stages of post-GSA formation studies, which will form the foundation for sustainability planning.

TASK 1 GRANT ADMINISTRATION

TASK 1.1 GRANT MANAGEMENT

Manage this Agreement including: compliance with Agreement requirements, development, preparation and submission of supporting grant documents and this Agreement. This task also includes administrative responsibilities associated with the Project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Environmental Information Form (EIF)*
- Audited Financial Statement Form*
- Final Grant Agreement*

TASK 1.2 REPORTING

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit (F) of this Agreement. Progress reports will include sufficient information for DWR program manager to understand and review backup documentation submitted with invoices. Submit reports to DWR.

Prepare Draft Grant Completion Report and submit to DWR for DWR Project Manager's comment and review no later than 90 days after work completion. Prepare Final Report addressing DWR's comments. The report shall be prepared and presented in accordance with the provision of Exhibit F.

Deliverables:

- Project Progress Reports*
- Grant Completion Report*

TASK 1.3 INVOICING

Submit draft invoices to DWR project manager for review and to receive reimbursement on eligible funds per the grant agreement. Collect and organize back-up documentation by task, prepare summary excel document detailing contents of backup documentation organized by task (to match task in grant agreement budget), track budget, and verify math prior to submitting each draft invoice. Respond to DWR project manager's comments on draft invoice in a timely manner. Submit draft and final invoices.

Deliverables:

- Draft and final invoices*
- Backup documentation and summary document*

TASK 2 GSP DEVELOPMENT

TASK 2.1 HYDROLOGIC MODELING

The Stanislaus County Hydrologic Model (SCHM) will consist of (1) a baseline model that simulates groundwater and surface water conditions through 2014, and (2) a set of forecast and management scenarios to evaluate the impacts of groundwater withdrawal from new wells permitted under the Groundwater Ordinance. A Modeling Plan, based on review of available groundwater modeling data and basin characterization reports within the County, will be developed as follows and vetted with stakeholders and DWR as part of the scoping process.

- **Modeling Plan Development** – Based on review of information regarding the available groundwater models that cover the County, a Modeling Plan will be developed. The Modeling Plan will provide the rationale for code selection and utilization of existing models. The Modeling Plan will also define the modeling objectives, domain discretization, boundary conditions, calibration methodology, and forecasting scenarios. Options for future model updates and management will also be considered. The Plan will be provided for review and comment to key stakeholders in the County.
- **Data Compilation** – Information regarding the water budget, geology, hydrology for County groundwater subbasins will be compiled and incorporated into the SCHM to inform the analysis for a range of environmental impacts.
- **Model Construction** - Construction of the SCHM will be guided by the Modeling Plan with the objective of developing a model domain that encompasses the entire County. The model will be developed using an open-source code with the objective of being able to evaluate groundwater level and storage changes, surface water interaction and cross boundary fluxes.
- **Model Calibration** – The baseline model will initially be calibrated by matching of (1) historic groundwater levels for calibration wells distributed throughout the model domain and (2) historic streamflow in the Stanislaus River, Tuolumne River, and other County streams for which gaging data can be obtained. After qualitative calibration by trial-and-error, the final model will be calibrated quantitatively using the optimization-based inverse modeling techniques found in the Model-Independent Parameter Estimation code, PEST.
- **Model Forecasts and Reporting** – Once a baseline model has been constructed and calibrated, forecast scenarios will be run to assess the effects of implementing the Groundwater Ordinance. The effects of several possible groundwater management scenarios and climatic trends will also be evaluated. A Technical Memorandum describing the hydrogeologic setting, current and projected water budgets, modeling approach, and the results of no less than four model scenario forecasts will be drafted.

Deliverables:

- Modeling Plan*
- Technical Memorandum*

TASK 2.2 GSA SUPPORT

The County will engage in regular communication and share regional data with other stakeholders via the Water Advisory Committee (WAC), Technical Advisory Committee (TAC), Stanislaus and Tuolumne Rivers Groundwater Basin Association (STRGBA), Turlock Groundwater Basin Association (TGBA), and Regional Groundwater Coordination Committee (RGCC). Additional outreach, consultation, and data exchange may occur with (or on behalf of) individual member agencies as appropriate to facilitate regional coordination, data sharing, dialog regarding issues, opportunities, data gaps, and priorities important to GSA formation and groundwater management planning. To further support this objective, no less than five workshops will be held with aspiring GSAs to discuss the findings of the evaluation of the hydrologic model described in Task 2.1 and presented in the Technical Memorandum relative to their jurisdictional areas.

Deliverables:

- No less than 5 meetings*
- Meeting agenda/minutes/attendee lists*
- Copies of public notices or other relevant publications, etc.*

TASK 3 ORDINANCE DEVELOPMENT

TASK 3.1 PROGRAMMATIC EIR PREPARATION

As the lead agency under the California Environmental Quality Act (CEQA), Stanislaus County will prepare a PEIR to align implementation of its Groundwater Ordinance with the County planning process, develop a more robust basis for managing implementation of the ordinance, and streamline the application and review process for new well permits. The preparation will be completed as follows:

- PEIR Scoping – An initial study will be prepared to establish which resource areas should receive more detailed evaluation under the PEIR. A Notice of Preparation will be filed with the County Clerk. Scoping meetings will be held with Stanislaus County Water Advisor Committee, Stanislaus County Technical Advisory Committee, and the public. Public comments received during the scoping process will be compiled, reviewed, and addressed.
- Description of the Affected Environment – An overview of the affected environment will be developed based on information provided in the County General Plan and other planning documents and studies. The description will address each of the pertinent resource areas addressed by CEQA, and will include tables and maps as necessary for clarity of presentation.
- Project Description – A detailed description of the Project for which impacts are to be evaluated (i.e., the implementation of the County Groundwater Ordinance), will be prepared to serve as a basis for impact evaluation. The project description will summarize the requirements for well permitting under the Groundwater Ordinance, exemptions from the Ordinance, procedures and criteria adopted under the implementation guidelines for well permitting
- Impact analysis – An impact analysis will be conducted to evaluate the potential direct and indirect environmental effects associated with implementation of the County Groundwater Ordinance. The impact analysis will be supported using data developed using the SCHM developed under Task 2.
- Mitigation, Monitoring, and Reporting Program (MMRP) – A MMRP will be prepared and will present conceptual options for programmatic mitigation, as appropriate.
- PEIR Preparation and Processing – In preparation of the draft PEIR, comments received on an administrative draft during internal review will be addressed. The Draft PEIR will be prepared and distributed for public review to a mailing list provided by County staff. The Team will prepare a matrix listing commenter, environmental issue area addressed, and work assignments required to adequately address each comment. A reasoned response to environmental issues raised in the comments will be prepared.
- Preparation Findings of Fact and Statement of Overriding Consideration – Findings of fact will be prepared for each Project impact. If necessary, a draft Statement of Overriding Consideration will also be prepared.

Deliverables:

- Initial Study*
- Notice of Preparation*

- Meeting agenda/minutes/attendee lists*
- Copies of public notices*
- Memorandum with catalog of scoping comments and responses*
- Notice of Completion/Notice of Availability*
- Draft PEIR*
- Final PEIR with MMRP and Responses to Comments*
- Findings of Fact*
- Statement of Overriding Considerations (if needed)*

**Exhibit B
Budget**

Project Title: Programmatic Environmental Impact Report for Implementation of the Stanislaus County Groundwater Ordinance					
Tasks		Grant Amount	Required Local Cost Share (non-state source)	Other Cost Share	Total Project Cost
(a)	Task 1 - Grant Administration	\$0	\$10,000	\$42,500	\$52,500
(b)	Task 2 - GSP Development	\$141,100	\$141,100	\$0	\$282,200
(c)	Task 3 - Ordinance Development	\$108,900	\$141,400	\$0	\$250,300
Grand Total		\$250,000	\$292,500	\$42,500	\$585,000

**Exhibit C
Schedule**

Tasks	Start Date	End Date
Task 1 - Grant Administration	July 1, 2016	December 29, 2017
Task 2 - GSP Development	July 1, 2016	November 14, 2016
Task 3 - Ordinance Development	July 1, 2017	November 29, 2017

EXHIBIT D
STANDARD CONDITIONS

D.1) ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:

- a) **Separate Accounting of Funding Disbursements and Interest Records:** Grantee shall account for the money disbursed pursuant to this Grant Agreement separately from all other Grantee funds. Grantee shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Grantee shall keep complete and accurate records of all receipts, disbursements, and interest earned on expenditures of such funds. Grantee shall require its contractors or subcontractors to maintain books, records, and other documents pertinent to their work in accordance with generally accepted accounting principles and practices. Records are subject to inspection by State at any and all reasonable times.
- b) **Fiscal Management Systems and Accounting Standards:** The Grantee agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracing of grant funds to a level of expenditure adequate to establish that such funds have not been used in violation of state law or this Grant Agreement.
- c) **Disposition of Money Disbursed:** All money disbursed pursuant to this Grant Agreement shall be deposited, administered, and accounted for pursuant to the provisions of applicable law.
- d) **Remittance of Unexpended Funds:** Grantee shall remit to State any unexpended funds that were disbursed to Grantee under this Grant Agreement and were not used to pay Eligible Project Costs within a period of sixty (60) calendar days from the final disbursement from State to Grantee of funds or, within thirty (30) calendar days of the expiration of the Grant Agreement, whichever comes first.

D.2) ACKNOWLEDGEMENT OF CREDIT: The Grantee shall include appropriate acknowledgement of credit to the State for their support when promoting the Project or using any data and/or information developed under this Agreement. During implementation of the Project, the Grantee shall install a sign at a prominent location which shall include a statement that the Project is financed under the Water Quality, Supply, and Infrastructure Improvement Act of 2014, (Sustainable Groundwater Planning Grant Program), administered by State of California, Department of Water Resources. The Grantee shall notify the State that the sign has been erected by providing them with a site map with the sign location noted and a photograph of the sign.

D.3) AIR OR WATER POLLUTION VIOLATION: Under State laws, the Grantee shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to §13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

D.4) AMENDMENT: This Grant Agreement may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any way contrary to applicable law. Requests by the Grantee for amendments must be in writing stating the amendment request and the reason for the request. State shall have no obligation to agree to an amendment.

D.5) AMERICANS WITH DISABILITIES ACT: By signing this Grant Agreement, Grantee 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.6) APPROVAL: This Agreement is of no force or effect until signed by all parties to the agreement. Grantee may not submit invoices or receive payment until all required signatures have been obtained.

D.7) ASSIGNMENT: This Grant is not assignable by the Grantee, either in whole or in part, without the written consent of the State.

D.8) AUDITS: State reserves the right to conduct an audit at any time between the execution of this Grant Agreement and the completion of Projects, with the costs of such audit borne by State. After completion of the Projects, State may require Grantee to conduct a final audit to State's specifications,

at Grantee's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and State may elect to pursue any remedies provided in Paragraph 10 or take any other action it deems necessary to protect its interests.

Pursuant to Government Code § 8546.7, the Grantee shall be subject to the examination and audit by the State for a period of three years after final payment under this Grant Agreement with respect to all matters connected with this Grant Agreement, including but not limited to, the cost of administering this Grant Agreement. All records of Grantee or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after final payment. The Grantee agrees it shall return any audit disallowances to the State.

- D.9) BUDGET CONTINGENCY:** If the Budget Act of the current year and/or subsequent years covered under this Agreement does not appropriate sufficient funds for this program, this Agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of the State to make any payments under this Agreement. In this event, the State shall have no liability to pay any funds whatsoever to the Grantee or to furnish any other considerations under this Agreement and the Grantee shall not be obligated to perform any provisions of this Agreement. Nothing in this Agreement shall be construed to provide the Grantee with a right of priority for payment over any other grantee. If this Agreement's funding for any fiscal year 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 Agreement with no liability occurring to the State, or offer an Agreement amendment to the Grantee to reflect the reduced amount.
- D.10) CEQA:** Activities funded under this Grant Agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA) (Public Resources Code, §21000 et seq.). Information on CEQA may be found at the following links:
- Environmental Information: <http://resources.ca.gov/ceqa/>
- California State Clearinghouse Handbook: http://opr.ca.gov/docs/SCH_Handbook_2012.pdf
- D.11) CHILD SUPPORT COMPLIANCE ACT:** For any Grant Agreement in excess of \$100,000, the Grantee acknowledges in accordance with Public Contract Code 7110, that:
- a) The Grantee recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with §5200) of Part 5 of Division 9 of the Family Code; and
 - b) The Grantee, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
- D.12) CLAIMS DISPUTE:** Any claim that the Grantee may have regarding performance of this Agreement including, but not limited to, claims for additional compensation or extension of time, shall be submitted to the State's Project Manager, within thirty (30) days of the Grantee's knowledge of the claim. State and Grantee shall then attempt to negotiate a resolution of such claim and process an amendment to this Agreement to implement the terms of any such resolution.
- D.13) COMPETITIVE BIDDING AND PROCUREMENTS:** Grantee shall comply with all applicable laws and regulations regarding securing competitive bids and undertaking competitive negotiations in Grantee's contracts with other entities for acquisition of goods and services and construction of public works with funds provided by State under this Grant Agreement.
- D.14) COMPUTER SOFTWARE:** Grantee certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Grant Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.
- D.15) 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 § 1090 and Public Contract Code, § 10410 and § 10411, for State conflict of interest requirements.

- a) **Current State Employees:** No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
- b) **Former State Employees:** For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.
- c) **Employees of the Grantee:** Employees of the Grantee shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act (Government Code, § 87100 et seq.)
- d) **Employees and Consultants to the Grantee:** Individuals working on behalf of a Grantee may be required by the Department to file a Statement of Economic Interests (Fair Political Practices Commission Form 700) if it is determined that an individual is a consultant for Political Reform Act purposes.

D.16) DELIVERY OF INFORMATION, REPORTS, AND DATA: Grantee agrees to expeditiously provide throughout the term of this Grant Agreement, such reports, data, information, and certifications as may be reasonably required by State.

D.17) DRUG-FREE WORKPLACE CERTIFICATION: Certification of Compliance: By signing this Grant Agreement, Grantee, 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 (Government 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 § 8355(a)(1).
- b) Establish a Drug-Free Awareness Program, as required by Government Code § 8355(a)(2) to inform employees, contractors, or subcontractors about all of the following:
 - i) The dangers of drug abuse in the workplace,
 - ii) Grantee's policy of maintaining a drug-free workplace,
 - iii) Any available counseling, rehabilitation, and employee assistance programs, and
 - iv) Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
- c) Provide, as required by Government Code § 8355(a)(3), that every employee, contractor, and/or subcontractor who works under this Grant Agreement:
 - i) Will receive a copy of Grantee's drug-free policy statement, and
 - ii) Will agree to abide by terms of Grantee's condition of employment, contract or subcontract.

D.18) GOVERNING LAW: This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California

- D.19) GRANTEE COMMITMENTS:** Grantee accepts and agrees to comply with all terms, provisions, conditions and commitments of this Grant Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by the Grantee in the application, documents, amendments, and communications filed in support of its request for funding.
- D.20) GRANTEE NAME CHANGE:** Approval of the State's Program Manager is required to change the Grantee's name as listed on this Grant Agreement. Upon receipt of legal documentation of the name change the State will process an amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.
- D.21) INCOME RESTRICTIONS:** The Grantee agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Grantee under this Agreement shall be paid by the Grantee to the State, to the extent that they are properly allocable to costs for which the Grantee has been reimbursed by the State under this Agreement.
- D.22) INDEMNIFICATION:** Grantee shall indemnify and hold and save the State, its officers, agents, and employees, free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Project and this Agreement, 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. Grantee shall require its contractors or subcontractors to name the State, its officers, agents and employees as additional insured on their liability insurance for activities undertaken pursuant to this Agreement.
- D.23) INDEPENDENT CAPACITY:** Grantee, and the agents and employees of Grantees, in the performance of the Grant Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.
- D.24) INSPECTION OF BOOKS, RECORDS, AND REPORTS:** During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Grant Agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Grant Agreement. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and State may withhold disbursements to Grantee 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 Grant Agreement. This right shall extend to any subcontracts, and Grantee shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Grant Agreement with State.
- D.26) INVOICE DISPUTES:** In the event of an invoice dispute, payment will not be made until the dispute is resolved and a corrected invoice submitted. Failure to use the address exactly as provided may result in return of the invoice to the Grantee. Payment shall be deemed complete upon deposit of the payment, properly addressed, postage prepaid, in the United States mail. Any claim that Grantee may have regarding the performance of this Grant Agreement including, but not limited to claims for additional compensation or extension of time, shall be submitted to the DWR Project Manager within thirty (30) calendar days of Grantee's knowledge of the claim. State and Grantee shall then attempt to negotiate a resolution of such claim and process an amendment to the Grant Agreement to implement the terms of any such resolution.
- D.27) NONDISCRIMINATION:**
- a) During the performance of this Agreement, the Grantee and its consultants and contractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, sexual orientation, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave.

- b) The Grantee, its consultants, and contractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.
- c) The Grantee, its consultants, and contractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code, § 12990) and the applicable regulations promulgated thereunder (California Code Regulations, tit. 2, § 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12990, set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full.
- d) The Grantee, its consultants, and contractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement, if any.
- e) The Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement. Failure by the Grantee to carry out these requirements and applicable requirements of 40 C.F.R. part 33 is a breach of a material provision of this Agreement which may result in its termination.

- D.28) OPINIONS AND DETERMINATIONS:** Where the terms of this Grant Agreement provide for action to be based upon, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.
- D.29) PERFORMANCE AND ASSURANCES:** Grantee agrees to faithfully and expeditiously perform or cause to be performed all Project work as described in Exhibit A Work Plan and to apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law.
- D.30) PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION:** The Grantee shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Project, or with Grantee's service of water, without prior permission of State. Grantee shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of Grantee to meet its obligations under this Grant 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.31) REMAINING BALANCE:** In the event the Grantee does not submit invoices requesting all of the funds encumbered under this Grant Agreement, any remaining funds revert to the State. The State will notify the Grantee stating that the Project file is closed and any remaining balance will be disencumbered and unavailable for further use under this Grant Agreement.
- D.32) REMEDIES NOT EXCLUSIVE:** The use by either party of any remedy specified herein for the enforcement of this Grant Agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.
- D.33) RETENTION:** Notwithstanding any other provision of this Grant Agreement, State shall, for each project, withhold five percent (5.0%) until January 1, 2018 and ten percent (10.0%), thereafter, of the funds requested by Grantee for reimbursement of Eligible Costs. Each project in this Grant Agreement will be eligible to release its respective retention when that project is completed and Grantee has met requirements of Paragraph 14, "Submissions of Reports." State shall disburse retained funds to the Grantee.
- D.34) RIGHTS IN DATA:** Grantee agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes and other written or graphic work produced in the performance of this Grant Agreement shall be made available to the State and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act. (Government Code, § 6250 et seq.) Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Grant Agreement,

subject to appropriate acknowledgement of credit to State for financial support. Grantee shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so. The State shall have the right to use any data described in this paragraph for any public purpose.

- D.35) SEVERABILITY:** Should any portion of this Grant Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Grant Agreement shall continue as modified.
- D.36) STATE REVIEWS:** The parties agree that review or approval of project applications, documents, permits, plans, and specifications or other project information by the State is for administrative purposes only and does not relieve the Grantee of their responsibility to properly plan, design, construct, operate, maintain, implement, or otherwise carry out the project.
- D.37) SUSPENSION OF PAYMENTS:** This Grant Agreement may be subject to suspension of payments or termination, or both, and Grantee may be subject to debarment if the State determines that:
- a) Grantee, its contractors, or subcontractors have made a false certification, or
 - b) Grantee, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Grant Agreement.
- D.38) SUCCESSORS AND ASSIGNS:** This Grant Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Grant Agreement or any part thereof, rights hereunder, or interest herein by the Grantee shall be valid unless and until it is approved by State and made subject to such reasonable terms and conditions as State may impose.
- D.39) TERMINATION BY GRANTEE:** Subject to State approval which may be reasonably withheld, Grantee may terminate this Agreement and be relieved of contractual obligations. In doing so, Grantee must provide a reason(s) for termination. Grantee must submit all progress reports summarizing accomplishments up until termination date.
- D.40) TERMINATION FOR CAUSE:** Subject to the right to cure under Paragraph 10, the State may terminate this Grant Agreement and be relieved of any payments should Grantee fail to perform the requirements of this Grant Agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 10.
- D.41) TERMINATION WITHOUT CAUSE:** The State may terminate this Agreement without cause on 30 days advance written notice. The Grantee shall be reimbursed for all reasonable expenses incurred up to the date of termination.
- D.42) 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.43) TIMELINESS:** Time is of the essence in this Grant Agreement.
- D.44) TRAVEL:** Grantee agrees that travel and per diem costs shall NOT be eligible for reimbursement with State funds unless the Grantee's service area is considered a Disadvantaged Community or an economically distressed area, and shall NOT be eligible for computing Grantee Local Cost Share. Travel includes the costs of transportation, subsistence, and other associated costs incurred by personnel during the term of this Grant Agreement. Travel includes the reasonable and necessary costs of transportation, subsistence, and other associated costs incurred by personnel during the term of this Agreement. Travel and per diem expenses to be reimbursed under this Agreement shall be at the same rates the State provides for unrepresented employees in accordance with the provisions of Title 2, Chapter 3, of the California Code of Regulations and shall be reimbursed consistent with the rates current at the time of travel. These rates are published at: <http://www.calhr.ca.gov/employees/Pages/travel-meals.aspx>, or its successor website. No travel outside the State of California shall be reimbursed unless prior written authorization is obtained from the State's Project Manager.
- D.45) UNION ORGANIZING:** The Grantee, by signing this Agreement, hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Agreement. Furthermore, the Grantee, by signing this Agreement, hereby certifies that:

- a) No State funds disbursed by this Agreement will be used to assist, promote, or deter union organizing.
- b) The Grantee shall account for State funds disbursed for a specific expenditure by this Agreement to show those funds were allocated to that expenditure.
- c) The Grantee shall, where State funds are not designated as described in (b) above, allocate, on a pro rata basis, all disbursements that support the program.

If the Grantee makes expenditures to assist, promote, or deter union organizing, the Grantee will maintain records sufficient to show that no State funds were used for those expenditures and that the Grantee shall provide those records to the Attorney General upon request.

- D.46) VENUE:** The State and the Grantee hereby agree that any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Agreement.
- D.47) WAIVER OF RIGHTS:** None of the provisions of this Grant Agreement shall be deemed waived unless expressly waived in writing. It is the intention of the parties here to that from time to time either party may waive any of its rights under this Grant Agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Grant Agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.
- D.48) WORKERS' COMPENSATION:** Grantee affirms that it is aware of the provisions of §3700 of the California Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and Grantee affirms that it will comply with such provisions before commencing the performance of the work under this Grant Agreement and will make its contractors and subcontractors aware of this provision.

**EXHIBIT E
AUTHORIZING RESOLUTION**

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
STATE OF CALIFORNIA**

Date: November 24, 2015

2015-581

On motion of Supervisor Chiesa Seconded by Supervisor O'Brien
and approved by the following vote.

Ayes: Supervisors: O'Brien, Chiesa, Monteith, DeMartini and Chairman Withrow

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

THE FOLLOWING RESOLUTION WAS ADOPTED:

Item # *B:2

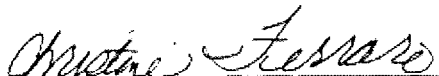
**A RESOLUTION OF THE BOARD OF SUPERVISORS AUTHORIZING THE DIRECTOR OF
ENVIRONMENTAL RESOURCES TO SIGN THE STRESSED BASINS GRANT**

WHEREAS, The Stanislaus County Board of Supervisors authorizes that an application be made to the California Department of Water Resources to obtain a Counties with Stressed Basins Grant under the Sustainable Groundwater Planning Grant Program pursuant to the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1) (Water Code Section 79700 et seq.); and,

WHEREAS, the Director of Environmental Resources or designee is hereby authorized and empowered to enter into an agreement to receive the grant for the: Programmatic Environmental Impact Report for Groundwater Ordinance Implementation.

THEREFORE, BE IT FURTHER RESOLVED, that the Director of the Department of Environmental Resources of Stanislaus County is hereby authorized and directed to prepare the necessary data, conduct investigations, file such application, and execute a grant agreement with California Department of Water Resources.

ATTEST CHRISTINE FERRARO TALLMAN, Clerk
Stanislaus County Board of Supervisors,
State of California



File No.

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.

PROGRESS REPORTS

Progress reports shall generally use the following format. Discuss the following at the task level, as organized in Exhibit A Work Plan:

- Percent complete estimate.
- Discussion of work accomplished during the reporting period.
- Milestones or deliverables completed/submitted during the reporting period.
- Scheduling concerns and issues encountered that may delay completion of the task.
- Work anticipated for the next reporting period.
- Photo documentation, as appropriate.
- Any schedule or budget modifications approved by DWR during the reporting period.

GRANT COMPLETION REPORT

The Grant Completion Report shall generally use the following format:

Project Summary

- Summary of the work completed including a short description of any amendments to this Grant Agreement.

Reports and/or products

- The following items should be provided, unless already submitted as a deliverable:
 - Provide a copy of any final technical report or study, produced for this Project as described in the Work Plan
 - Electronic copies of any data collected
 - Discussion of problems that occurred during the work and how those problems were resolved
 - A final Project schedule showing actual progress versus planned progress
- Describe how the completed work will assist in the sustainable management of the County's groundwater resources.

Cost & Disposition of Funds Information

- Summary of Project costs including the following items:
 - Accounting of the cost of project expenditure include all internal and external costs not previously disclosed
 - A discussion of factors that affected the project cost and any deviation from the original Project cost estimate.

EXHIBIT G
REQUIREMENTS FOR STATEWIDE MONITORING AND DATA SUBMITTAL

Surface and Groundwater Quality Data

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: http://www.waterboards.ca.gov/water_issues/programs/gama/. If further information is required, the Grantee can contact the State Water Resources Control Board (SWRCB) GAMA Program. A listing of SWRCB staff involved in the GAMA program can be found at: http://www.swrcb.ca.gov/water_issues/programs/gama/contact.shtml

Groundwater Level Data

Grantee shall submit to DWR groundwater level data collected as part of this grant. Water level data must be submitted using the California Statewide Groundwater Elevation Monitoring (CASGEM) online data submission system. Grantee should use their official CASGEM Monitoring Entity or Cooperating Agency status to gain access to the online submittal tool and submit data. If the data is from wells that are not part of the monitoring network, the water level measurements should be classified as voluntary measurements in the CASGEM system. If the grantee is not a Monitoring Entity or Cooperating Agency, please contact your DWR grant project manager for further assistance with data submittal. The activity of data submittal should be documented in appropriate progress or final grant completion report, as described in Exhibit F. Information regarding the CASGEM program can be found at <http://www.water.ca.gov/groundwater/casgem/>.

EXHIBIT H
STATE AUDIT DOCUMENT REQUIREMENTS AND LOCAL COST SHARE GUIDELINES
FOR GRANTEES

State Audit Document Requirements

The list below details the documents/records that State Auditors typically reviewed in the event of a Grant Agreement being audited. Grantees should ensure that such records are maintained for each State funded Program/Project. Where applicable, this list of documents also includes documents relating to the Grantee's Local Cost Share which will be required for audit purposes.

Internal Controls:

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

State Funding:

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

Contracts:

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

Invoices:

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

Cash Documents:

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

Accounting Records:

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

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

Personnel:

1. List of all contractors and Grantee staff that worked on the State funded Program/Project.
2. Payroll records including timesheets for contractor staff and the Grantee's

Project Files:

1. All supporting documentation maintained in the Program/Project files.
2. All Grant Agreement related correspondence.

Local Cost Share Guidelines

Local Cost Share consists of non-State funds including in-kind services. In-kind services are defined as work performed or items contributed (i.e., dollar value of non-cash contributions) by the Grantee (and potentially other parties involved) directly related to the execution of Exhibit A Work Plan (examples: volunteer services, equipment use, and facilities). The cost of in-kind service can be counted as Local Cost Share in-lieu of actual funds (or revenue) provided by the Grantee. Other Local Cost Share and in-kind service eligibility conditions may apply. Provided below is guidance for documenting Local Cost Share 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 Grantee 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 Grant Agreement Exhibit A Work Plan)
 - c. Name of contributing organization and date of contribution
 - d. Real or approximate value of contribution. Who valued the contribution and how the value was determined? (e.g., actual, appraisal, fair market value, etc.) Justification of rate. (See item #2, below.)
 - e. For contributed labor, the person's name, the work performed, the number of hours contributed, and the pay rate applied
 - f. If multiple sources exist, these should be summarized on a table with summed charges
 - g. Source of contribution and whether 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 Grantee'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. Local Cost Share contribution (including in kind services) shall be for costs and services directly attributed to activities included in the Grant Agreement Work Plan. 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 State funded Program/Project under the Grant Agreement.
4. Cash contributions made to a Program/Project shall be documented as revenue and in-kind services as expenditure. These costs should be tracked separately in the Grantee's accounting systems.