

**DEPARTMENT OF WATER RESOURCES**

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SACRAMENTO, CA 94236-0001  
(916) 653-5791



September 25, 2018

Ron Strand  
Acting General Manager  
Indian Wells Valley Groundwater Authority  
100 West California Avenue  
Ridgecrest, California 93555

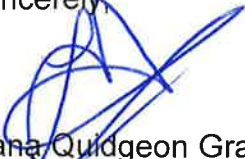
**2017 Proposition 1 Sustainable Groundwater Planning (SGWP) Grant; Agreement #4600012716**

Dear Mr. Strand:

Enclosed is an original executed copy of Agreement #4600012716.

If you have any questions, please contact Jennifer Wong, Project Manager at (818)549-2343 or via email at [Jennifer.Wong@water.ca.gov](mailto:Jennifer.Wong@water.ca.gov).

Sincerely,



Lana Quidgeon Graber  
Associate Government Program Analyst  
Financial Assistance Branch  
Division of Integrated Regional Water Management

Enclosures



**GRANT AGREEMENT BETWEEN THE STATE OF CALIFORNIA  
(DEPARTMENT OF WATER RESOURCES) AND  
INDIAN WELLS VALLEY GROUNDWATER AUTHORITY  
AGREEMENT NUMBER 4600012716**

**2017 PROPOSITION 1 SUSTAINABLE GROUNDWATER PLANNING (SGWP) GRANT**

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

- 1) **PURPOSE.** The State shall provide funding from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1) to assist the Grantee in financing the planning and/or selected project activities (Project) that will improve sustainable groundwater management, pursuant to Water Code Section 79700 et seq. The provision of State funds pursuant to this Agreement shall not be construed or interpreted to mean that the Groundwater Sustainability Plan (GSP), or any components of the GSP, implemented in accordance with the Work Plan as set forth in Exhibit A, will be: adopted by the applicable Groundwater Sustainability Agency (GSA); obtain the necessary desirable results of Sustainable Management Criteria; or, meet all of the evaluation and assessment criteria when submitted to the Department of Water Resources as required by the Sustainable Groundwater Management Act and implementing regulations.
- 2) **TERM OF GRANT AGREEMENT.** The term of this Grant Agreement begins on the date this Grant Agreement is executed by the State, through final payment plus three (3) years unless otherwise terminated or amended as provided in this Grant Agreement. However, all work shall be completed in accordance with the Schedule as set forth in Exhibit C.
- 3) **GRANT AMOUNT.** The maximum amount payable by the State under this Grant Agreement shall not exceed \$2,146,000.
- 4) **GRANTEE COST SHARE.** The Grantee is required to provide a Local Cost Share (non-State funds) of not less than 50 percent of the Total Project Cost. The cost share requirement for projects benefiting a Severely Disadvantaged Community (SDAC), Disadvantaged Community (DAC), or an Economically Distressed Areas (EDA) may be waived or reduced. The 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 Eligible Project Costs directly related to Exhibit A incurred after January 1, 2015.
- 5) **BASIC CONDITIONS.** The State shall have no obligation to disburse money for a project under this Grant Agreement until the Grantee has satisfied the following conditions (if applicable):
  1. Prior to execution of this Grant Agreement, selected applicants (Groundwater Sustainability Agency) for GSP Development projects must submit evidence of a notification to the public and DWR prior to initiating development of a GSP in compliance with California Code of Regulations, title 23, Section 350 et seq. (GSP Regulations) and Water Code Section 10727.8.
  2. The Grantee must demonstrate compliance with all relevant eligibility criteria as set forth on pages 7 and 8 of the 2015 Grant Program Guidelines for the SGWP Grant Program.
  3. For the term of this Grant Agreement, the Grantee submits timely reports and all other deliverables as required by Paragraph 16, "Submission of Reports" and Exhibit A.
  4. Prior to the commencement of construction or implementation activities, if applicable, the Grantee shall submit the following to the State:
    - a. Final plans and specifications certified, signed, and stamped by a California Registered Civil Engineer as to compliance for each approved project as listed in Exhibit A of this Grant Agreement.

b. Work that is subject to the California Environmental Quality Act (CEQA) and or environmental permitting shall not proceed under this Grant Agreement until the following actions are performed:

- (1) The Grantee submits to the State all applicable environmental permits as indicated on the Environmental Information Form to the State,
- (2) Documents that satisfy the CEQA process are received by the State,
- (3) The State has completed its CEQA compliance review as a Responsible Agency, and
- (4) The Grantee receives written concurrence from the State of Lead Agency's CEQA document(s) and State notice of verification of environmental permit submittal.

The State's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to any work (i.e., construction or implementation activities) for which it is required. Once CEQA documentation has been completed, the State will consider the environmental documents and decide whether to continue to fund the project or to require changes, alterations or other mitigation. The Grantee must also demonstrate that it has complied with all applicable requirements of the National Environmental Policy Act 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.

c. A monitoring plan as required by Paragraph 18, "Monitoring Plan Requirements", if applicable for Implementation Components/Project(s).

- 6) DISBURSEMENT OF FUNDS. The State will disburse to the Grantee the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Grant Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the federal government, or any loss of tax-free status on state bonds, pursuant to any federal statute or regulation. Any and all money disbursed to the Grantee under this Grant Agreement shall be deposited in a non-interest bearing account and shall be used solely to pay Eligible Project Costs.
- 7) ELIGIBLE PROJECT COST. The Grantee shall apply State funds received only to eligible Project Costs in accordance with applicable provisions of the law and Exhibit B. Eligible Project Costs include the reasonable costs of studies, engineering, design, land and easement acquisition, legal fees, preparation of environmental documentation, environmental mitigations, monitoring, project construction, and/or any other scope of work efforts as described in Exhibit A. Reimbursable administrative expenses are the necessary costs incidental but directly related to the Project included in this Agreement. Work performed on the Project after July 1, 2017, but before April 30, 2020, shall be eligible for reimbursement.

Costs that are not eligible for reimbursement with State funds cannot be counted as Cost Share. Costs that are not eligible for reimbursement include, but are not limited to, the following items:

1. Costs, other than those noted above, incurred prior to the award date of this Grant.
2. Costs for preparing and filing a grant application belonging to another solicitation.
3. Operation and maintenance costs, including post construction performance and monitoring costs.
4. Purchase of equipment that is not an integral part of a project.
5. Establishing a reserve fund.
6. Purchase of water supply.
7. Monitoring and assessment costs for efforts required after project construction is complete.
8. Replacement of existing funding sources for ongoing programs.

9. Support of existing agency requirements and mandates (e.g., punitive regulatory agency requirement).
  10. 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 the execution date of this Grant Agreement.
  11. Overhead and indirect costs. "Indirect Costs" means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the funded project (i.e., costs that are not directly related to the funded project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the Grantee; non-project-specific accounting and personnel services performed within the Grantee's organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; and, generic overhead or markup. This prohibition applies to the Grantee and any subcontract or sub-agreement for work on the Project that will be reimbursed pursuant to this Agreement.
- 8) METHOD OF PAYMENT FOR REIMBURSEMENT. After the disbursement requirements in Paragraph 5 "Basic Conditions" are met, the State will disburse the whole or portions of State funding to the Grantee, following receipt from the Grantee via U.S. mail or Express mail delivery of a "wet signature" invoice for costs incurred, including Cost Share, and timely Progress Reports as required by Paragraph 16, "Submission of Reports." Payment will be made no more frequently than monthly, in arrears, upon receipt of an invoice bearing the Grant Agreement number. The State will notify the Grantee, in a timely manner, whenever, upon review of an Invoice, the State determines that any portion or portions of the costs claimed are not eligible costs or is not supported by documentation or receipts acceptable to the State. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to the State to cure such deficiency(ies). If the Grantee fails to submit adequate documentation curing the deficiency(ies), the State will adjust the pending invoice by the amount of ineligible or unapproved costs.

Invoices submitted by the Grantee shall include the following information:

1. Costs incurred for work performed in implementing the project during the period identified in the particular invoice.
2. Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for a project during the period identified in the particular invoice for the implementation of a project.
3. Invoices shall be submitted on forms provided by the State and shall meet the following format requirements:
  - a. Invoices must contain the date of the invoice, the time period covered by the invoice, and the total amount due.
  - b. Invoices must be itemized based on the categories (i.e., tasks) specified in the 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).
  - c. One set of sufficient evidence (i.e., receipts, copies of checks, time sheets) must be provided for all costs included in the invoice.
  - d. Each invoice shall clearly delineate those costs claimed for reimbursement from the State's funding amount, as depicted in Paragraph 3, "Grant Amount" and those costs that represent the Grantee's costs, as applicable, in Paragraph 4, "Grantee Cost Share."
  - e. Original signature and date (in ink) of the Grantee's Project Representative. Submit the original "wet signature" copy of the invoice form to the address listed in Paragraph 23, "Project Representative."

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

invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., match costs). Any eligible costs for which the Grantee is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is illegal and constitutes fraud. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements of grant funds and/or termination of this Agreement requiring the repayment of all funds disbursed hereunder plus interest. Additionally, the State may request an audit pursuant to Exhibit D and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability. (Civ. Code, §§ 1572-1573; Pen. Code, §§ 470, 489-490.)

- 9) ADVANCED PAYMENT. Water Code Section 10551 authorizes advance payment by the State for projects included and implemented in an applicable integrated regional water management plan, and when the project proponent is a nonprofit organization; a DAC; or the project benefits a DAC. If the project is awarded less than \$1,000,000 in grant funds, the project proponent may receive an advanced payment of up to 50% of the grant award; the remaining 50% of the grant award will be reimbursed in arrears. Within ninety (90) calendar days of execution of the Grant Agreement, the Grantee may provide the State an Advanced Payment Request. Advanced Payment Requests received ninety-one (91) calendar days after execution of this Agreement, or later, will not be eligible to receive advance payment. The Advanced Payment Request must contain the following:
1. Documentation demonstrating that each Local Project Sponsor (if different from the Grantee, as listed in Exhibit I) was notified about their eligibility to receive an advanced payment and a response from the Local Project Sponsor stating whether it wishes to receive the advanced payment or not.
  2. If the Local Project Sponsor is requesting the advanced payment, the request must include:
    - a. A funding plan which shows how the advanced funds will be expended within 18 months of this Grant Agreement's execution (i.e., for what, how much, and when).
    - b. A discussion of the Local Project Sponsor's financial capacity to complete the project once the advance funds have been expended, and include an "Audited Financial Statement Summary Form" specific to the DAC.
  3. If a Local Project Sponsor is requesting advanced payment, the Grantee shall also submit a single Advance Payment Form Invoice, containing the request for each qualified project, to the State Project Manager with "wet signature" and date of the Grantee's Project Representative, as indicated in Paragraph 23, "Project Representative." The Grantee shall be responsible for the timely distribution of the advanced funds to the respective Local Project Sponsor(s). Within sixty (60) calendar days of receiving the Advanced Payment Form Invoice and subject to the availability of funds, the State will authorize payment of the advanced funds sought of up to 50% of the grant award for the qualified project(s). The Advanced Payment Form Invoice shall be submitted on forms provided by the State and shall meet the following format requirements:
    - a. Invoice must contain the date of the invoice, the time period covered by the invoice, and the total amount due.
    - b. Invoice must be itemized based on the categories (i.e., tasks) specified in Exhibit B.
    - c. The State Project Manager will notify the Grantee, in a timely manner, when, upon review of an Advance Payment Form Invoice, the State determines that any portion or portions of the costs claimed are not eligible costs. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies). After the distribution requirements in Paragraph 5, "Basic Conditions" are met, the State will disburse the whole or portions of State funding to the Grantee, following receipt from the Grantee via US mail or Express mail delivery of a "wet signature" invoice for costs incurred, including Cost Share, and timely Progress Reports as required by Paragraph 16, "Submission of Reports."

4. On a quarterly basis, the Grantee will submit an Accountability Report to the State that demonstrates how actual expenditures compare with the scheduled budget. The Accountability Report shall include the following information:
    - a. An itemization of how advanced funds have been expended to-date (Expenditure Summary), including documentation that supports the expenditures (e.g., contractor invoices, receipts, personnel hours, etc.). Invoices must be itemized based on the budget categories (i.e., tasks) specified in Exhibit B.
    - b. A funding plan which shows how the remaining advanced funds will be expended.
    - c. Documentation that the funds were placed in a non-interest bearing account, including the dates of deposits and withdrawals from that account.
    - d. The State Project Manager will notify the Grantee, in a timely manner, when, upon review of the Expenditure Summary, the State determines that any portion of the expenditures claimed are not eligible costs. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies). If costs are not consistent with the tasks in Exhibit B, the State will reject the claim and remove them from the Expenditure Summary.
  5. Once the Grantee has expended all advanced funds, then the method of payment will revert to the reimbursement process specified in Paragraph 8, "Method of Payment for Reimbursement.", and any remaining requirements of Paragraph 5, "Basic Conditions."
- 10) REPAYMENT OF ADVANCES. The State may demand repayment from the Grantee of all or any portion of the advanced State funding along with interest at the California general obligation bond interest rate at the time the State notifies the Grantee, as directed by the State, and take any other action that it deems necessary to protect its interests for the following conditions:
1. A project is not being implemented in accordance with the provisions of the Grant Agreement.
  2. The Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if the Grantee does not remedy any such failure to the State's satisfaction.
  3. Repayment amounts may also include:
    - a. Advance funds which have not been expended within 18 months of the Grant Agreement's execution.
    - b. Actual costs incurred are not consistent with the activities presented in Exhibit A, not supported, or are ineligible.
    - c. At the completion of the project, the funds have not been expended.

For conditions 10) 3.a. and 10) 3.b., repayment may consist of deducting the amount from future reimbursement invoices. The State may consider the Grantee's refusal to repay the requested advanced amount a substantial breach of this Grant Agreement subject to the default provisions in Paragraph 12, "Default Provisions." If the State notifies the Grantee of its decision to demand repayment or withhold the entire funding amount from the Grantee pursuant to this paragraph, this Grant Agreement shall terminate upon receipt of such notice by the Grantee and the State shall no longer be required to provide funds under this Grant Agreement and the Grant Agreement shall no longer be binding on either party.

- 11) WITHHOLDING OF DISBURSEMENTS BY THE STATE. If the State determines that a project is not being implemented in accordance with the provisions of this Grant Agreement, or that the Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if the Grantee does not remedy any such failure to the State's satisfaction, the State may withhold from the Grantee all or any portion of the State funding and take any other action that it deems necessary to protect its interests. Where a portion of the State funding has been disbursed to the Grantee and the State notifies the Grantee of its decision not to release funds that have been withheld pursuant to Paragraph 13, "Continuing

Eligibility," 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 the State. The State may consider the Grantee's refusal to repay the requested disbursed amount a contract breach subject to the default provisions in Paragraph 12, "Default Provisions." If the State notifies the Grantee of its decision to withhold the entire funding amount from the Grantee pursuant to this paragraph, this Grant Agreement shall terminate upon receipt of such notice by the Grantee and the State shall no longer be required to provide funds under this Grant Agreement and the Grant Agreement shall no longer be binding on either party.

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

1. Substantial breaches of this Grant Agreement, or any supplement or amendment to it, or any other agreement between the Grantee and the State evidencing or securing the Grantee's obligations;
2. Making any false warranty, representation, or statement with respect to this Grant Agreement or the application filed to obtain this Grant Agreement;
3. Failure to operate or maintain project in accordance with this Grant Agreement.
4. Failure to make any remittance required by this Grant Agreement.
5. Failure to comply with Labor Compliance Plan requirements.
6. Failure to submit timely progress reports.
7. Failure to routinely invoice the State.
8. Failure to meet any of the requirements set forth in Paragraph 13, "Continuing Eligibility."

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

9. Declare the funding be immediately repaid, with interest, which shall be equal to the State of California general obligation bond interest rate in effect at the time of the default.
10. Terminate any obligation to make future payments to the Grantee.
11. Terminate the Grant Agreement.
12. Take any other action that it deems necessary to protect its interests.

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

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

1. An urban water supplier that receives grant funds pursuant to this Grant Agreement must maintain compliance with the Urban Water Management Planning Act (UWMP; Wat. Code, § 10610 et seq.) and Sustainable Water Use and Demand Reduction (Wat. Code, § 10608 et seq.) by doing the following:
  - a. Have submitted their 2015 UWMP and had it deemed consistent by DWR. If the 2015 UWMP has not been submitted to DWR funding disbursements to the urban water supplier will cease until the 2015 UWMP is submitted. If the 2015 UWMP is deemed inconsistent by DWR, the urban water supplier will be ineligible to receive funding disbursements until the inconsistencies are addressed and DWR deems the UWMP consistent. For more information, visit the following website: <https://www.water.ca.gov/Programs/Water-Use-And-Efficiency/Urban-Water-Use-Efficiency/Urban-Water-Management-Plans>.



- b. All urban water suppliers must submit documentation that demonstrates they are meeting the 2015 interim gallons per capita per day (GPCD) target. If not meeting the interim target, the Grantee must submit a schedule, financing plan, and budget for achieving the GPCD target, as required pursuant to Water Code Section 10608.24. Urban water suppliers that did not meet their 2015 interim GPCD target must also submit annual reports that include a schedule, financing plan, and budget for achieving the GPCD target by June 30 of each year.
2. An agricultural water supplier receiving grant funding must:
    - a. Comply with Sustainable Water Use and Demand Reduction requirements outlined in Water Code Section 10608, et seq. Submit to the State a schedule, financing plan, and budget for implementation of the efficient water management practices, required pursuant to Water Code Section 10608.48.
    - b. Have their Agricultural Water Management Plan (AWMP) deemed consistent by DWR. To maintain eligibility and continue funding disbursements, an agricultural water supply must have their 2015 AWMP identified on the State's website. For more information, visit the following website:  
<https://www.water.ca.gov/Work-With-Us/Grants-And-Loans/Agriculture-Water-Use-Efficiency>.
  3. The Grantee diverting surface water must maintain compliance with diversion reporting requirements as outlined in Part 5.1 of Division 2 of the Water Code.
  4. If applicable, the Grantee must demonstrate compliance with the Groundwater Management Act set forth on pages 7 and 8 of the 2015 SGWP Grant Program Guidelines, dated October 2015.
  5. 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 Section 10932 and the CASGEM Program.
- 14) **PERMITS, LICENSES, APPROVALS, AND LEGAL OBLIGATIONS.** The 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 Project(s). The 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. The Grantee shall provide copies of permits and approvals to the State.
- 15) **RELATIONSHIP OF PARTIES.** If applicable, the 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 the State is solely for the purpose of proper administration of funds by the State and shall not be deemed to relieve or restrict responsibilities of the Grantee under this Grant Agreement.
- 16) **SUBMISSION OF REPORTS.** The submittal and approval of all reports is a requirement for the successful completion of this Grant Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to the State. All reports shall be submitted to the State's Project Manager, and shall be submitted via Department of Water Resources (DWR) "Grant Review and Tracking System" (GRanTS). If requested, the Grantee shall promptly provide any additional information deemed necessary by the State for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit F. 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.
1. **Progress Reports:** The Grantee shall submit Progress Reports to meet the State's requirement for disbursement of funds. Progress Reports shall be uploaded via GRanTS, and the State's Project Manager notified of upload. Progress Reports shall, in part, provide a brief description of the work

performed, Grantees activities, milestones achieved, any accomplishments and any problems encountered in the performance of the work under this Grant Agreement during the reporting period. The first Progress Report should be submitted to the State no later than four (4) months after the execution of the agreement, with future reports then due on successive three-month increments based on the invoicing schedule and this date.

2. Groundwater Sustainability Plan: The Grantee shall submit a Final Groundwater Sustainability Plan (GSP) to DWR by the date as specified per SGMA. The GSP shall be formatted, drafted, prepared, and completed as required by the GSP Regulations, and in accordance with any other regulations or requirements that are stipulated through SGMA.
  3. Coordination Agreement: The Grantee shall provide the State a copy of the executed Coordination Agreement, and any and all supporting documentation. This condition is only required in basins where GSAs develop multiple GSPs pursuant to Water Code Section 10727(b)(3). Refer to the GSP Regulations for necessary details and requirements to prepare and submit a Coordination Agreement.
  4. Accountability Report: The Grantee shall prepare and submit to the State an Accountability Report on a quarterly basis if the Grantee received an Advanced Payment, consistent with the provisions in Paragraph 9, "Advanced Payment."
  5. Completion Report: The Grantee shall prepare and submit to the State a separate Completion Report for each project or component included in Exhibit A. The Grantee shall submit a Completion Report within ninety (90) calendar days of project/component completion. Each Completion Report shall include, in part, a description of actual work done, any changes or amendments to each project, and a final schedule showing actual progress versus planned progress, copies of any final documents or reports generated or utilized during a project. The Completion Report shall also include, if applicable for Implementation Project(s), certification of final project by a registered civil engineer, consistent with Exhibit D. A "Certification of Project Completion" form will be provided by the State.
  6. Grant Completion Report: Upon completion of the Project included in Exhibit A, the Grantee shall submit to the State a Grant Completion Report. The Grant Completion Report shall be submitted within ninety (90) calendar days of submitting the Completion Report for the final component or project to be completed under this Grant Agreement. The Grant Completion Report shall include reimbursement status, a brief description of each component completed, and how those components will further the goals of the GSP and sustainable groundwater. Retention for the last component, or project, to be completed as part of this Grant Agreement will not be disbursed until the Grant Completion Report is submitted to be approved by the State.
  7. Post-Performance Reports: The Grantee shall prepare and submit to the State Post-Performance Reports on each applicable implementation type Project(s). Post-Performance Reports shall be submitted to the State within ninety (90) calendar days after the first operational year of a project has elapsed. This record keeping and reporting process shall be repeated annually for a total of three (3) years after the project begins operation.
- 17) OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects (pertinent to Implementation Projects) and in consideration of the funding made by the State, the Grantee agrees to ensure or cause to be performed the commencement and continued operation of the project, and shall ensure or cause the project to be operated in an efficient and economical manner; shall ensure all repairs, renewals, and replacements necessary to the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted. The State shall not be liable for any cost of such maintenance, management, or operation. The Grantee or their successors may, with the written approval of the State, transfer this responsibility to use, manage, and maintain the property. For purposes of this Grant Agreement, "useful life" means period during which an asset, property, or activity is expected to be usable for the purpose it was acquired or implemented; "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses, and

“maintenance costs” include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal by the Grantee to ensure operation and maintenance of the projects in accordance with this provision may, at the option of the State, be considered a breach of this Grant Agreement and may be treated as default under Paragraph 12, “Default Provisions.”

- 18) MONITORING PLAN REQUIREMENTS. Pertinent to Implementation Projects or Components, a Monitoring Plan shall be submitted to the State prior to disbursement of State funds for construction or monitoring activities. The Monitoring Plan should incorporate items defined and listed in Exhibit K.
- 19) STATEWIDE MONITORING REQUIREMENTS. The Grantee shall ensure that all groundwater projects and projects that include groundwater monitoring requirements are consistent with the Groundwater Quality Monitoring Act of 2001 (Wat. Code, § 10780 et seq.) and, where applicable, projects that affect water quality shall include a monitoring component that allows the integration of data into statewide monitoring efforts, including where applicable, the Surface Water Ambient Monitoring Program carried out by the State Water Resources Control Board. See Exhibit G for web links and information regarding other State monitoring and data reporting requirements.
- 20) NOTIFICATION OF STATE. The Grantee shall promptly notify the State, in writing, of the following items:
  1. Events or proposed changes that could affect the scope, budget, or work performed under this Grant Agreement. The Grantee agrees that no substantial change in the scope of a project will be undertaken until written notice of the proposed change has been provided to the State and the State has given written approval for such change. Substantial changes generally include changes to the scope of work, schedule or term, and budget.
  2. Any public or media event publicizing the accomplishments and/or results of this Grant Agreement and provide the opportunity for attendance and participation by the State’s representatives. The Grantee shall make such notification at least fourteen (14) calendar days prior to the event.
  3. Applicable to Implementation Projects only, Final inspection of the completed work on a project by a Registered Professional (Civil Engineer, Engineering Geologist, or other State approved certified/license Professional), in accordance with Exhibit D. The Grantee shall notify the State’s Project Manager of the inspection date at least 14 calendar days prior to the inspection in order to provide the State the opportunity to participate in the inspection.
- 21) 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:
  1. By delivery in person.
  2. By certified U.S. mail, return receipt requested, postage prepaid.
  3. By “overnight” delivery service; provided that next-business-day delivery is requested by the sender.
  4. By electronic means.
  5. 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 listed below. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.
- 22) PERFORMANCE EVALUATION. Upon completion of this Grant Agreement, the Grantee’s performance will be evaluated by the State and a copy of the evaluation will be placed in the State file and a copy sent to the Grantee.

23) 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  
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Indian Wells Valley Groundwater Authority

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Direct all inquiries to the Project Manager:

Department of Water Resources

Jennifer Wong  
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770 Fairmont Ave, Suite 102  
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Ridgecrest, CA 93555  
Phone: (760) 499-5002  
E-mail: [rstrand@ridgecrest-ca.gov](mailto:rstrand@ridgecrest-ca.gov)

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

24) 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 – Grantee Resolution

Exhibit F – Report Formats and Requirements

Exhibit G – Requirements for Data Submittal

Exhibit H – State Audit Document Requirements and Cost Share Guidelines for Grantees

Exhibit I – Local Project Sponsors (Not Used)

Exhibit J – Project Location

Exhibit K – Monitoring Plan

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

STATE OF CALIFORNIA  
DEPARTMENT OF WATER RESOURCES

Indian Wells Valley Groundwater Authority

  
\_\_\_\_\_

  
\_\_\_\_\_


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

Ron Strand  
Acting General Manager

Date 9/24/18

Date 9-5-18

Approved as to Legal Form and Sufficiency

  
\_\_\_\_\_

Robin Brewer, Assistant Chief Counsel  
Office of Chief Counsel

Date 9-19-18



## EXHIBIT A WORK PLAN

**Project Title:** Indian Wells Valley Groundwater Basin SDAC Groundwater Conservation Project and Groundwater Sustainability Plan Development

**Project Description:** The Indian Wells Valley Groundwater Authority's (Grantee) Project has two main objectives: 1) to implement the Severely Disadvantaged Community (SDAC) Groundwater Conservation Project; and 2) to prepare a Groundwater Sustainability Plan (GSP). The Work Plan includes four Components:

- Component 1: Grant Administration
- Component 2: SDAC Groundwater Conservation Project
- Component 3: Groundwater Sustainability Plan Development Implementation Activities
- Component 4: Indian Wells Valley Groundwater Basin Groundwater Sustainability Plan

### Component 1: Grant Administration

**Description:** Grant management tasks including compliance with all Agreement requirements, Stakeholder coordination, invoicing, and reporting.

#### Category (a): Grant Administration

##### Task 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 DWR and partnering agencies and managing consultants/contractors.

##### Deliverables:

- Executed Grant Agreement and Amendment(s) (if necessary)

##### Subtask 1.1 – Stakeholder Engagement/Coordination

Coordinate with consultants, local agencies, and a variety of stakeholder groups to educate the public on the Sustainable Groundwater Management Act (SGMA) process and GSP development. Perform public outreach to engage and communicate with the public regarding key GSP development milestones.

##### Deliverables:

- Communication and Engagement Plan
- Outreach Materials (as applicable)

##### Task 2: Invoicing

Prepare and submit invoices to DWR, track task progress and schedule, and manage contracts and budgets associated with the Grant Agreement. Administer and track any contracts with consultants or other agencies that are necessary to complete tasks in the Work Plan and compile the required invoice back-up information.

##### Deliverables:

- Invoices and associated backup documentation
- Final invoices
- Retention invoice

### **Task 3: Reporting**

The Grantee will be responsible for compiling progress reports for submittal to DWR. Retain consultants as needed to prepare and submit quarterly progress reports and the Final Grant Completion Report. Reports will meet generally accepted professional standards for technical reporting and the requirements outlined in Exhibit F of this Agreement. Upon completion of this Work Plan, a final Grant Completion Report will be prepared and submitted to DWR.

#### Deliverables:

- Progress reports
- Draft and Final Grant Completion Report

### **Component 2: SDAC Groundwater Conservation Project**

**Description:** The results of the Component will be evaluated for expansion as a groundwater management action and planning activity in the GSP. The SDAC Groundwater Conservation Project Component consists of two subprojects for the SDACs in the Indian Wells Valley groundwater basin:

- Task 1: Water Conservation and Rebate Program
- Task 2: Water Audit, Leak Detection and Leak Repair Program

#### **Category (a): Direct Program Administration/Implementation**

##### **Task 1: Water Conservation and Rebate Program Administration/Implementation**

Track, process, and monitor the rebates for the low flow and other water conservation devices. Market the Rebate Program prior to and throughout the duration of the Program.

#### Deliverables:

- Request for Proposals (RFP) to retain consultant to implement the Water Conservation and Rebate Program

##### **Subtask 1.1 – Marketing**

Advertise the Water Conservation and Rebate Program through the Grantee's website, newspaper advertisements, bill inserts, flyers, etc.

#### Deliverables:

- Marketing or outreach tools such as newspaper advertisements, bill inserts, flyers, etc.

##### **Subtask 1.2 – Rebate Tracking/Reporting/Monitoring**

Track the rebate and reporting information from each participant in the Water Conservation and Rebate Program. Process the rebates once a participant's low flow and/or water conservation device(s) has been purchased and the Grantee receives a completed application form, a copy of the latest water bill, and a copy of the original sales receipt. Rebates will only be processed for participants who are exclusively reliant on groundwater use.

#### Deliverables:

- Report table submitted with quarterly progress reports and Final Project Completion Report summarizing:
  - Copies of completed application forms and sales receipts included in back-up documentation;
  - The number of participants that have applied for rebates and received during the reporting period and to date;
  - The number of washing machines, dishwashers, high-efficiency toilets, waterless urinals, and other water conservation devices installed during the reporting period and to date; and
  - The final quantification of the reduction in groundwater use.
- Monitoring Plan submitted with quarterly progress reports and final project completion report detailing: number of rebates distributed for each device and a quantification of groundwater conserved.



## **Task 2: Water Audit, Leak Detection, and Leak Repair Program Administration/Implementation**

As part of the Water Audit, Leak Detection, and Leak Repair Program, the Grantee will retain an experienced, qualified consultant to prepare the water audit and conduct leak detection and repairs.

### Deliverables:

- RFPs to retain consultant to implement the Water Audit and Leak Detection/Repair Program

### **Subtask 2.1 – Phase 1: Water Audit**

Conduct an initial water audit within the local SDACs to evaluate the potential groundwater and cost savings and subsequently implement a leak repair program to correct the issues identified by the water loss control procedures. Based on the results of the initial water audit, an additional, more focused audit may be conducted to improve any initial estimates of water loss.

### Deliverables:

- Water Audit Report or Technical Memorandum consisting of a system-wide accounting of all water into and out of the water distribution system over the specified time period.

### **Subtask 2.2 – Phase 2: Leak Detection and Repair Program**

The Leak Detection and Repair Program will survey the distribution system of the local SDACs, detect and locate leaks, and repair leaks. The Leak Detection and Repair Program will include water agency planning which outlines the type of crew, work and safety equipment, flow measuring tools, methods of surveying and pinpointing the location of leaks, repair scheduling, and the costs involved to detect and repair leaks.

### Deliverables:

- Report submitted with quarterly progress reports and Final Project Completion Report detailing the leaks detected and repaired.

## **Component 3: Groundwater Sustainability Plan Development Implementation Activities**

**Description:** Perform investigative planning and construction/implementation activities that lead to development of the GSP.

### **Category (a): Planning/Design/Engineering/Environmental Documentation**

#### **Task 1: Hydrogeologic Conceptual Model and Numerical Groundwater Model**

Develop a Hydrogeologic Conceptual Model (HCM) and Numerical Groundwater Model to determine water budget, assess groundwater level and quality trends, develop sustainable management criteria, and evaluate management actions.

### Deliverables:

- Graphical figure showing an overview of the primary hydrogeologic structures and water budget elements
- Hydrogeologic Conceptual Model Technical Memorandum
- Numerical Model Documentation

#### **Task 2: Identify and Evaluate Hydrogeologic Data Gaps**

Identify and evaluate Hydrogeologic Data Gaps to refine the monitoring network, validate the hydrogeologic conceptual model, and update the numerical model. Data gaps will be identified and prioritized in the current understanding of the basin setting and HCM.

Deliverables:

- Data Gaps Technical Memorandum

**Task 3: Monitoring Wells Siting, Design, and Work Plan**

Site and design a minimum of four (4) new monitoring wells to provide fault characterization (and data gaps) in the Indian Wells Valley groundwater basin, which influences the occurrence and movement of groundwater. The new monitoring wells will identify lithologic, groundwater level, and groundwater quality data gaps.

Deliverables:

- Description and figure of final monitoring well locations
- Monitoring Plan, as described in Exhibit K

**Task 4: Stream Gages**

Design of telemetry retrofits to two existing stream gages that will provide data required to implement management of the GSP. The retrofit will include the design of equipment including, but not necessarily limited to, water level loggers and telemetry equipment.

Deliverables:

- Stream gage design drawings
- Stream gage rating curves
- Stream gage equipment specifications

**Task 5: Weather Stations**

Design at least one (1), but not more than two (2) weather stations and telemetry retrofits to one existing weather station that will provide data required to implement management of the GSP. The retrofit will include the design of equipment including, but not necessarily limited to, telemetry equipment. The new weather station will include the design of equipment including, but not necessarily limited to, solar sources, dataloggers, and other equipment that supports data relay to the Data Management System (DMS).

Deliverables:

- Weather station design drawings
- Weather station equipment plans and specifications

**Task 6: Environmental Compliance and Permitting**

The Grantee will comply with applicable environmental requirements including California Environmental Quality Act (CEQA), and will prepare and file any required and necessary environmental documentation for the Project as set forth in Paragraph D.7. At a minimum, drilling permits will be required. Additional permits that may be required include National Pollutant Discharge Elimination System / Waste Discharge Requirements permits and CEQA/National Environmental Policy Act (NEPA) documentation. The Grantee will ensure that required permits are obtained and that their requirements are met as stated in Paragraph 14.

Deliverables:

- Environmental Information Form (EIF)
- Copies of all final permits and required environmental documents for installation of the monitoring wells, stream gages, and weather stations (as applicable)

**Category (b): Construction/Implementation Activities**

**Task 7: Monitoring Wells Construction and Monitoring**

Install a minimum of four (4) new monitoring wells in the southwestern section of the Indian Wells Valley groundwater basin. Dataloggers will be deployed at each well to record daily groundwater levels. The construction of new monitoring wells supports the development of the GSP because the data collected and

analyzed will be used to refine the existing Indian Wells Valley groundwater basin monitoring network, validate the HCM, and update the numerical groundwater model.

Deliverables:

- Monitoring well completion reports including survey location data

**Task 8: Stream Gages**

Rehabilitation and telemetry retrofits to two (2) existing stream gages to provide data required to implement management of the GSP. This task includes automating the two (2) existing streamflow gages that may be correlated consistent with existing or future precipitation gages. Testing and interfacing the data with the DMS will be performed.

Deliverables:

- Work Plan to install and test installed equipment, based on site selection, location, equipment, and access
- Stream Gages Technical Memorandum including design drawings, rating curves, and equipment specifications from Category (a) Task 4, and photographic documentation

**Task 9: Weather Stations**

Install one (1), but no more than two (2) weather stations and telemetry retrofits to one existing weather station that will provide data required to implement management of the GSP. Testing and interfacing the data with the DMS will be performed.

Deliverables:

- Work Plan to install and test installed equipment, based on site selection, location, equipment, and access
- Weather Station Technical Memorandum including design drawings and equipment specifications from Category (a) Task 5, and photographic documentation

**Task 10: Water Quality and Stable Isotope Sampling and Analysis**

Conduct water quality and stable isotope sampling and analysis to fill in water quality and hydrogeologic data gaps. Surface water and groundwater quality samples will be collected and analyzed to provide hydrogeologic information on flow paths from surface water recharge at the mountain front, through subsurface deposits, near faults, and towards Indian Wells Valley groundwater basin production zones.

Deliverables:

- Technical Memorandum with results of sampling and analysis

**Task 11: Aquifer Tests**

Perform aquifer tests to fill in hydrogeologic data gaps where model calibration is uncertain.

Deliverables:

- Aquifer performance testing work plan including specifications and the locations and maps of monitoring wells to be tested.
- Technical Memorandum with results of data gaps investigation

**Component 4: Indian Wells Valley Groundwater Basin Groundwater Sustainability Plan**

**Description:** Develop a SGMA compliant GSP, incorporating the investigative planning and construction/ implementation activities from Components 2 and 3, that provide sustainable management strategies that culminate in the absence of undesirable and unsustainable groundwater conditions within 20 years to provide long-term sustainable groundwater management.

**Category (a): Planning/Design/Engineering/Environmental Documentation**

**Task 1: Data Management System**

Develop a Data Management System to store and report physical and environmental datasets, establish monitoring protocols, and integrate sustainability criteria.

Deliverables:

- DMS Technical Memorandum including monitoring protocols

**Task 2: Salt and Nutrient Management Plan Development**

Develop a Salt and Nutrient Management Plan to provide a framework to analyze water quality impacts and trends of potential recycled water, imported water, and stormwater replenishment projects.

Deliverables:

- Final Salt and Nutrient Management Plan

**Task 3: Alternative Water Supply and Water Conservation Study**

Perform an analysis of Alternative Water Supply and Water Conservation Feasibility Study as a sustainable management strategy in the Indian Wells Valley groundwater basin. An analysis of the feasibility of obtaining imported water is needed to inform the development of management scenarios for the sustainable management of the basin. Review potential water banking alternatives and extraction schedules to account for the fluctuation in availability of the water supply. The infrastructure needed to deliver imported water for direct use and groundwater recharge in the Indian Wells Valley groundwater basin will be determined, including distribution requirements, any treatment requirements, and permitting requirements.

Deliverables:

- Alternative Water Supply/Water Conservation Feasibility Study Technical Memorandum

**Task 4: Recycled Water Study**

Analysis of Recycled Water Feasibility as a sustainable management strategy. The Recycled Water Feasibility Study will determine the quantity and cost of recycled water that can be used to enhance the water supply in the Indian Wells Valley groundwater basin.

Deliverables:

- Recycled Water Feasibility Study Technical Memorandum

**Category (b): GSP Development**

**Task 5: GSP Development**

Develop the Indian Wells Valley groundwater basin GSP based on information obtained in activities performed in Components 1 and 2.

Deliverables:

- Public Review Draft GSP to include the following chapters:
  - Executive Summary Chapter
  - Introduction Chapter
  - Plan Area and Basin Setting Chapter
  - Sustainable Management Criteria Chapter
  - Projects and Management Actions to Achieve Sustainability Goal Chapter
  - Plan Implementation Chapter
  - References and Technical Studies Chapter
- Proof of Final Indian Wells Valley Groundwater Basin GSP submittal to DWR

**EXHIBIT B  
BUDGET**

Agreement Total Project Budget Summary						
COMPONENTS		Grant Amount	Required Cost Share (non-state source)*	Other Cost Share**	Total Cost	Percent Cost Share
1	Component 1: Grant Administration	\$106,287	\$0	\$31,513	<b>\$137,800</b>	23%
2	Component 2: SDAC Groundwater Conservation Project	\$646,000	\$0	\$0	<b>\$646,000</b>	0%
3	Component 3: Groundwater Sustainability Plan Development Implementation Activities	\$825,077	\$0	\$1,245,823	<b>\$2,070,900</b>	60%
4	Component 4: Indian Wells Valley Groundwater Basin Groundwater Sustainability Plan	\$568,636	\$0	\$222,664	<b>\$791,300</b>	28%
<b>TOTAL Project</b>		<b>\$2,146,000</b>	<b>\$0</b>	<b>\$1,500,000</b>	<b>\$3,646,000</b>	<b>41%</b>

**NOTES:**

\*IWVGA received a DAC/EDA/SDAC cost share waiver for Component 1, Component 3 and Component 4. IWVGA received a SDAC cost share waiver for Component 2.

\*\* Sources of funding include IWVGA, U.S. Navy, Searles Valley Minerals, Indian Wells Valley Water District, City of Ridgecrest, Bureau of Land Management.

Component 1 – Budget					
Component 1: Grant Administration					
Budget Category		Grant Amount	Required Cost Share (non-state source)*	Other Cost Share**	Total Cost
(a)	Grant Administration	\$106,287	\$0	\$31,513	<b>\$137,800</b>
<b>TOTAL COSTS</b>		<b>\$106,287</b>	<b>\$0</b>	<b>\$31,513</b>	<b>\$137,800</b>

**NOTES:**

\*IWVGA received a DAC/EDA/SDAC cost share waiver for Component 1

\*\* Sources of funding include IWVGA.

Component 2 – Budget					
Component 2: SDAC Groundwater Conservation Project					
Budget Category		Grant Amount	Required Cost Share (non-state source)*	Other Cost Share**	Total Cost
(a)	Direct Program Administration/Implementation	\$646,000	\$0	\$0	\$646,000
<b>TOTAL COSTS</b>		<b>\$646,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$646,000</b>

NOTES:

\*IWVGA received a SDAC cost share waiver for the Component 2.

Component 3 – Budget					
Component 3: Groundwater Sustainability Plan Development Implementation Activities					
Budget Category		Grant Amount	Required Cost Share (non-state source)*	Other Cost Share**	Total Cost
(a)	Planning/Design/Engineering/Environmental Documentation	\$454,537	\$0	\$803,363	\$1,257,900
(b)	Construction/Implementation Activities	\$370,540	\$0	\$442,460	\$813,000
<b>TOTAL COSTS</b>		<b>\$825,077</b>	<b>\$0</b>	<b>\$1,245,823</b>	<b>\$2,070,900</b>

NOTES:

\*IWVGA received a DAC/EDA/SDAC cost share waiver for the Component 3.

\*\* Sources of funding include IWVGA, U.S. Navy, Searles Valley Minerals, Bureau of Land Management.



Component 4 – Budget					
Component 4: Indian Wells Valley Groundwater Basin Groundwater Sustainability Plan					
Budget Category		Grant Amount	Required Cost Share (non-state source)*	Other Cost Share**	Total Cost
(a)	Planning/Design/Engineering/Environmental Documentation	\$440,135	\$0	\$184,565	\$624,700
(b)	GSP Development	\$128,501	\$0	\$38,099	\$166,600
<b>TOTAL COSTS</b>		<b>\$568,636</b>	<b>\$0</b>	<b>\$222,664</b>	<b>\$791,300</b>

**NOTES:**

\*IWVGA received a DAC/EDA/SDAC cost share waiver for Component 4.

\*\* Sources of funding include IWVGA, Indian Wells Valley Water District, City of Ridgecrest.

**EXHIBIT C  
SCHEDULE**

<b>Project Schedule</b>			
<b>Project Title: Indian Wells Valley Groundwater Basin SDAC Groundwater Conservation Project and Groundwater Sustainability Plan Development</b>			
<b>Categories</b>		<b>Start Date</b>	<b>End Date</b>
<b>Component 1: Grant Administration</b>			
(a)	Grant Administration	10/9/17	3/13/20
<b>Component 2: SDAC Groundwater Conservation Project</b>			
(a)	Direct Program Administration/Implementation	10/9/17	3/9/20
<b>Component 3: Groundwater Sustainability Plan Development Implementation Activities</b>			
(a)	Planning/Design/Engineering/Environmental Documentation	1/1/15	8/30/19
(b)	Construction/Implementation Activities	8/20/18	12/3/19
<b>Component 4: Indian Wells Valley Groundwater Basin Groundwater Sustainability Plan</b>			
(a)	Planning/Design/Engineering/Environmental Documentation	1/1/16	6/27/19
(b)	GSP Development	9/1/18	12/30/19



**EXHIBIT D**  
**STANDARD CONDITIONS**

**D.1) ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:**

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

**D.2) ACKNOWLEDGEMENT OF CREDIT AND SIGNAGE:** The Grantee shall include appropriate acknowledgement of credit to the State for its support when promoting the Project or using any data and/or information developed under this Grant Agreement. Signage shall be posted in a prominent location at Project site(s) (if applicable) or at the Grantee's headquarters and shall include the Department of Water Resources color logo and the following disclosure statement: "Funding for this project has been provided in full or in part from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 and through an agreement with the State Department of Water Resources." The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this paragraph.

**D.3) AMENDMENT:** This Grant Agreement may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any way contrary to applicable law. Requests by the Grantee for amendments must be in writing stating the amendment request and the reason for the request. The State shall have no obligation to agree to an amendment.

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

**D.5) AUDITS:** The State reserves the right to conduct an audit at any time between the execution of this Grant Agreement and the completion of the Project, with the costs of such audit borne by the State. After completion of the Project, the State may require the Grantee to conduct a final audit to the State's specifications, at the Grantee's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by the Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and the State may elect to pursue any remedies provided in Paragraph 11 or take any other action it deems necessary to protect its interests.

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

be preserved for this purpose for at least three (3) years after receipt of the final disbursement under this Agreement. If an audit reveals any impropriety, the Bureau of State Audits or the State Controller's Office may conduct a full audit of any or all of the Funding Recipient's activities. (Wat. Code, § 79708, subd. (b).)

- D.6) **BUDGET CONTINGENCY:** If the Budget Act of the current year covered under this Grant Agreement does not appropriate sufficient funds for this program, this Grant Agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of the State to make any payments under this Grant Agreement. In this event, the State shall have no liability to pay any funds whatsoever to the Grantee or to furnish any other considerations under this Grant Agreement and the Grantee shall not be obligated to perform any provisions of this Grant Agreement. Nothing in this Grant Agreement shall be construed to provide the Grantee with a right of priority for payment over any other Grantee. If funding for any fiscal year after the current year covered by this Grant Agreement is reduced or deleted by the Budget Act, by Executive Order, or by order of the Department of Finance, the State shall have the option to either cancel this Grant Agreement with no liability occurring to the State, or offer a Grant Agreement amendment to the Grantee to reflect the reduced amount.
- D.7) **CEQA:** Activities funded under this Grant Agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA). (Pub. Resources Code, § 21000 et seq.) Any work that is subject to CEQA and funded under this Grant 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 the Grant Agreement subject to a CEQA document shall not proceed until and unless approved by the State Project Manager. Such approval is fully discretionary and shall constitute a condition precedent to any work for which it is required. If CEQA compliance by the Grantee is not complete at the time the State signs this Agreement, once the State has considered the environmental documents, it may decide to require changes, alterations, or other mitigation to the Project; or to not fund the Project. Should the State decide to not fund the Project, this Agreement shall be terminated in accordance with Paragraph 11.
- D.8) **CHILD SUPPORT COMPLIANCE ACT:** The Grantee acknowledges in accordance with Public Contract Code Section 7110, that:
- a) The Grantee recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Family Code Section 5200 et seq.; and
  - b) The Grantee, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
- D.9) **CLAIMS DISPUTE:** Any claim that the Grantee may have regarding performance of this Agreement including, but not limited to, claims for additional compensation or extension of time, shall be submitted to the DWR Project Representative, within thirty (30) days of the Grantee's knowledge of the claim. The State and the Grantee shall then attempt to negotiate a resolution of such claim and process an amendment to this Agreement to implement the terms of any such resolution.
- D.10) **COMPETITIVE BIDDING AND PROCUREMENTS:** The Grantee shall comply with all applicable laws and regulations regarding securing competitive bids and undertaking competitive negotiations in the Grantee's contracts with other entities for acquisition of goods and services and construction of public works with funds provided by the State under this Grant Agreement.
- D.11) **COMPUTER SOFTWARE:** The Grantee certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Grant Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.

- D.12) **CONFLICT OF INTEREST:** All participants are subject to state and federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code Section 1090 and Public Contract Code Sections 10410 and 10411, for State conflict of interest requirements.
- a) **Current State Employees:** No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
  - b) **Former State Employees:** For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.
  - c) **Employees of the Grantee:** Employees of the Grantee shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act. (Gov. Code, § 87100 et seq.)
  - d) **Employees and Consultants to the Grantee:** Individuals working on behalf of the Grantee may be required by DWR 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.13) **DELIVERY OF INFORMATION, REPORTS, AND DATA:** The Grantee agrees to expeditiously provide throughout the term of this Grant Agreement, such reports, data, information, and certifications as may be reasonably required by the State.
- D.14) **DISPOSITION OF EQUIPMENT:** The Grantee shall provide to the State, not less than 30 calendar days prior to submission of the final invoice, an itemized inventory of equipment purchased with funds provided by the State. The inventory shall include all items with a current estimated fair market value of more than \$5,000.00 per item. Within 60 calendar days of receipt of such inventory the State shall provide the Grantee with a list of the items on the inventory that the State will take title to. All other items shall become the property of the Grantee. The State shall arrange for delivery from the Grantee of items that it takes title to. Cost of transportation, if any, shall be borne by the State.
- D.15) **DRUG-FREE WORKPLACE CERTIFICATION:** Certification of Compliance: By signing this Grant Agreement, the Grantee, its contractors or subcontractors hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code § 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:
- a) Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code Section 8355.
  - b) Establish a Drug-Free Awareness Program, as required by Government Code Section 8355 to inform employees, contractors, or subcontractors about all of the following:

- i) The dangers of drug abuse in the workplace,
  - ii) The Grantee's policy of maintaining a drug-free workplace,
  - iii) Any available counseling, rehabilitation, and employee assistance programs, and
  - iv) Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
- c) Provide, as required by Government Code Section 8355, that every employee, contractor, and/or subcontractor who works under this Grant Agreement:
- i) Will receive a copy of the Grantee's drug-free policy statement, and
  - ii) Will agree to abide by terms of the Grantee's condition of employment, contract or subcontract.

D.16) **EASEMENTS:** Where the Grantee acquires property in fee title or funds improvements to real property already owned in fee by the Grantee using State funds provided through this Grant Agreement, an appropriate easement or other title restriction 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 Grantee acquires an easement under this Agreement, the Grantee agrees to monitor and enforce the terms of the easement, unless the easement is subsequently transferred to another land management or conservation organization or entity with State permission, at which time monitoring and enforcement responsibilities will transfer to the new easement owner.

Failure to provide an easement acceptable to the State can result in termination of this Agreement.

D.17) **FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED PROFESSIONAL:** Upon completion of the Project, the Grantee shall provide for a final inspection and certification by a California Registered Professional (i.e., Professional Civil Engineer, Engineering Geologist, that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Grant Agreement.

D.18) **GRANTEE'S RESPONSIBILITY.** The Grantee and its representatives shall:

- a) Faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A and in accordance with Project Exhibit B and Exhibit C.
- 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 the Grantee 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 Grant 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 Grant Agreement, including those necessary to perform design, construction, or operation and maintenance of the Project. The Grantee shall provide copies of permits and approvals to the State.
- 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 the State is solely for the purpose of proper administration of funds by the State and shall not be deemed to relieve or restrict responsibilities of the Grantee under this Agreement.

- h) Be solely responsible for all work and for persons or entities engaged in work performed pursuant to this Grant Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Grantee shall be responsible for any and all disputes arising out of its contracts for work on the Project, including but not limited to payment disputes with contractors and subcontractors. The State will not mediate disputes between the Grantee and any other entity concerning responsibility for performance of work.
- D.19) **GOVERNING LAW:** This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
- D.20) **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.21) **INDEMNIFICATION:** The Grantee shall indemnify and hold and save the State, its officers, agents, and employees, free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Project and this Agreement, including, but not limited to any claims or damages arising from planning, design, construction, maintenance and/or operation of this Project and any breach of this Agreement. The Grantee shall require its contractors or subcontractors to name the State, its officers, agents and employees as additional insureds on their liability insurance for activities undertaken pursuant to this Agreement.
- D.22) **INDEPENDENT CAPACITY:** The Grantee, and the agents and employees of the Grantees, in the performance of the Grant Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.
- D.23) **INSPECTION OF BOOKS, RECORDS, AND REPORTS:** During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Grant Agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Grant Agreement. Failure or refusal by the Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and the State may withhold disbursements to the Grantee or take any other action it deems necessary to protect its interests.
- D.24) **INSPECTIONS OF PROJECT BY STATE:** The State shall have the right to inspect the work being performed at any and all reasonable times during the term of the Grant Agreement. This right shall extend to any subcontracts, and the Grantee shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Grant Agreement with the State.
- D.25) **LABOR CODE COMPLIANCE:** The Grantee agrees to be bound by all the provisions of the Labor Code regarding prevailing wages and shall monitor all contracts subject to reimbursement from this Agreement to assure that the prevailing wage provisions of the Labor Code are being met. The Grantee certifies that it has a Labor Compliance Program (LCP) in place or has contracted with a third party that has been approved by the Director of the Department of Industrial Relations (DIR) to operate an LCP. Current DIR requirements may be found at <http://www.dir.ca.gov/lcp.asp>. For more information, please refer to DIR's *Public Works Manual* at: <http://www.dir.ca.gov/dlse/PWManualCombined.pdf>. The Grantee affirms that it is aware of the provisions of Section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance, and the Grantee affirms that it will comply with such provisions before commencing the performance of the work under this Agreement and will make its contractors and subcontractors aware of this provision.
- D.26) **MODIFICATION OF OVERALL WORK PLAN:** At the request of the Grantee, the State may at its sole discretion approve non-material changes to the portions of Exhibit A which concern the budget and schedule without formally amending this Grant 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 Grant Agreement. Non-material changes with respect to the Project schedule are changes that will not extend the term of this Grant Agreement. Requests for non-material changes to the budget and schedule must be submitted by the Grantee to the State in writing and are not effective unless and until specifically approved by the State's Program Manager in writing.

- D.27) **NONDISCRIMINATION:** During the performance of this Grant Agreement, the Grantee and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital status, and denial of medial and family care leave or pregnancy disability leave. The Grantee and its contractors or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. The Grantee and its contractors or subcontractors shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code, § 12990.) and the applicable regulations promulgated there under (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing the California Fair Employment and Housing Act are incorporated into this Agreement by reference. The Grantee and its contractors or subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
- The Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Grant Agreement.
- D.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) **PRIORITY HIRING CONSIDERATIONS:** If this Grant Agreement includes services in excess of \$200,000, the Grantee shall give priority consideration in filling vacancies in positions funded by the Grant Agreement to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Public Contract Code Section 10353.
- D.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 the Grantee's service of water, without prior permission of the State. The Grantee shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of the Grantee to meet its obligations under this Grant Agreement, without prior written permission of the State. The State may require that the proceeds from the disposition of any real or personal property be remitted to the State.
- D.31) **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.32) **RETENTION:** The State shall withhold ten percent (10%) of the funds requested by the Grantee for reimbursement of Eligible Project Costs until the Project is completed and Final Project Completion Report is approved. Any retained amounts due to the Grantee will be promptly disbursed to the Grantee, without interest, upon completion of the Project.
- D.33) **RIGHTS IN DATA:** The Grantee agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes and other written or graphic work produced in the performance of this Grant Agreement shall be made available to the State and shall be in the public domain to the

extent to which release of such materials is required under the California Public Records Act. (Gov. Code, § 6250 et seq.) The Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Grant Agreement, subject to appropriate acknowledgement of credit to the State for financial support. The Grantee shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so. The State shall have the right to use any data described in this paragraph for any public purpose.

- D.34) 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.35) SUSPENSION OF PAYMENTS: This Grant Agreement may be subject to suspension of payments or termination, or both if the State determines that:
- a) The Grantee, its contractors, or subcontractors have made a false certification, or
  - b) The Grantee, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Grant Agreement.
- D.36) 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 the State may impose.
- D.37) TERMINATION BY GRANTEE: Subject to State approval which may be reasonably withheld, the Grantee may terminate this Agreement and be relieved of contractual obligations. In doing so, the Grantee must provide a reason(s) for termination. The Grantee must submit all progress reports summarizing accomplishments up until termination date.
- D.38) TERMINATION FOR CAUSE: Subject to the right to cure under Paragraph 11, the State may terminate this Grant Agreement and be relieved of any payments should the Grantee fail to perform the requirements of this Grant Agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 11.
- D.39) 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.40) 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.41) TIMELINESS: Time is of the essence in this Grant Agreement.
- D.42) TRAVEL – DAC, EDA, or SDAC PROJECT/COMPONENT: If a Project/Component obtains a DAC, EDA, or SDAC Cost Share Waiver, the Grantee may submit travel and per diem costs for eligible reimbursement with State funds. Travel includes the reasonable and necessary costs of transportation, subsistence, and other associated costs incurred by personnel during the term of this Grant 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. All travel approved expenses will be reimbursed at the percentage rate of the DAC, EDA, or SDAC Cost Share Waiver. For example, if the Grantee obtains a 100% Waiver, 100% of all approved travel expenses can be invoiced for reimbursement. If the Grantee obtains a 50% Waiver, only 50% of eligible travel expenses will be reimbursed by these grant funds.



- D.43) TRAVEL – NON-DAC, EDA, or SDAC PROJECT/COMPONENT: The 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 DAC, EDA, or SDAC. The Grantee also agrees that travel and per diem costs 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.
- D.44) UNION ORGANIZING: The Grantee, by signing this Grant Agreement, hereby acknowledges the applicability of Government Code Sections 16645 through 16649 to this Grant Agreement. Furthermore, the Grantee, by signing this Grant Agreement, hereby certifies that:
- a) No State funds disbursed by this Grant Agreement will be used to assist, promote, or deter union organizing.
  - b) The Grantee shall account for State funds disbursed for a specific expenditure by this Grant Agreement to show those funds were allocated to that expenditure.
  - c) The Grantee shall, where State funds are not designated as described in (b) above, allocate, on a pro rata basis, all disbursements that support the program.
  - d) If the Grantee makes expenditures to assist, promote, or deter union organizing, the Grantee will maintain records sufficient to show that no State funds were used for those expenditures and that the Grantee shall provide those records to the Attorney General upon request.
- D.45) 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.46) WAIVER OF RIGHTS: None of the provisions of this Grant Agreement shall be deemed waived unless expressly waived in writing. It is the intention of the parties here to that from time to time either party may waive any of its rights under this Grant Agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Grant Agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.



EXHIBIT E  
AUTHORIZING RESOLUTION ACCEPTING FUNDS

BEFORE THE BOARD OF DIRECTORS OF THE  
INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

In the matter of:

Resolution No. 09-17

RESOLUTION AUTHORIZING AN AGREEMENT  
WITH THE STATE OF CALIFORNIA FOR  
PROPOSITION 1 GRANT FUNDING FOR  
SUSTAINABLE GROUNDWATER PLANNING.

I, Lauren Duffy, Clerk of the Board of Directors for the Indian Wells Valley Groundwater Authority, do certify that the following resolution, on motion of Director Bob Page, seconded by Director Peter Brown, was duly passed and adopted by the Board of Directors at an official meeting this 21st day of September, 2017, by the following vote:

AYES: Breeden, Brown, Gleason, Kingsley, Page

NOES: 0

ABSENT: 0



Clerk of the Board of Directors  
Indian Wells Valley Groundwater Authority

Deputy Clerk

RESOLUTION

Section 1. WHEREAS:

(a) The "Sustainable Groundwater Management Act" (SGMA) requires that the Indian Wells Valley Groundwater Basin be managed under a Groundwater Sustainability Plan (GSP) by no later than January 31, 2020; and

(b) The stated purpose of SGMA, as set forth in California Water Code Section 10720.1, is to provide for the sustainable management of groundwater basins, and sub-basins, as defined by the California Department of Water Resources at a local level by providing local water supply, water management and land use agencies with the authority and technical and financial assistance necessary to sustainably manage groundwater; and

(c) Grant funding from DWR is available through Proposition 1 under the Sustainable Groundwater Planning (SGWP) grant program for the preparation of a GSP ("Category 2" projects) and for certain groundwater sustainability projects serving Severely Disadvantaged Communities ("Category 1" projects); and

(d) The Indian Wells Valley Groundwater Authority (IWWGA) is eligible to receive Category 1 funding, up to \$1 million per project, and Category 2 funding, up to \$1.5 million per GSP, through submittal of a SGWP grant program Application to DWR; and

(e) The SGWP grant program Application was released on September 8, 2017 and is to be submitted to DWR on November 13, 2017; and

(f) The SGWP grant program Application requires submittal of a Resolution adopted by the Indian Wells Valley Groundwater Authority authorizing a representative to enter into an agreement with the State of California to receive grant funding.

Section 2. THEREFORE IT IS RESOLVED by the Board of Directors of the Indian Wells Valley Groundwater Authority, as follows:

1. This Board finds that the recited facts are true and that it has the jurisdiction to consider, approve, and adopt this Resolution.

2. Resolved by the Indian Wells Valley Groundwater Authority, that Application be made to the California Department of Water Resources to obtain a grant under the 2017 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 to enter into an agreement to receive grant funding for Category 1 and Category 2 projects, as defined by the California Department of Water Resources, under the Sustainable Groundwater Planning Grant Program. Category 1 projects include specific projects which will benefit Severely Disadvantaged Communities in the Indian Wells Valley groundwater basin area. The Category 2 project includes the preparation of a Groundwater Sustainability Plan for the Indian Wells Valley groundwater basin. The General Manager of the Indian Wells Valley Groundwater Authority 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. Passed and adopted at a meeting of the Indian Wells Valley Groundwater Authority on September 21<sup>st</sup>, 2017.

## **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. This format may be modified as necessary to effectively communicate information. For the Project, or each component, discuss the following at the task level, as organized in Exhibit A:

- Percent complete estimate.
- Discussion of work accomplished during the reporting period.
- Milestones or deliverables completed/submitted during the reporting period.
- Meetings held or attended.
- Scheduling concerns and issues encountered that may delay completion of the task.

For each project, discuss the following at the project level, as organized in Exhibit A:

- Work anticipated for the next reporting period.
- Photo documentation, as appropriate.
- Any schedule or budget modifications approved by DWR during the reporting period.

#### **COMPLETION REPORT**

The Completion Report shall generally use the following format provided below for each Component or Project after completion.

##### **Executive Summary**

The 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 Grant application.
- Description of actual work completed and any deviations from Exhibit A. List any official amendments to this Grant Agreement, with a short description of the amendment.

##### **Reports and/or Products**

The following items should be provided, unless already submitted as a deliverable:

- A copy of the Groundwater Sustainability Plan (GSP) that meets all the requirements of the GSP Regulations (for GSP Development Projects), or verification (e.g., acceptance email, or other approved documentation from SGMA), that the GSP was submitted to DWR as required.
- A copy of any final technical report or study, produced for or utilized in this Project as described in the Work Plan
- Electronic copies of any data collected, not previously submitted
- Discussion of problems that occurred during the work and how those problems were resolved
- Final Component schedule showing actual progress versus planned progress

Additional information that may be applicable for Implementation Projects and/or Components includes the following:

- As-built drawings
- Final geodetic survey information
- Project or Component photos

### **Cost & Disposition of Funds**

A list showing:

- Summary of Project costs including the following items:
  - Accounting of the cost of project expenditure
  - Include all internal and external costs not previously disclosed (i.e., additional cost share); and
  - A discussion of factors that positively or negatively affected the project cost and any deviation from the original Project cost estimate.

### **Additional Information**

- Benefits derived from the Component, with quantification of such benefits provided, applicable for Implementation Components.
- A final project schedule showing actual progress versus planned progress as shown in Exhibit C.
- Certification from a California Registered Professional (Civil Engineer or Geologist, as appropriate) that the project was conducted in accordance with the approved work plan and any approved modifications thereto.
- Submittal schedule for the Post Performance Report.

### **GRANT COMPLETION REPORT**

The Grant Completion Report shall generally use the following format. This format may be modified as necessary to effectively communicate information on the various projects in the SGWP Grant Program funded by this Grant Agreement, and includes the following:

#### **Executive Summary**

The Executive Summary consists of a maximum of ten (10) pages summarizing information for the grant as well as the individual components.

#### **Reports and/or products**

- Brief comparison of work proposed in the original 2017 SGWP Grant application and actual work done.
- Brief description of the Project or components completed and how they achieve either or both of the following:
  - Serve SDAC(s) and support groundwater sustainability planning and management in the basin (Implementation Projects); and/or
  - Support planning, development, and/or preparation of GSP(s) that will comply with and meet the requirements of the GSP Regulations (GSP Development Projects).
- Identify remaining work and mechanism for their implementation (Implementation Projects).
- If applicable (e.g., if a DAC, EDA, or SDAC Cost Share Waiver was approved), a discussion of the benefits to DAC, EDA, and/or SDAC as part of this Grant Agreement.

#### **Cost & Disposition of Funds Information**

- A summary of final funds disbursement for the Project, or each component.

#### **Additional Information**

- Summary of the submittal schedule for the Post Performance Reports applicable for the Project, or each of the components in this Grant Agreement.

## **POST-PERFORMANCE REPORT**

The Post-Performance Report should be concise, and focus on how (each/the) project or component is actually performing compared to its expected performance; whether the project or component is being operated and maintained, and providing intended benefits as proposed (for Implementation Project or components). The Post-Performance Report should follow the same general format and provide requested information as required to be included in the Project Monitoring Plan (Exhibit K). As applicable, the following information, at a minimum, shall be provided:

### **Reports and/or products**

- Time period of the annual report (e.g., January 2018 through December 2018)
- Short project description
- Discussion of the project benefits
- An assessment of any explanations for any differences between the expected versus actual project benefits as stated in the original 2017 SGWP Grant application. Where applicable, the reporting should include quantitative metrics (i.e., new acre-feet of water produced that year, etc.).
- Summary of any additional costs and/or benefits deriving from the project since its completion, if applicable.
- Continued reporting on meeting the Output Indicators and Targets discussed in the Project and/or Component Monitoring Plan discussed in Paragraph 18 of this Grant Agreement.
- Any additional information relevant to or generated by the continued operation of the project.

## **EXHIBIT G**

### **REQUIREMENTS FOR DATA SUBMITTAL**

#### **Surface and Groundwater Quality Data:**

Groundwater quality and ambient surface water quality monitoring data that include chemical, physical, or biological data shall be submitted to the State as described below, with a narrative description of data submittal activities included in project reports, as described in Exhibit 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: [http://www.waterboards.ca.gov/water\\_issues/programs/gama/](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](http://www.swrcb.ca.gov/water_issues/programs/gama/contact.shtml)

#### **Groundwater Level Data**

The 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. The 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 project reports, as described in Exhibit F. Information regarding the CASGEM program can be found at: <http://www.water.ca.gov/Programs/Groundwater-Management/Groundwater-Elevation-Monitoring--CASGEM>

## EXHIBIT H

### STATE AUDIT DOCUMENT REQUIREMENTS AND COST SHARE GUIDELINES FOR GRANTEES

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

#### **State Audit Document Requirements**

##### Internal Controls

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

##### State Funding:

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

##### Contracts:

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

##### Invoices:

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

##### Cash Documents:

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

Accounting Records:

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

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

Personnel:

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

Project Files:

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

**Cost Share Guidelines**

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 Grantee (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 cost share in-lieu of actual funds (or revenue) provided by the Grantee. Other cost share and in-kind service eligibility conditions may apply. Provided below is guidance for documenting 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 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 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. Cost Share contribution (including in kind services) shall be for costs and services directly attributed to activities included in the Grant Agreement. These services, furnished by professional and technical

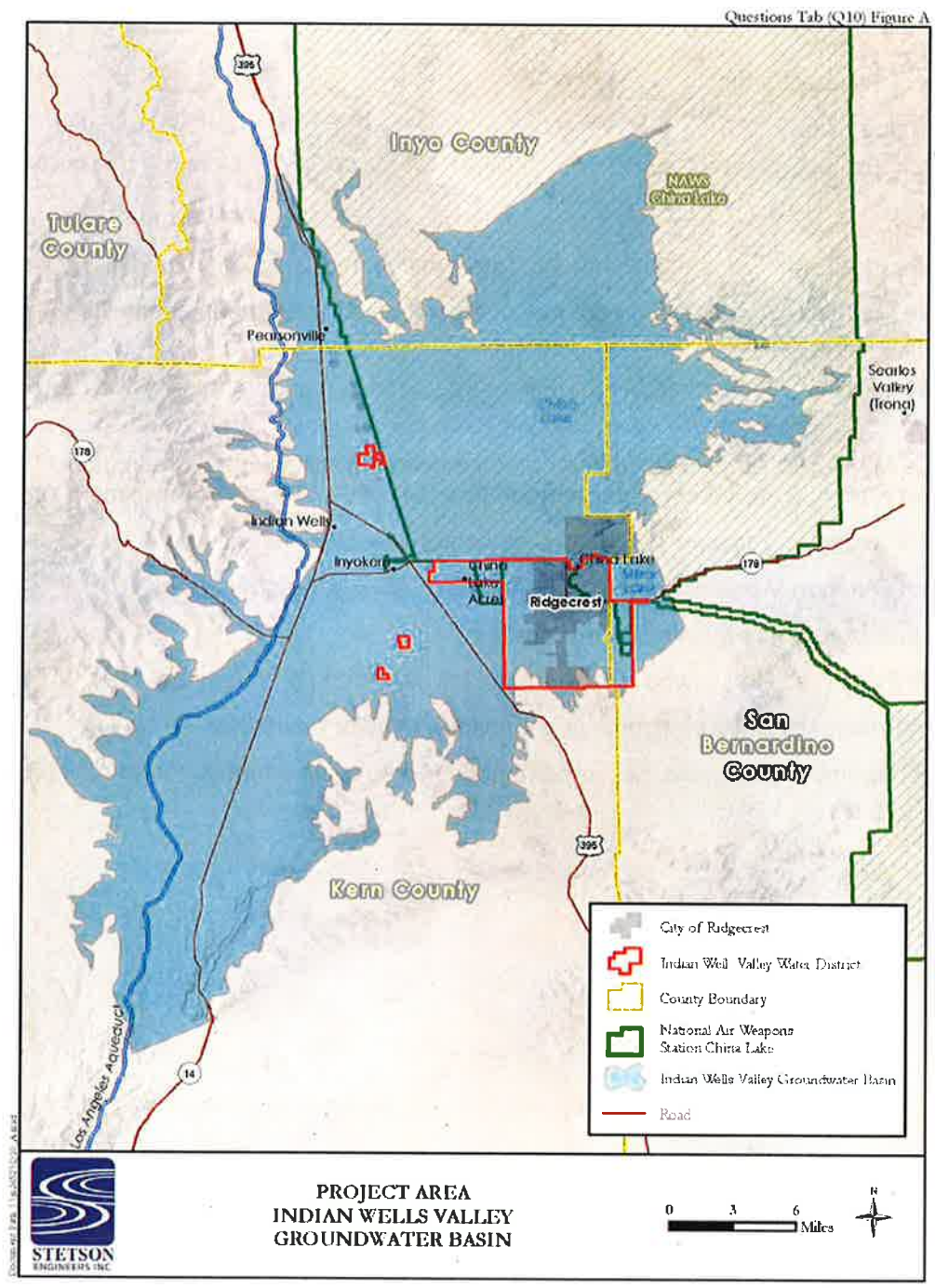


personnel, consultants, and other skilled and unskilled labor may be counted as in-kind if the activities are an integral and necessary part of the project funded by the Grant Agreement.

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 Grantee's accounting system.

**EXHIBIT I**  
**LOCAL PROJECT SPONSORS (NOT USED)**

### EXHIBIT J PROJECT LOCATION



## **EXHIBIT K**

### **MONITORING PLAN**

#### Introduction

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

#### Monitoring Plan

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