

**GRANT AGREEMENT BETWEEN
THE STATE OF CALIFORNIA, DEPARTMENT OF WATER RESOURCES
AND
COACHELLA VALLEY WATER DISTRICT
AGREEMENT NUMBER 460009560
INTEGRATED REGIONAL WATER MANAGEMENT (IRWM) IMPLEMENTATION GRANTS
CALIFORNIA PUBLIC RESOURCES CODE §75026 ET SEQ.**

THIS AGREEMENT is entered into by and between the Department of Water Resources of the State of California, herein referred to as the "State" and the Coachella Valley Water District, a local agency in the County of Riverside, 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. State shall provide a grant from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 to Grantee to assist in financing projects associated with the Coachella Valley Integrated Regional Water Management (IRWM) Plan pursuant to Chapter 8 (commencing with Section 79560) of Division 26.5 of the California Water Code (CWC), hereinafter collectively referred to as "IRWM Program."
2. TERM OF GRANT AGREEMENT. The term of this Grant Agreement begins on the date this Grant Agreement is executed by State, and terminates on December 31, 2017, or when all of the Parties' obligations under this Grant Agreement are fully satisfied, whichever occurs earlier. Execution date is the date the State signs this Grant Agreement indicated on page 9.
3. GRANT AMOUNT. The maximum amount payable by State under this Grant Agreement shall not exceed **\$4,000,000**. Of this grant amount, not less than \$564,103 shall be expended to projects that benefit the critical water supply or water quality needs of disadvantaged communities (DAC) in the IRWM effort funded by this Grant Agreement. Of the total grant amount, not less than \$1,025,641 shall be expended to urban and agricultural water conservation projects in the IRWM effort funded by this Grant Agreement.
4. GRANTEE COST SHARE. The reasonable costs for this Agreement are estimated to be \$6,992,375. Grantee shall provide a Grantee Cost Share (Funding Match) in the amount of at least 25% (unless a Disadvantaged Community project waiver is granted) of the total project cost. Grantee's Funding Match is estimated to be \$2,992,375. Grantee's Funding Match may include cost share performed after September 30, 2008.
5. GRANTEE'S RESPONSIBILITY. Grantee shall faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A (Work Plan) and in accordance with Project Exhibit B (Schedule) and Exhibit C (Budget). Grantee shall comply with all of the terms and conditions of this Grant Agreement and applicable California Public Resources Code (PRC) requirements.
6. LOCAL PROJECT SPONSOR'S RESPONSIBILITY. Grantee shall assign Local Project Sponsors to act on behalf of Grantee for the purposes of individual project management, oversight, compliance, and operations and maintenance. Local Project Sponsors shall be assigned in accordance with the participating agencies identified in the Coachella Valley grant application. Exhibit F identifies Local Project Sponsors. Local Project Sponsors shall also act on behalf of Grantee in the fulfillment of Grantee responsibilities where specifically specified in this Grant Agreement.
7. BASIC CONDITIONS. State shall have no obligation to disburse money for a project under this Grant Agreement unless and until Grantee has satisfied the following conditions in accordance with the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006.

- a) By signing this Grant Agreement, Grantee demonstrates the designated Local Project Sponsors for each project are aware of and comply with the provisions of the Grant Agreement between State and Grantee.
 - b) Grantee demonstrates the availability of sufficient funds to complete the project, as stated in the Grant Award/Commitment Letter, by submitting the most recent 3 years of audited financial statements.
 - c) Grantee complies with PRC §75102 to notify the California Native American tribe (which is on the contact list maintained by the Native American Heritage Commission) of Project Construction if that tribe has traditional lands located within the area of the Project.
 - d) For groundwater management and recharge projects and for projects with potential groundwater impacts, the Grantee must demonstrate compliance with the groundwater compliance options set forth on page 15 of the IRWM Program Guidelines, dated August 2010.
 - e) For the term of this Grant Agreement, Grantee submits timely Quarterly Progress Reports as required by Paragraph 17, "Submission of Reports."
 - f) Grantee submits all deliverables as specified in this Paragraph of this Grant Agreement and Work Plan in Exhibit A.
 - g) For each project, prior to the commencement of construction or implementation activities, Grantee shall submit to the State the following:
 - 1) Final plans and specifications certified by a California Registered Civil Engineer as to compliance for each approved project as listed in Exhibit A of this Grant Agreement.
 - 2) 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:
 - i. Grantee submits all applicable environmental permits as indicated on the Environmental Information Form to the State,
 - ii. Documents that satisfy the CEQA process are received by the State,
 - iii. State has completed its CEQA compliance review as a Responsible Agency, and
 - iv. Grantee receives written concurrence from the State of Lead Agency's CEQA document(s) and State notice of verification of environmental permit submittal.State's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to any work (ex. construction or implementation activities) for which it is required. Therefore, the Grantee should get concurrence from DWR on CEQA before beginning any of the work that is subject to CEQA. Once CEQA documentation has been completed, State will consider the environmental documents and decide whether to continue to fund the project or to require changes, alterations or other mitigation. 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.
 - 3) For each project included in this Grant Agreement a monitoring plan as required by Paragraph 22, "Project Monitoring Plan Requirements."
 - h) Since the Grantee's IRWM region (region) receives water supplied from the Sacramento-San Joaquin Delta (Delta), then the region's IRWM Plan (existing or any future update) must help reduce dependence on the Delta for water supply.
8. DISBURSEMENT OF GRANT FUNDS. Following the review of each invoice, State will disburse to Grantee the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Grant Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the federal government, or any loss of tax-free status on state bonds, pursuant to any federal statute or regulation. For each project, funds will be disbursed by State in response to each approved invoice in accordance with the Exhibit C. Any and all money disbursed to Grantee under this Grant Agreement and any and all interest earned by Grantee on such money shall be used solely to pay Eligible Costs.

9. ELIGIBLE PROJECT COST. Grantee shall apply State funds received only to eligible Project Costs in accordance with applicable provisions of the law and Exhibit C. Eligible project costs include the reasonable costs of studies, engineering, design, land and easement acquisition, legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project construction. Work performed after the date of grant award, August 16, 2011, shall be eligible for reimbursement. Reasonable administrative expenses may be included as Project Costs and will depend on the complexity of the project preparation, planning, coordination, construction, acquisitions, implementation, and maintenance. Reimbursable administrative expenses are the necessary costs incidentally but directly related to the project including the portion of overhead and administrative expenses that are directly related to the projects included in this Agreement in accordance with the standard accounting practices of the Grantee.

Advanced funds will not be provided. Costs that are not reimbursable with grant funds cannot be counted as cost share. Costs that are not eligible for reimbursement include but are not limited to:

- a) Costs, other than those noted above, incurred prior to the award date of the Grant.
 - b) Operation and maintenance costs, including post construction performance and monitoring costs.
 - c) Purchase of equipment not an integral part of a project.
 - d) Establishing a reserve fund.
 - e) Purchase of water supply.
 - f) Monitoring and assessment costs for efforts required after project construction is complete.
 - g) Replacement of existing funding sources for ongoing programs.
 - h) Travel and per diem costs.
 - i) Support of existing agency requirements and mandates (e.g. punitive regulatory agency requirements).
 - j) Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a project, as set forth and detailed by engineering and feasibility studies, or land purchased prior to the effective date of the grant award with the State.
 - k) Payment of principal or interest of existing indebtedness or any interest payments unless the debt is incurred after execution of this Grant Agreement, the State agrees in writing to the eligibility of the costs for reimbursement before the debt is incurred, and the purposes for which the debt is incurred are otherwise eligible costs. However, this will only be allowed as Grantee cost share (i.e. Funding Match)
 - l) Overhead not directly related to project costs.
10. METHOD OF PAYMENT. After the disbursement requirements in Paragraph 7 "Basic Conditions" are met, State will disburse the whole or portions of the Grant Amount to Grantee, following receipt from Grantee of an invoice for costs incurred, and timely Quarterly Progress Reports as required by Paragraph 17, "Submission of Reports."

Invoices submitted by Grantee shall include the following information:

- a) Costs incurred for work performed in implementing the IRWM Program or program contracts during the period identified in the particular invoice.
- b) Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for a project during the period identified in the particular invoice for the construction, operation, or maintenance of a project.
- c) Appropriate receipts and reports for all costs incurred.
- d) Invoices shall be submitted on forms provided by State and shall meet the following format requirements:
 - 1) Invoices must contain the date of the invoice, the time period covered by the invoice, and the total amount due.
 - 2) Invoices must be itemized based on the categories specified in the Exhibit C. 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).
 - 3) Sufficient evidence (i.e., receipts, copies of checks, time sheets) must be provided for all costs included in the invoice.

- 4) Each invoice shall clearly delineate those costs claimed for reimbursement from the State's grant amount, as depicted in Paragraph 3, "Grantee Amount" and those costs that represent Grantee's and Local Project Sponsors' costs, as applicable, in Paragraph 4, "Cost Share."
- 5) Original signature and date (in ink) of Grantee's Project Manager.

Payment will be made no more than monthly, in arrears, upon receipt of an invoice bearing the Grant Agreement number. Submit the original and three (3) copies of the invoice form to the following address:

Angham Aljabiry
Department of Water Resources
901 P St.
Sacramento, 95814

11. WITHHOLDING OF GRANT DISBURSEMENT BY STATE. If State determines that a project is not being implemented in accordance with the provisions of this Grant Agreement, or that Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if Grantee does not remedy any such failure to State's satisfaction, State may withhold from Grantee all or any portion of the Grant Amount and take any other action that it deems necessary to protect its interests. State may require the Grantee to immediately repay all or any portion of the disbursed grant amount with interest, consistent with its determination. State may consider Grantee's refusal to repay the requested disbursed grant amount a contract breach subject to the default provisions in Paragraph 13, "Default Provisions."

If State notifies Grantee of its decision to withhold the entire grant amount from Grantee pursuant to this Paragraph, this Grant Agreement shall terminate upon receipt of such notice by Grantee and shall no longer be binding on either party.

12. CONTINUING ELIGIBILITY. Grantee must meet the following ongoing requirements to remain eligible to receive State grant funds:
 - a) An urban water supplier that receives grant funds governed by this Grant Agreement shall maintain compliance with the Urban Water Management Planning Act (CWC§10610 et. seq.)
 - b) For groundwater management and recharge projects and for projects with potential groundwater impacts, the Grantee must demonstrate compliance with the groundwater compliance options set forth on page 15 of the IRWM Program Guidelines, dated August 2010.
 - c) Reporting of status of IRWM Plan Update as described in Exhibit E under the heading "Quarterly Progress Report."

13. DEFAULT PROVISIONS. Grantee will be in default under this Grant Agreement if any of the following occur:
 - a) Breach of this Grant Agreement, or any supplement or amendment to it, or any other agreement between Grantee and State evidencing or securing Grantee's obligations.
 - b) Making any false warranty, representation, or statement with respect to this Grant Agreement.
 - c) Failure to operate or maintain projects in accordance with this Grant Agreement.
 - d) Failure to make any remittance required by this Grant Agreement.
 - e) Failure of Grantee or a Local Project Sponsor receiving grant funding through this Grant Agreement to adopt, no later than 2 years after the State executes the Grant Agreement, an IRWM Plan that meets the requirements contained in Part 2.2 of Division 6 of the CWC, commencing with Section 10530.
 - f) Failure to undertake all reasonable and feasible efforts to take into account the water-related needs of disadvantaged communities in the area within the boundaries of the IRWM Plan.
 - g) Failure to comply with Labor Compliance Program (LCP) requirements.
 - h) Failure to meet any of the requirements set forth in Paragraph 12, "Continuing Eligibility."

Should an event of default occur, State may do any or all of the following:

- i) Declare the Grant be immediately repaid, with interest, which shall be equal to State of California general obligation bond interest rate in effect at the time of the default.

- j) Terminate any obligation to make future payments to Grantee.
- k) Terminate the Grant Agreement.
- l) Take any other action that it deems necessary to protect its interests.
14. PERMITS, LICENSES, APPROVALS, AND LEGAL OBLIGATIONS: Grantee and Local Project Sponsors shall be responsible for ensuring any and all permits, licenses, and approvals required for performing their obligations under this Grant Agreement are obtained, and shall comply with CEQA (PRC Section 21000 et seq.) and other applicable federal, State and local laws, rules, and regulations, guidelines, and requirements for each project described in Exhibit A.
15. RELATIONSHIP OF PARTIES. Grantee and Local Project Sponsors are solely responsible for design, construction, and operation and maintenance of Projects within the Coachella Valley IRWM Program. Review or approval of plans, specifications, bid documents, or other construction documents by State is solely for the purpose of proper administration of grant funds by State and shall not be deemed to relieve or restrict responsibilities of Grantee and Local Project Sponsors under this Grant Agreement.
16. GRANTEE REPRESENTATIONS. Grantee accepts and agrees to comply with all terms, provisions, conditions, and written commitments of this Grant Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Grantee in the application, documents, amendments, and communications filed in support of its request for Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 financing. Grantee warrants that all Local Project Sponsors will be contractually required to comply with this Grant Agreement for their respective project or projects.
17. SUBMISSION OF REPORTS. The submittal and approval of all reports is a requirement for the successful completion of this Grant Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to State. All reports shall be submitted to the State's Project Manager, and shall be submitted in both electronic and hard copy forms. If requested, Grantee shall promptly provide any additional information deemed necessary by State for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit E. 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 for each project listed on Exhibit A is a requirement for the release of any funds retained for such project.
- Quarterly Progress Reports: Grantee shall submit Quarterly Progress Reports on a regular and consistent basis to meet the State's requirement for disbursement of funds. Quarterly Progress Reports shall be sent via e-mail, to the State's Project Manager as specified in Exhibit B. Quarterly Progress Reports shall 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.
 - Project Completion Reports: Grantee shall prepare and submit to State a separate Project Completion Report for each project included in Exhibit A. Grantee shall submit a Project Completion Report within ninety (90) calendar days of project completion. Each Project Completion Report shall include a description of actual work done, any changes or amendments to each project, and a final schedule showing actual progress versus planned progress, and copies of any final documents or reports generated or utilized during a project. The Project Completion Report shall also include, if applicable, certification of final project by a registered civil engineer, consistent Standard Condition D-15, "Final Inspections and Certification of Registered Civil Engineer." A DWR "Certification of Project Completion" form will be provided by the State.
 - Grant Completion Report: Upon completion of all projects included in Exhibit A, Grantee shall submit to State a Grant Completion Report. The Grant Completion Report shall be submitted within ninety (90) calendar days of submitting the Project Completion Report for the final project to be completed under the Grant Agreement. The Grant Completion Report shall include reimbursement status, a brief description of each project completed, and how those projects will further the goals

of the IRWM Plan and identify any changes to the IRWM Plan, as a result of project implementation. Retention for the last project to be completed as part of this Grant Agreement will not be disbursed until the Grant Completion Report is submitted to and approved by the State.

- Project Performance Reports: Grantee shall submit a Project Performance Report for each project. Project Performance Reports shall be submitted to 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, for each project, annually for a total of 10 years after the completed project begins operation.

18. IRWM PROGRAM PERFORMANCE AND ASSURANCES. Grantee agrees to faithfully and expeditiously perform or cause to be performed all IRWM Program work as described in the final plans and specifications for each project under this Grant Agreement and implement the project in accordance with applicable provisions of the law. In the event State finds it necessary to enforce this provision of this Grant Agreement in the manner provided by law, Grantee agrees to pay all costs incurred by State including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.
19. LABOR COMPLIANCE. Grantee will be required to keep informed of and take all measures necessary to ensure compliance with applicable California Labor Code requirements, including, but not limited to, Section 1720 et seq. of the California Labor Code regarding public works, limitations on use of volunteer labor (California Labor Code Section 1720.4), labor compliance programs (California Labor Code Section 1771.5) and payment of prevailing wages for work done and funded pursuant to these guidelines, including any payments to the Department of Industrial Relations under California Labor Code Section 1771.3.
20. OPERATION AND MAINTENANCE OF PROJECT. For the useful life of the projects and in consideration of the Grant made by State, Grantee agrees to ensure or cause to be performed the commencement and continued operation of the projects, and shall ensure or cause the projects 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 Grantee shall ensure that all operations and maintenance costs of the facilities and structures are contractually assumed by the appropriate Local Project Sponsors for their respective projects; State shall not be liable for any cost of such maintenance, management, or operation. Grantee or Local Project Sponsors may be excused from operations and maintenance only upon the written approval of the State's Project Manager. 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" "Maintenance costs" include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal of Grantee to ensure operation and maintenance of the projects in accordance with this provision may, at the option of State, be considered a breach of this Grant Agreement and may be treated as default under Paragraph 13, "Default Provisions."
21. STATEWIDE MONITORING REQUIREMENTS. Grantee shall ensure that all groundwater projects and projects that include groundwater monitoring requirements are consistent with the Groundwater Quality Monitoring Act of 2001 (Part 2.76 (commencing with Section 10780) of Division 6 of CWC) and, where applicable, that 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.

22. PROJECT MONITORING PLAN REQUIREMENTS. The Grant Agreement work plan should contain activities to develop and submit to State a monitoring plan for each project contained in this Grant Agreement. Monitoring plan can be for the entire Proposal or on a per project basis. Project Performance Measures Tables requirements outlined on page 21 of the Proposition 84 Round 1 Implementation Proposal Solicitation Package, the Project Monitoring Plan should also include:
- Baseline conditions.
 - Brief discussion of monitoring systems to be utilized.
 - Methodology of monitoring.
 - Frequency of monitoring.
 - Location of monitoring points.
- A monitoring plan shall be submitted to the State prior to disbursement of grant funds for construction or monitoring activities for each project in this Grant Agreement. See Exhibit G ("Requirements for Data Submittal") for web links and information regarding other State monitoring and data reporting requirements.
23. NOTIFICATION OF STATE. For each project, Grantee shall promptly notify State, in writing, of the following items:
- Events or proposed changes that could affect the scope, budget, or work performed under this Grant Agreement. Grantee agrees that no substantial change in the scope of a project will be undertaken until written notice of the proposed change has been provided to State and State has given written approval for such change. Substantial changes generally include changes to the wording/scope of work, schedule or term, and budget. See Exhibit H for guidance on Agreement Amendment requirements.
 - Any public or media event publicizing the accomplishments and/or results of this Grant Agreement and provide the opportunity for attendance and participation by State's representatives. Grantee shall make such notification at least fourteen (14) calendar days prior to the event.
 - Completion of work on a project. Final inspection of a project by a Registered Civil Engineer, as determined and required by State, and in accordance with Standard Condition D-15 (Final Inspections and Certification of Registered Civil Engineer) and provide State the opportunity to participate in the inspection. Grantee shall make such notification at least fourteen (14) calendar days prior to the final inspection.
24. 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: (i) by delivery in person; (ii) by certified U.S. mail, return receipt requested, postage prepaid; (iii) by "overnight" delivery service; provided that next-business-day delivery is requested by the sender; or (iv) by electronic means. Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U. S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the below addresses. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.
25. PERFORMANCE EVALUATION. Upon completion of this Grant Agreement, Grantee's performance will be evaluated by the State and a copy of the evaluation will be placed in the State file and a copy sent to the Grantee.

26. PROJECT REPRESENTATIVES. The Grantee has acknowledged authorization to enter into a cost sharing partnership agreement as documented in Exhibit I. The Project Representatives during the term of this Grant Agreement will be:

Department of Water Resources
Paula Landis
Chief, Division of IRWM
P.O. Box 942836
Sacramento CA 94236-0001

Phone: (916) 651-9220
e-mail: plandis@water.ca.gov

Grantee: Coachella Valley Water District
Name: Steve Robbins
Title for Project Director: General Director
Address: 85-995 Avenue 52
Coachella, CA 92236

Phone: (760) 398-2661
e-mail: SRobbins@cvwd.org

Direct all inquiries to the Project Manager:

Department of Water Resources
PM Name: Angham Aljabiry
Division of Integrated Regional Water
Management
901 P St.
Sacramento, CA 95814
Phone: (916) 651-9262
e-mail: aljabiry@water.ca.gov

Grantee: Coachella Valley Water District
PM Name: Patti Reyes

Mailing Address: P.O. Box 1058
Coachella, CA 92236

Phone: (760) 398-2661 ex. 2270
e-mail: PReyes@cvwd.org

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

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


Exhibit A	Work Plan
Exhibit B	Schedule
Exhibit C	Budget
Exhibit D	Standard Conditions
Exhibit E	Report Formats and Requirements
Exhibit F	Local Project Sponsors
Exhibit G	Requirements for Data Submittal
Exhibit H	Guidelines for Grantees
Exhibit I	Grantee Resolution

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

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

COACHELLA VALLEY WATER DISTRICT

Paula J. Landis, P.E., Chief
Division of Integrated Regional Water Management



FOR Steve Robbins AGM
General Manager

Date _____

Date 6.18.12

Approved as to Legal Form and Sufficiency

Spencer Kenner, Assistant Chief Counsel
Office of Chief Counsel

Date _____

**EXHIBIT A
WORK PLAN**

Projects included in the Coachella Valley IRWM Implementation Grant agreement are:

Project	Description and Status
1: Regional Water Conservation Program	Tasks of the <i>Regional Water Conservation Program</i> are already in place. Separately the agencies have performed a number of tasks to establish existing conservation plans. On October 20, 2010, the agencies met to pool resources and develop the most effective ways to collaborate and create the <i>Regional Water Conservation Program</i> . Establishing the structure, budget, and goals of this program were the first step. Completion of design is not relevant to this project, because it will not include final design efforts.
2: Short-Term Arsenic Treatment Project	Design and permitting have been completed. All design submittals prior to agreement execution will be in relation to the pilot project, and all design submittals after agreement execution will be specifically for the <i>STAT Project</i> and will include an engineering layout for the point-of-entry reverse osmosis system. The design status is 90% complete for this project.
3: Groundwater Quality Protection Program – Desert Hot Springs	Environmental work for the <i>Groundwater Quality Protection Program</i> was completed in 1998 and recertified in 2007, design work was completed in 2010, and construction is currently ready to bid. As such, to date this project is at 100% completion of design.
4. Groundwater Quality Protection Program – Cathedral City	Final design for the project was completed in April 2010. Therefore, no design will be required after initiation of the Grant Agreement. As such, to date this project is at 100% completion of design.

1. Regional Water Conservation Program

I. Introduction

Project Sponsor

The Coachella Valley Water District (CVWD) is the project sponsor for the *Regional Water Conservation Program*.

Project Purpose

The *Regional Water Conservation Program* is a multifaceted program consisting of a suite of conservation programs and activities designed to increase efficiency, reduce future water demand, and assist the Coachella Valley in meeting the requirements of the 20x2020 Plan. The *Regional Water Conservation Program* will also increase coordination and collaboration between the member agencies of the CVRWMG.

Project Objectives

The *Regional Water Conservation Program* seeks to accomplish the following objectives:

- Continue to conduct outreach activities to encourage regional water use efficiency;
- Perform a concentrated outreach effort to extend to local schools through the Water Wise outreach program;
- Continue to conduct water audits and corresponding workshops to communicate recommendations regarding ways to increase water use efficiency to local constituents; and
- Assist in the ability of local constituents to act upon recommendations from water audits by subsidizing the costs of these audits both indoor and outdoor.

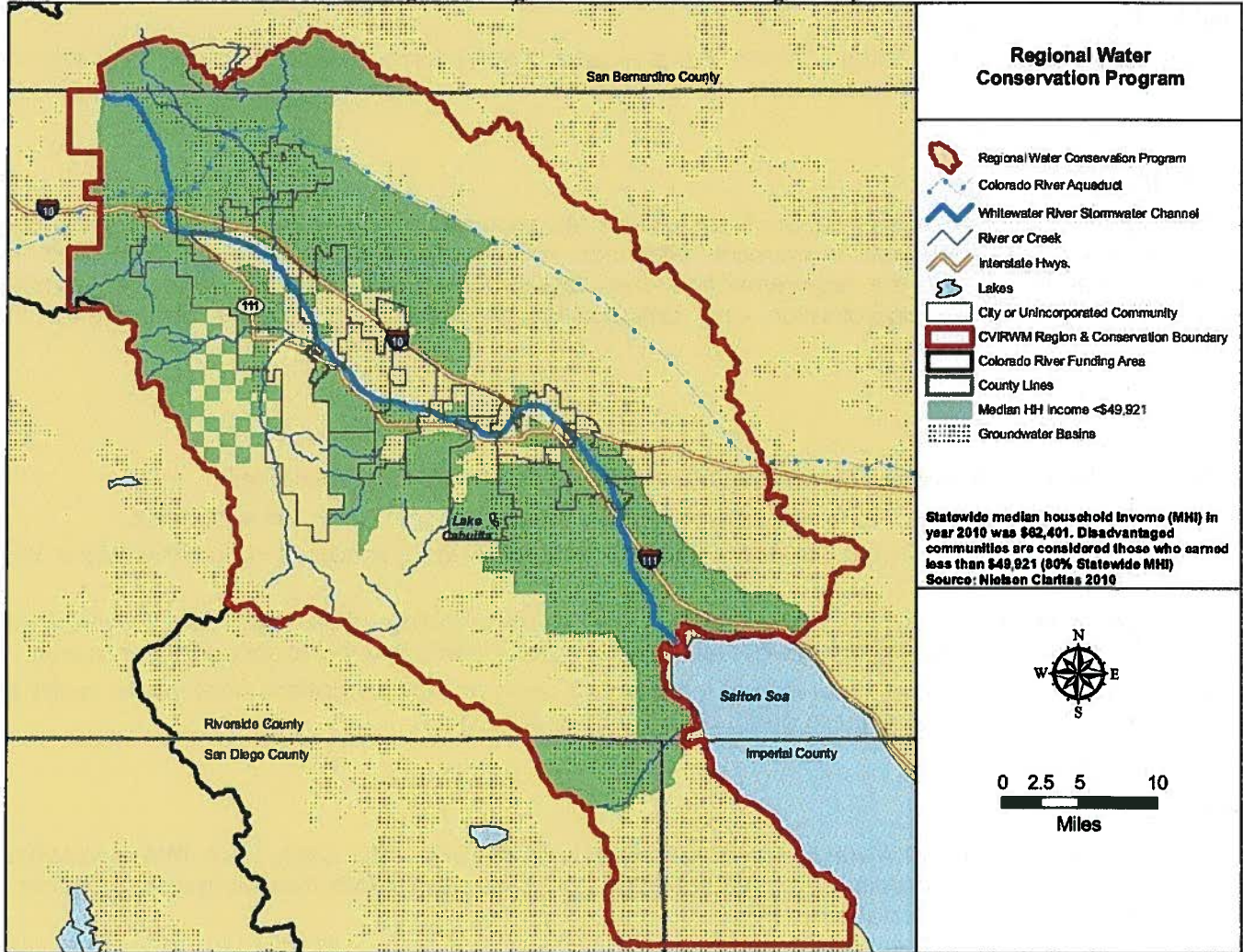
Project Partners

Project partners in the *Regional Water Conservation Program* include: CVWD, CWA, DWA, IWA, and MSWD. In addition, this program will include extensive outreach and education efforts that will involve a variety of stakeholders throughout the Coachella Valley.

Project Map

Figure 1 provides a project site map for the *Regional Water Conservation Program* showing the project boundary, surface waters, groundwater basins, locations of DACs, and any proposed monitoring locations.

Figure 1 : Regional Water Conservation Program Map



II. Proposed Tasks

Grant Administration

CVWD will be responsible for administration and processing of the overall Coachella Valley IRWM Implementation Grant contract, including tasks associated with compiling and submitting program invoices, quarterly reports, and completion reports for DWR.

Direct Project Administration Costs

Separately, the partner agencies have performed a number of tasks to establish existing conservation program. On October 20, 2010, the agencies met to pool resources and develop the most effective ways to collaborate and create the *Regional Water Conservation Program*. Establishing the structure, budget, and goals of this program were the first step to regional program administration.

Expansion of existing conservation programs, as well as development of new programs, will require collaboration of the agencies and communities. The *Regional Water Conservation Program* allows the agencies to pool knowledge and resources in an effort to enhance conservation across the region.

Task 1: Project Administration - This program will involve project administration before and after the Implementation Grant agreement is executed.

Completed Work

Project administration before agreement execution will involve working with other agencies on coordinating the *Regional Water Conservation Program*. Actions that have completed to date include an agreement between the partnering water agencies to pursue a regional conservation program, and sharing of data, research, quotes, results, and ideas. Each agency has employed a project administrator and conservation coordinator for 5 hours each to the aforementioned project administration tasks.

Future Work

Project administration after agreement execution will involve further efforts in workforce with the other agencies on coordinating and administering the Regional Water Conservation Program. Each agency has a conservation coordinator currently working on administration of existing conservation programs and working with other agencies on coordinating the Regional Water Conservation Program. The agencies will continue to meet and share data, research, quotes, results, and ideas. As the program progresses, administrative tasks will increase with each agency. Some may continue to use internal staff while other may deem it necessary to contract some or all of the tasks outside their agencies. Project administration will also include accounting and project administrator efforts to complete invoicing and project tracking procedures. Each agency will employ a project administrator, accounting staff, and conservation coordinator for 90 hours to complete all future project administration tasks.

Labor Category	Level of Effort	Status
BEFORE agreement execution		
CVWD Conservation Coordinator	5 hours	Ongoing
CVWD Project Administrator	5 hours	Ongoing
CWA Conservation Coordinator	5 hours	Ongoing
CWA Project Administrator	5 hours	Ongoing
DWA Conservation Coordinator	5 hours	Ongoing
DWA Project Administrator	5 hours	Ongoing
IWA Conservation Coordinator	5 hours	Ongoing
IWA Project Administrator	5 hours	Ongoing
MSWD Conservation Coordinator	5 hours	Ongoing
MSWD Project Administrator	5 hours	Ongoing
AFTER agreement execution		
CVWD Conservation Coordinator	15 hours	Ongoing
CVWD Accounting Staff	20 hours	Not Started
CVWD Project Administrator	15 hours	Ongoing
CWA Conservation Coordinator	15 hours	Ongoing
CWA Accounting Staff	20 hours	Not Started
CWA Project Administrator	15 hours	Ongoing
DWA Conservation Coordinator	15 hours	Ongoing
DWA Accounting Staff	20 hours	Not Started
DWA Project Administrator	15 hours	Ongoing
IWA Conservation Coordinator	15 hours	Ongoing
IWA Accounting Staff	20 hours	Not Started
IWA Project Administrator	15 hours	Ongoing
MSWD Conservation Coordinator	15 hours	Ongoing
MSWD Accounting Staff	20 hours	Not Started
MSWD Project Administrator	15 hours	Ongoing

Task 2: Labor Compliance Program - This program will not involve construction activities or any other activities that would necessitate a Labor Compliance Program.

Task 3: Reporting - To assess progress and accomplishments of the program, the following submittals will be completed by each individual agency and submitted to CVWD as the project sponsor. CVWD will compile the quarterly reports and invoices for ultimate submittal to DWR. All staff labor for the required reporting and invoicing tasks have been show under *Task 1: Direct Project Administration* above.

Project Administration Submittals	Date	Status
AFTER agreement execution		
Project Assessment and Evaluation Plan (PAEP)	Six Months after agreement execution	Not started
Quarterly Progress Reports and Invoices	Quarterly as determined by Start	Not started
Project Completion Report	Due upon program completion	Not started

B. Land Purchase Easement

A land purchase easement is not required for implementation of this program.

C. Planning/Design/Engineering/Environmental Documentation

Task 4: Assessment and Evaluation - This task involves preparation of all studies that will be completed after initiation of the Implementation Grant agreement to assess and evaluate the program. No efforts regarding this task will be completed prior to agreement execution.

To assess progress and accomplishments of the program, the following submittals will be performed:

Each agency will produce an *Annual Conservation Report*, each of which will be compiled to share with the CVRWGM for program monitoring purposes. The conservation coordinators from each agency will work together to create a combined annual report.

Study Performed	Date	Status
AFTER agreement execution		
Annual Conservation Report	Annually until program end date	Not started

Task 5: Final Design - Not applicable. This program does not require design work.

Task 6: Environmental Documentation - Environmental documentation for this program is not required.

Task 7: Permitting - Not applicable. This program does not require permits.

D. Construction/Implementation

Task 8: Construction Contracting - Some aspects of the Regional Water Conservation Program will be conducted by contractors, while other tasks will be performed by agency staff. The agencies will select and retain various contractors based on individual agency policy, protocol, and on the conservation measures enacted. For implementing the construction/implementation tasks outlined below (in Task 9), it is anticipated that the agencies may use contractors or staff to conduct water audits, supply and install irrigation controls, supply and install smart controls, and for advertisement and outreach publications.

Contractor	Task	Agency
AFTER agreement execution		
Water Auditing Specialist/Staff	Water Auditor	CWA, CVWD, DWA, IWA and MSWD
Irrigation Contractor/Staff	Irrigation Controller Supplier / Installer	CWA, CVWD, DWA, IWA and MSWD
Irrigation Contractor/Staff	Smart Controller Supplier / Installer	CWA, CVWD, DWA, IWA and MSWD
Advertising Agencies and Printing Companies/Staff	Advertisement and Outreach	CWA, CVWD, DWA, IWA and MSWD

Task 9: Construction/Implementation – Construction/implementation for this program will involve nine tasks, as described below. The first eight tasks will be performed before and after initiation of the Implementation Grant Agreement.

Completed Work

Some of the portions of the Regional Water Conservation Program are in place by individual agencies:

Task	Agency(s)	Activity Description	Status
BEFORE agreement execution			
Subtask 9.1: Outreach	CWA, CVWD, DWA, IWA and MSWD	Performs outreach activities through Public Service Announcements, websites, community activities, speaking engagements, classroom demonstrations, field trips, and paid advertisements. In addition, WADR performs outreach through billboards, community events, and festivals. These outreach efforts include information about the importance of conserving water and tips on how conservation can be carried out by constituents.	Ongoing
Subtask 9.2: Water Audit Program	CVWD, DWA, and IWA	Conducts water audits for large and residential water users to recommend potential improvements that can be made to increase efficiency.	Ongoing
Subtask 9.3: Water Wise Program	MSWD	Gives kits to students to measure their own water use and improve water use efficiency at home.	Ongoing
Subtask 9.4: Workshops	CVWD and DWA	Conducts water workshops for landscape professionals, as well as homeowners and Homeowner's Associations. These workshops provide landscape professionals and large water users with information about the most efficient uses of water for irrigation.	Ongoing
Subtask 9.5: Irrigation Clocks	CVWD, DWA, and IWA	Pays for or subsidizes the cost of smart irrigation controllers and/or installation of controllers for customers. Each agency has a customized subsidization and/or cost-sharing protocol that they implement according to agreements they have with the various regional jurisdictions.	Ongoing
Subtask 9.6: Turf Reduction Programs	CVWD and IWA	Offers financial incentives to replace water consumptive turf with low water use native landscaping	Ongoing
Subtask 9.7: Sprinkler Upgrades	CVWD and IWA	Subsidizes the cost of upgrading sprinkler heads and general upgrades for inefficient systems.	Ongoing
Subtask 9.8: Residential Leak Detection Program	IWA and MSWD	Customers may request a leak detector to be installed on their meter to register and record water use for one week to determine possible leaks and educating residents on their water use.	Ongoing
Subtask 9.9: Irrigation System Upgrades	N/A	N/A	N/A

Future Work

The Regional Water Conservation Program includes an array of conservation measures that tie together to create the most comprehensive and efficient way to promote conservation in the region. Efforts that will occur after agreement execution involve continuing and/or expanding the subtasks presented above. In addition, CWA, CVWD, DWA, IWA, and MSWD will initiate a new program, Task 9.9: Irrigation System Upgrades. The table below explains the efforts that will be carried out as part of this program after initiation of the Implementation Grant agreement.

Task	Agency(s)	Activity Description	Status
AFTER agreement execution			
Subtask 9.1: Outreach	CWA, CVWD, DWA, IWA and MSWD	Through public service announcements, websites, community activities, speaking engagements, classroom demonstrations, field trips, paid advertisements and other efforts, agencies will conduct outreach about the importance and tips for water conservation. Expansion of this program will allow for more saturation of the message. As constituents become more familiar with the need to conserve, agencies will be able to be more specific in outreach messages by providing customer-targeted conservation tips and direction.	Program will be expanded with grant funding and will utilize the existing WADR conservation group to coordinate regional communications.
Subtask 9.2: Water Audit Program	CWA, CVWD, DWA, IWA and MSWD	Agencies will conduct water audits for large water users and residents to recommend improvements in efficiency. The agencies plan to expand the audit program to segue into Tasks 9.5-9.9.	Program will be expanded with grant funding.
Subtask 9.3: Water Wise Program	CWA, CVWD, DWA, IWA and MSWD	Students will be given kits to measure their own water use and improve efficiency at home. The Water Wise Program will be expanded Valley-wide.	Program will be expanded with grant funding.
Subtask 9.4: Workshops	CWA, CVWD, DWA, IWA and MSWD	Agencies will conduct water workshops for landscape professionals, as well as homeowners and Homeowner's Associations. Expansion of these workshops will create a more educated base of irrigation professionals and large water users.	Program will be expanded with grant funding.
Subtask 9.5: Irrigation Clocks	CWA, CVWD, DWA, IWA and MSWD	Agencies will pay for or subsidize the cost of smart irrigation controllers and/or installation of controllers for customers	Program will be expanded with grant funding.
Subtask 9.6: Turf Reduction Programs	CWA, CVWD, DWA, IWA, and MSWD	Agencies will offer financial incentives to replace turf with native landscaping	Program will be expanded with grant funding.

Task	Agency(s)	Activity Description	Status
Subtask 9.7: Sprinkler Upgrades	CWA, CVWD, DWA, IWA and MSWD	Agencies will pay for or subsidize the cost of upgrading sprinkler heads. This program will be expanded as a second phase of Task 9.2. Following an audit, customers will have the opportunity to upgrade their systems.	Program will be expanded with grant funding.
Subtask 9.8: Residential Leak Detection Program	CWA, CVWD, DWA, IWA and MSWD	Customers may request a leak detector to be installed on their meter to register and record water use for one week to determine possible leaks and educating residents on their water use.	Program will be expanded with grant funding.
Subtask 9.9: Efficiency Upgrades and Retrofits	CWA, CVWD, DWA, IWA and MSWD	Agencies will provide reasonable reimbursements to urban users for other efficiency upgrades and retrofits deemed appropriate during the water audit process.	Program will be initiated with grant funding.

E. Environmental Compliance/Mitigation/Enhancement

Task 10: Environmental Compliance/Mitigation/Enhancement - Not applicable

F. Construction Administration

Task 11: Construction Administration – All administration, coordination, and review of the water conservation programs listed above will be addressed by conservation staff of each CVRWMG agency. These efforts have been included in the budget for Task 9: Construction/Implementation.

2. Short Term Arsenic Treatment Project

I. Introduction

Project Sponsor

The project sponsor for the *Short-Term Arsenic Treatment (STAT) Project* is Pueblo Unido Community Development Corporation (PUCDC).

Project Purpose

The purpose of the *Short-Term Arsenic Treatment Project* is to (1) implement five point-of entry reverse osmosis water treatments systems, (2) implement 280 point-of-use Reverse Osmosis Water Treatment Systems, (3) address arsenic-related water quality issues within the local drinking water supply, and (4) provide water that is reliable and of improved quality to disadvantaged communities (farm worker families).

Project Objectives

The *Short-Term Arsenic Treatment Project* includes the following project objectives:

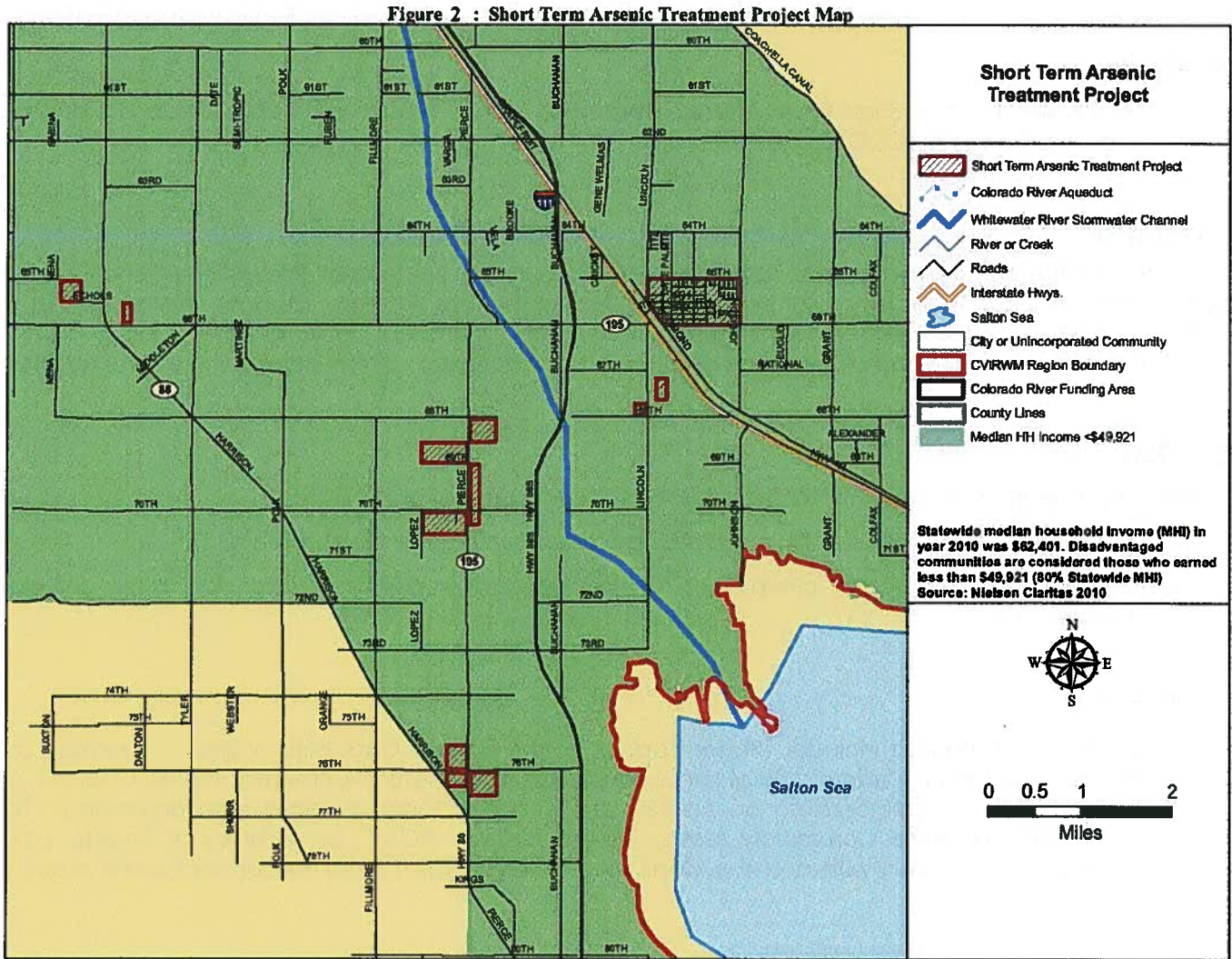
- Offer cost-effective and reliable technology to remove high levels of arsenic.
- Provide new short-term alternatives to deliver quality drinking water for disadvantaged communities.

Project Partners

Project partners for this project include: Poder Popular of the Eastern Coachella Valley, California Rural Legal Assistance Foundation, California Rural Legal Assistance, and the Environmental Justice Coalition on Water. These entities have collaborated on Arsenic sampling and local outreach and organizing. The groups have worked with Rural Community Assistance Corporation (RCAC) on a survey of Arsenic water quality issues and have worked with and the Coachella Valley Water District to connect some areas to water and sewer service.

Project Map

Figure 2 provides a project site map for the *Short-Term Arsenic Treatment Project*, showing the project boundary, surface waters, groundwater basins, a DAC layer, proposed monitoring will occur at the project locations.



II. Proposed Tasks

Grant Administration

CVWD will be responsible for administration and processing of the Implementation Grant contract, including tasks associated with compiling and submitting project invoices, quarterly reports, and completion reports for DWR.

A. Direct Project Administration Costs

Task 1: Project Administration - This project will involve project administration before and after the Implementation Grant Agreement is executed. Ongoing project administration will carryover from the pilot project that was administered at San Antonio del Desierto. Pueblo Unido has employed a Project Manager for 120 hours to date for project administration efforts. This effort has involved coordination with partner agencies, including providing point-of-entry and point-of-use technical specifications to Coachella Valley Water District, and provided water quality results with the Riverside County Environmental Health Department to monitor system performance.

Future project administration activity will continue to involve a Project Manager from Pueblo Unido (500 hours) to continue to coordinate with CVWD, produce invoices and reports, and fulfill all other necessary administrative tasks associated with the project.

Labor Category	Level of effort	Status
BEFORE agreement execution		
Project Manager	120 hours administered for project pilot at San Antonio del Desierto	Ongoing
AFTER agreement execution		
Project Manager	240 hours	Ongoing

Task 2: Labor Compliance Program - Not applicable. Construction associated with this project will not involve significant ground disturbing activities, or any other construction activities that would necessitate a Labor Compliance Program.

Task 3: Reporting - All reporting for this project will occur after the Implementation Grant Agreement is formalized (after agreement execution.) In order to assess progress and accomplishments of the project, the following submittals will be completed by each indicated date.

Submittals	Date	Status
AFTER agreement execution		
Project Assessment and Evaluation Plan (PAEP)	Six Months after agreement execution	Not started
Quarterly Reports and Invoices	Quarterly based on start date	Not started
Project Completion Report	Upon Completion	Not started

B. Land Purchase Easement

A land purchase easement is not required for implementation of this project.

C. Planning/Design/Engineering/Environmental Documentation

Task 4: Assessment and Evaluation - This task involves preparation of all studies that were completed before Grant Agreement is executed to assess and evaluate the project.

The *San Antonio del Desierto Pilot Program Initial Report* will be finalized in January 2011. This informal report will provide information regarding the installation of short-term arsenic treatment (STAT) systems at San Antonio del Desierto mobile home park, which was a pilot program for this project. This study formed the basis of the design that will be used for implementation of the *Short-Term Arsenic Treatment Project*, as well as information needed for design of future implementation at other project sites.

Between June 1, 2012 and April 25, 2012, the following water testing assessments will take place, prior to construction, in order to assess and evaluate the project:

Water testing will take place in individual mobile home parks within the project area. This testing will include pre-design sampling and testing prior to installation of individual point-of-entry systems. There will be further operational testing of each system during installation and early operations to ensure that the systems are functioning properly. There will also be testing for point-of-use systems before and after installation, which will also sample to ensure that the systems are functioning properly.

Task 5: Final Design - Prior to initiation of the formal grant agreement, before agreement execution, PUCDC will conduct preliminary assessments that will aide in final design (refer to Task 4). In addition, by March 22, 2012 PUCDC will produce a final design report. This informal report will provide recommendations regarding the final design for the project. Information for the report will be produced by in-house engineers and systems designers from the company that manufactures the reverse osmosis systems utilized by PUCDC. The design report will contain the basic design components for installation of the reverse osmosis systems, and will be the basis design plans for future anticipated point of entry installations.

After initiation of the formal grant agreement, after agreement execution, further design will be required to solidify design of the project. This design will be completed by PUCDC in conjunction with engineers and systems designers from the company that manufactures reverse osmosis systems. Formal submittals from these engineers will be sent to the Riverside County Department of Environmental Health for permitting purposes by June 29, 2012.

Design Submittals	Date	Status
BEFORE agreement execution		
Engineering Design	March 2011	Underway
AFTER agreement execution		
Final Design	June 2012	Not Started

Task 6: Environmental Documentation - Environmental documentation for this project is not required as it will not be of the size, scale, or impact as to trigger CEQA, NEPA, or other environmental regulations.

Task 7: Permitting - Permitting for this project will occur before and after execution of the grant agreement. On April 26, 2010, PUCDC obtained a treatment permit (#BEL100387) from Riverside County Department of Environmental Health to install reverse osmosis water treatment systems for the San Antonio del Desierto pilot project.

Future permits (after agreement execution) will also be required prior to project construction. These permits include a permit from the Riverside Department of Environmental Health for installation of the reverse osmosis water treatment systems for this project. The project will also require permits from the Riverside County Building Department to conduct onsite construction. These permits are expected to be approved by August 27, 2012.

Permit	Approval Date	Status
BEFORE agreement execution		
County of Riverside Environmental Health Department Treatment Permit (Permit #BEL100387)	April 2010	Approved
AFTER agreement execution		
County of Riverside Environmental Health Department Treatment Permit	August 2012	Underway
Riverside County Building Department Onsite Construction Permit	August 2012	Underway

D. Construction/Implementation

Task 8: Construction Contracting (BEFORE agreement execution) - All construction contracting will occur after initiation of the Grant Agreement. Construction contracting will be based on experience from the San Antonio del Desierto pilot project. During the pilot project PUCDC obtained bids to retain a general contractor and subcontractor for required onsite work at San Antonio del Desierto. Because PUCDC has already been through a construction bidding process, they do not anticipate the need to re-bid this part of the *Short-Term Arsenic Treatment Project*. As such, the only deliverables that will take place for construction contracting include a notice to proceed that is anticipated to take place in July of 2012.

Construction Submittals	Date	Status
AFTER agreement execution		
Notice to Proceed	July 2012	Not started

Task 9: Construction - All construction for this project will take place after initiation of the formal grant agreement (after agreement execution).

Building Materials and/or Construction Standards

The building materials used in construction (concrete and rebar) will be selected based on experience from the San Antonio del Desierto pilot project. As such, selection will be based on a 19'x26'x6' foundation to set the water storage tank and reverse osmosis water system equipment. In addition, PUCDC will work with the manufacturer of the reverse osmosis systems to complete construction engineering plans for the reverse osmosis system installations. These plans will include scale drawings and descriptions for permitting and construction along with operations and maintenance specifications. All construction will conform to standards set forth by the State Department of Public Health, Riverside County Environmental Health, and Riverside County Building Department.

Construction Tasks

Construction tasks will include Mobilization and Site Preparation, Project Construction, and Performance Testing and Demobilization. These subtasks are described in detail below:

- **Subtask 9.1 Mobilization and Site Preparation.** Mobilization and site preparation will include excavation and compaction for concrete slab, laying a water extension line, and installing electrical supply.
- **Subtask 9.2 Project Construction.** Project construction will include the following:
 - Installation of 280 point-of-use treatment systems;
 - Construction of three 19'x26' concrete slab foundations for a 3,200 gallon water storage tank;
 - Construction of a shed structure for three point-of-entry 1,500 gallon reverse osmosis water treatment system;
 - Construction of two 19'x26' concrete slab foundations for a 15,000 gallon water storage tank; and
 - Construction of a shed structure for a point-of-entry 15,000 gallon reverse osmosis water treatment system.
- **Subtask 9.3 Performance Testing and Demobilization.** After construction, water testing will take place to evaluate the results of the point-of-use and point-of-entry reverse osmosis systems. Sampling and analysis will occur on a periodic basis (either daily, weekly, or monthly) for the first year following installation to ensure performance and troubleshoot issues when necessary. It is anticipated that approximately 10% of the point-of-use systems will be tested to verify performance on the year following installation. These monitoring efforts will be set forth by permits from the County of Riverside Department of Environmental Health, and PUCDC will be responsible for ensuring compliance with all relevant permits. As such, all water quality data from treated water will be sent to the Riverside Department of Environmental Health for review.

E. Environmental Compliance/Mitigation/Enhancement

Task 10: Environmental Compliance/Mitigation/Enhancement - This project will not trigger requirements of CEQA, NEPA, or other environmental regulations and will therefore not require environmental compliance, mitigation, or enhancement.

F. Construction Administration

Task 11: Construction Administration - This task involves administration, coordination, and review of the construction contract and all other related construction tasks, and will occur before and after initiation of the formal grant agreement. After initiation of the grant agreement, a project manager will be needed to coordinate with contractors, complete invoicing and billing, and other construction administration tasks as required. These efforts are estimated to be approximately 476 hours.

Labor Category	Level of effort	Status
AFTER agreement execution		
Project Manager	476 hours	Not Started

3. Groundwater Quality Protection Program – Desert Hot Springs

I. Introduction

Project Sponsor

The project sponsor for the *Groundwater Quality Protection Program – Desert Hot Springs* is the Mission Springs Water District (MSWD).

Project Purpose

The purpose of the *Groundwater Quality Protection Program - Desert Hot Springs* is to (1) extend the MSWD's municipal wastewater collection system to Sub-area D1 in Assessment District 12, (2) eliminate the need for on-site septic systems in the project area, and (3) comply with State law and an MSWD ordinance that require customers to connect to the wastewater collection system once it is available to their property.

Project Objectives:

The *Groundwater Quality Protection Program - Desert Hot Springs* includes the following project objectives:

- Expand the wastewater collection system in Assessment District 12 Sub Area D1, which will connect 238 parcels to the MSWD system
- Abate potential water quality threats associated with 181 on-site septic systems
- Protect both the drinking water supply to Desert Hot Springs and the hot mineral water that is the basis of the spa economy for the City of Desert Hot Springs and the Coachella Valley
- Reduce the septic tank density in Assessment District 12 Sub Area D1 to at or near the density recommended by the RWQCB

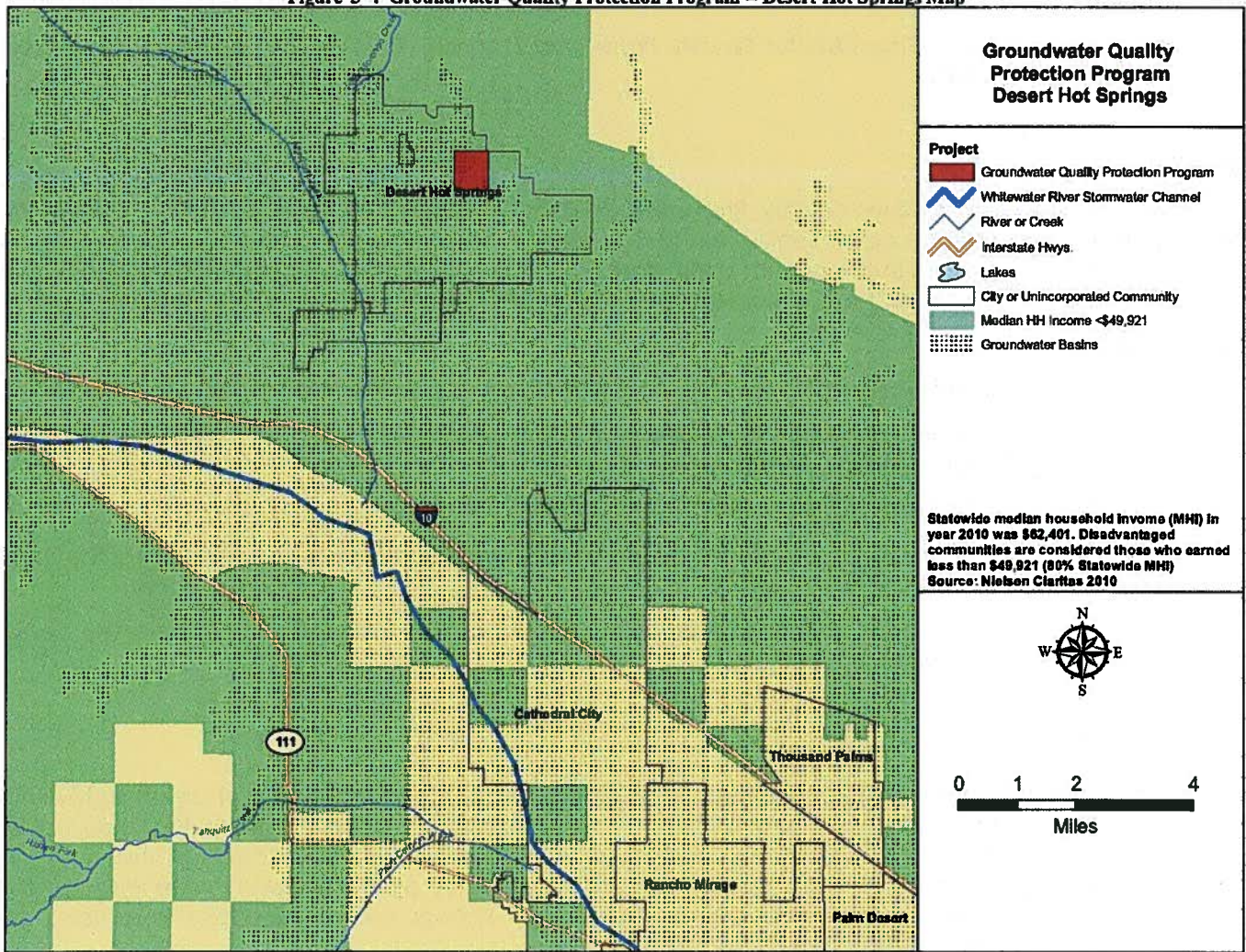
Project Partners

Mission Springs Water District provides water and wastewater infrastructure to the City of Desert Hot Springs, and as such, coordinates land use planning efforts with the City. The City of Desert Hot Springs is supportive of the Missions Springs Water District's efforts to convert septic tanks to sewers, including attending joint meetings of the two governing boards where the need and status of the program were discussed. In conjunction with the sewer project, the City of Desert Hot Springs coordinates additional land use improvements such as curbs, gutters, and street paving.

Project Map

Figure 3 provides a project site map for the *Groundwater Quality Protection Program - Desert Hot Springs*, showing the boundary of the project, surface waters, groundwater basins, DACs within the project area, and any proposed monitoring locations.

Figure 3 : Groundwater Quality Protection Program – Desert Hot Springs Map



II. Proposed Tasks

Grant Administration

CVWD will be responsible for administration and processing of the Implementation Grant contract, including tasks associated with compiling and submitting project invoices, quarterly reports, and completion reports for DWR.

A. Direct Project Administration

Task 1: Project Administration - This project will involve project administration before and after the Implementation Grant Agreement is executed. Ongoing project administration for this project will involve coordinating with the lead agency (CVWD) and the project consultant. Project administration also includes the staff time that was necessary to receive approval for the project from the MSWD Board of Directors on December 20, 2010. MSWD has employed a Director of Engineering Projects (40 hours) and a Senior Project Manager (80 hours) to date for project administration.

Future project administration (after agreement execution) will continue to involve coordination between the lead agency (CVWD) and the project consultant. Deliverables that will be completed include completing project administration invoices and records, and completing project reporting.

Labor Category	Level of effort	Status
BEFORE agreement execution		
Director of Engineering Projects	40 hours	Ongoing
Senior Project Manager	80 hours	Ongoing
AFTER agreement execution		
Director of Engineering Projects	80 hours	Not Started
Senior Project Manager	40 hours	Not Started

Task 2: Labor Compliance Program - MSWD will contract with a consultant to complete a Labor Compliance Program (LCP) no later than March 2012, so all work for this task will be completed by the date of agreement execution. MSWD will solicit bids in January 2012, and will award a contract in February 2012. The program will be completed and submitted to the California Department of Industrial Relations no later than March 2012. After this time, MSWD will have begun a district- and State-approved LCP, and will continue to complete annual reports in compliance with relevant state and local laws. Implementation of the LCP will continue as part of the construction project and end with construction, which is estimated to occur on December 1, 2012.

Task 3: Reporting - All reporting for this project will occur after the Implementation Grant Agreement is executed. To assess progress and accomplishments of the project, the following submittals will be completed by each indicated date.

Project Administration Submittals	Date	Status
Project Assessment and Evaluation Plan (PAEP)	Six Months after agreement execution	Not started
Quarterly Progress Reports and Invoices	Quarterly, dependent on start date	Not started
Project Completion Report	Upon completion of project	Not started

B. Land Purchase Easement

A land purchase easement is not required for implementation of this project.

C. Planning/Design/Engineering/Environmental Documentation

Task 4: Assessment and Evaluation - Not applicable

Task 5: Final Design - As of agreement execution date, the project design will be complete. Completion of final design occurred January 29, 2010. The design schedule for the project is as follows:

Design Submittals	Date	Status
BEFORE agreement execution		
60% Design	March 11, 2009	Complete
90% (pre-final) Design	November 22, 2009	Complete
100% (Final) Design	January 29, 2010	Complete

Task 6: Environmental Documentation - All environmental documentation for this project will be complete prior to grant agreement execution.

The project has been analyzed in an Initial Study/Mitigated Negative Declaration document that was completed and finalized in 1999. The document was later recertified in 2007. This document was later amended with a CEQA Addendum in November 2010 in order to add an additional area to the project area. This project also went through NEPA review that resulted in an Environmental Assessment and a Finding of No Significant Impact in December 2010. These documents will be formalized in January 2011 and February 2012, respectively.

The CEQA/NEPA environmental documentation outlined a Mitigation Monitoring and Reporting Plan (MMRP) that demonstrates mitigation measures required for CEQA compliance were completed in 1998. The MMRP will be in effect during the construction phase of this project.

Environmental Documentation	Date	Status
BEFORE agreement execution		
CEQA	February 1999	Complete
CEQA Recertification	May 2007	Complete
CEQA Addendum	January 2011	In Process
NEPA	February 2011	In Process

Task 7: Permitting - Currently, MSWD is ready to apply for a Stormwater Pollution Prevention Plan (SWPPP), a City Encroachment Permit, and a County Encroachment Permit. MSWD will apply for these permits in February 2011, and will obtain these permits by March 1, 2012.

Permit	Approval Date	Status
BEFORE agreement execution		
Stormwater Pollution Prevention Plan	March 1, 2012	In Process
City Encroachment Permit	March 1, 2012	In Process
County Encroachment Permit	March 1, 2012	In Process

D. Construction/Implementation

Task 8: Construction Contracting - All construction contracting for this project will occur after the Implementation Grant Agreement is executed. Construction contracting will include solicitation, which involves advertisement for bids, bid opening, bid evaluations, MSWD staff recommendations, and Board of Directors approval. Construction contracting will also include awarding the construction contract, which

includes confirming the contractor's insurance requirements and bonds, and holding a preconstruction meeting.

In addition, separate construction contracts will be initiated with design engineers for construction management services, surveying and staking, and construction (soils) testing. A construction contract for archaeology/biology monitoring in accordance with CEQA will also be required. For each contract, MSWD staff must issue a Request for Proposals, evaluate submitted proposals, and issue recommendations. In addition, approval from MSWD Board of Directors will be required for all four separate contracts.

Construction Submittals	Date	Status
AFTER June 1, 2012		
Notice to Proceed	June 29, 2012	Not started
Construction Management Contract Approval	June 20, 2012	Not started
Surveying and Staking Contract Approval	June 20, 2012	Not started
Construction Testing Contract Approval	June 20, 2012	Not started
Archaeology and Biology Contract Approval	June 20, 2012	Not started

Task 9: Construction - All construction for this project will occur after the Implementation Grant Agreement is executed.

Building Materials and/or Computational Methods

Building material requirements are detailed in the 100% design plans and specifications and are further referenced in the ASTM, Green Book, and Mission Springs Water District Developer Handbook standards. All materials will be submitted by the contractor, evaluated according to the standards, and approved prior to construction (normally after NTP and before the pre-construction meeting)

Construction Standards, Health and Safety Standards, Laboratory Analysis, and/or Accepted Classification Methods

Construction for this project will conform to the specifications prepared for the project by a licensed engineer. These specifications include project-specific construction standards and also require the contractor to conform to applicable local, state, and federal laws. The specific codes that will be used for project implementation include: MSWD Developer/Contractors Guidelines Handbook, Project Plans and Specifications, ASTM Standards for materials and manufacturing, compliance with all state and local health and safety standards, California Occupational Safety and Health (Cal-OSHA) requirements, County of Riverside and/or Desert Hot Springs Noise Ordinance(s), South Coast Air Quality Management District Standards, and Colorado River Basin RWQCB Standards.

Construction Tasks

Construction tasks for this project will include Mobilization and Site Preparation, Project Construction, and Performance Testing and Demobilization. These subtasks are described in detail below:

Subtask 9.1 Mobilization and Site Preparation: Mobilization and site preparation includes ordering of equipment, mobilizing contractor's equipment and construction material, contractor move-in, and preparation of staging areas.

Subtask 9.2 Project Construction: Project construction includes installing 7,713 lineal feet of 8" vitrified clay pipe (VCP) sewer, installing 7,846 lineal feet of 4" VCP sewer laterals, and installing all appurtenances including but not limited to manholes, grading, and paving.

Subtask 9.3 Performance Testing and Demobilization: Performance testing shall be per MSWD Developer/Contractors Guidelines Handbook and per the project plans and specifications. Inspection and testing are required by the project specifications. Contractor shall demobilize and

return construction and staging areas to as reasonable as possible to original or improved conditions as a result of construction activities, including newly paved streets. This task will also include surveying and staking and soils testing activities. This task also includes the construction management for project inspection, completing plans and requests for information (RFI's), holding construction meetings, submittal review, responding to RFI's, and project inspection.

E. Environmental Compliance/Mitigation/Enhancement

Task 10: Environmental Compliance/Mitigation/Enhancement - Environmental compliance for this project will occur after the grant agreement is executed

Environmental compliance will occur prior to construction of the project, on approximately June 29, 2012 and will conclude by January 27, 2013. Construction activities will be in compliance with the Biological and Archaeological directives listed within the MMRP. The MMRP addressed all issues possible in extending sewer lines throughout the assessment district within which this project lays. Many of the sewer projects within the assessment district are already completed and none of the special conditions areas listed in the MMRP remain or apply at this time. However, the general project environmental directives for the possibility of archeological or paleontological discovery during any construction, and biological issues as applicable, are still in effect and will be implemented during the construction phase.

F. Construction Administration

Task 11: Construction Administration - This task involves administration, coordination, and review of the construction contracts and all other related construction tasks. After grant agreement execution, the project will require 120 hours of labor from an MSWD Engineer for project administration tasks including project reporting and managing consultants. A Construction Administration Consultant may also be retained to assist the District with these efforts.

4. Groundwater Quality Protection Program –Cathedral City

I. Introduction

Project Sponsor

The City of Cathedral City is the project sponsor for the *Groundwater Quality Protection Program – Cathedral City*.

Project Purpose

The purpose of the *Groundwater Quality Protection Program – Cathedral City* is to (1) eliminate septic tanks in Cathedral City (within the Indio Hydrologic Subarea) that threaten contamination of groundwater, (2) replace existing septic tanks with sanitary sewers for 132 individual businesses in the vicinity of Perez Road from Date Palm Drive to Cathedral Canyon Drive and on Cathedral Canyon Drive from Perez Road to the Whitewater River, (3) expand the Desert Water Agency (DWA) wastewater collection system to serve the proposed project area, and (4) connect the DWA wastewater collection system to a booster pump station.

Project Objectives

The *Groundwater Quality Protection Program – Cathedral City* includes the following project objectives:

- Implement a sewer connection project identified within the Desert Water Agency's South Area Master Plan
- Construct 4,314 feet of 15-inch sewer to provide sewer connections to an area with failing septic systems
- Convert septic to sewer systems to protect groundwater quality in accordance with the RWQCB's Water Quality Control Plan
- Contribute approximately 7 million gallons of wastewater per year to Coachella Valley Water District's wastewater supply, thereby indirectly increasing the local recycled water supply
- Increase groundwater protection in an area that borders tribal land
- Address sanitation needs relative to failing septic tank systems and protection of groundwater within a disadvantaged community (DAC)

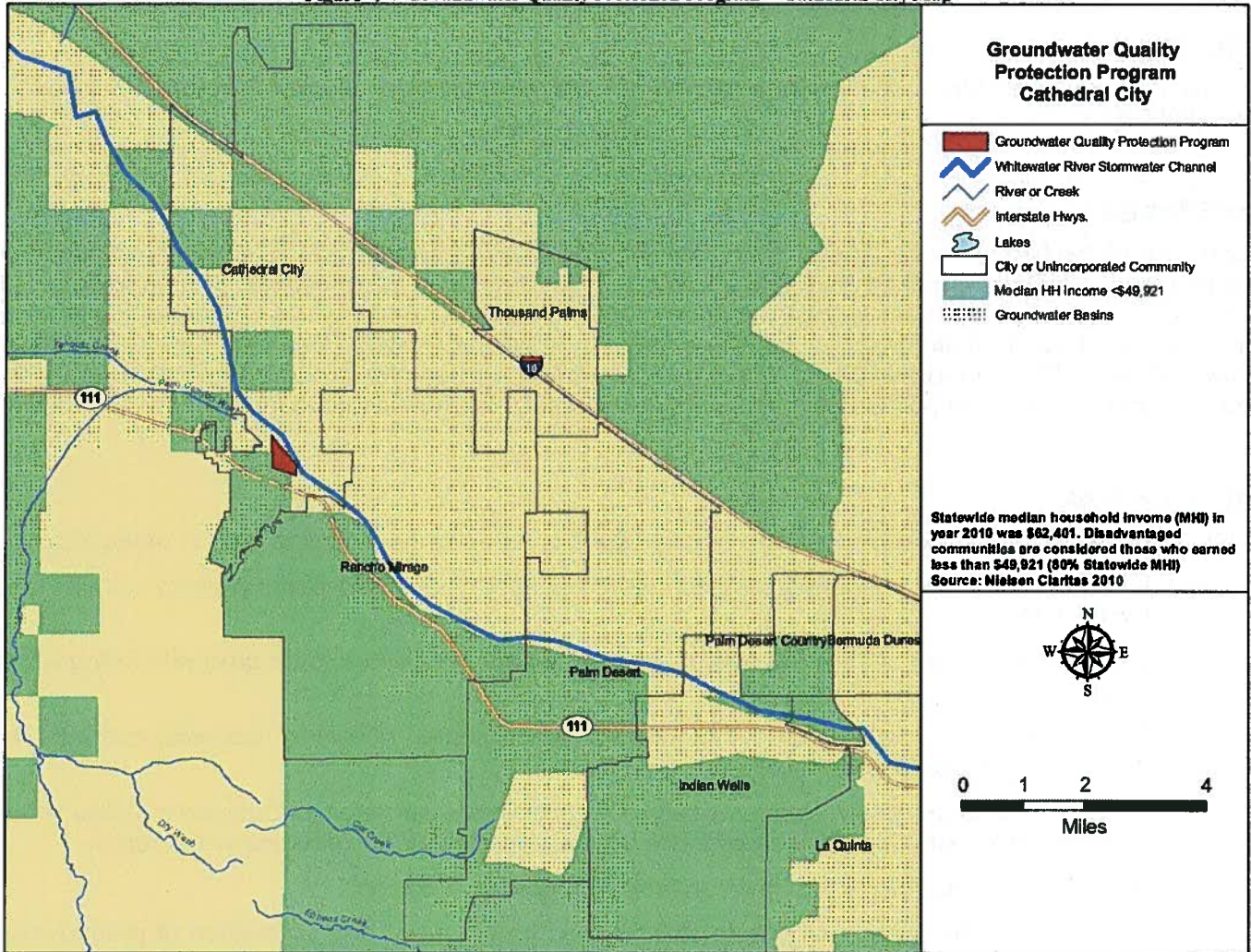
Project Partners

The City of Cathedral City receives water service within the project area from the Desert Water Agency. Any wastewater produced by this project will be added into the Coachella Valley Water District wastewater supply.

Project Map

Figure 4 provides a project site map for the *Groundwater Quality Protection Program – Cathedral City*, showing the project boundary, surface waters, groundwater basins, DACs within the project vicinity, and any proposed monitoring locations.

Figure 4 : Groundwater Quality Protection Program – Cathedral City Map



II. Proposed Tasks

Grant Administration

CVWD will be responsible for administration and processing of the Implementation Grant contract, including tasks associated with compiling and submitting project invoices, quarterly reports, and completion reports for DWR.

A. Direct Project Administration Costs

Task 1: Project Administration - This project will involve project administration before and after the Implementation Grant Agreement is executed. Past project administration for this project involved coordinating the various project elements with partner agencies. The City of Cathedral City has employed an Engineer (100 hours) and an Accountant (88 hours) as well as a Project Manager from a consultant firm (77.5 hours) to date for project administration efforts.

Future project administration (after agreement execution) will continue to involve coordination and administrative activities such as working with Desert Water Agency for project coordination, preparing reports, and completing labor compliance documentation.

Labor Category	Level of effort	Status
BEFORE agreement execution		
Cathedral City Engineer	100	Complete
Cathedral City Accountant	88	
Consultant Project Management	77.5	
AFTER agreement execution		
Cathedral City Administration	72	Ongoing

Task 2: Labor Compliance Program - A Labor Compliance Program (LCP) is not required for actions that will be taken prior to agreement execution (for Administration of Design). The City of Cathedral City contracts with Alliant Consulting, (ID 2003.00328) for labor compliance and has previously implemented a LCP for other septic-to-sewer conversion projects. The City of Cathedral City will retain a consultant to manage the LCP after agreement execution (during construction).

Task 3: Reporting - All reporting for the project will occur after the Implementation Grant Agreement is executed. To assess progress and accomplishments of the project, the following submittals will be completed by each indicated date.

Project Administration Submittals	Date	Status
AFTER agreement execution		
Project Assessment and Evaluation Plan (PAEP)	Six Months after agreement execution	Not started
Quarterly Progress Reports and Invoices	Quarterly dependant on Start	Not started
Project Completion Report	Due upon completion of construction	Not started

B. Land Purchase Easement (If applicable)

Not applicable. The project will be constructed within an existing right-of-way.

C. Planning/Design/Engineering/Environmental Documentation

Task 4: Assessment and Evaluation - Not applicable

Task 5: Final Design - Final design for the project was completed in April 2010, so no design will be required after execution of the Grant Agreement. The final design schedule for the project is shown in the table below.

Design Submittals	Date	Status
BEFORE agreement execution		
10% (conceptual) Design	December 2008	Complete
30% (concept) Design	April 2009	Complete
60% Design	August 2009	Complete
90% (pre-final) Design	December 2009	Complete
100% (Final) Design	April 2010	Complete

Task 6: Environmental Documentation - Not applicable. This project received a CEQA Categorical Exemption on May 19, 2008 because the project will be constructed in existing public right-of-ways and public easement areas, and there will be no expansion of the streets, water lines, drainage facilities, or capacity for the discharge of wastewater from this project.

Task 7: Permitting - All permitting for the project will be completed after initiation of the Grant Agreement. Prior to construction of the project, the City of Cathedral City will issue a City Encroachment Permit, to allow work to occur within the City's right-of-way in conformance with City of Cathedral City construction regulations.

Permit	Approval Date	Status
AFTER agreement execution		
City Encroachment Permit	November 10, 2011	Pending

D. Construction/Implementation

Task 8: Construction Contracting - All construction contracting for the project will occur after execution of the Grant Agreement. Construction contracting will include advertisement for bids, a pre-bid contractors meeting, evaluation of bids, award of contract, and pre-construction conference. Advertisement will be for a minimum of 30 days. The bid review and awarding of the contract by the City Council will take an additional three to four weeks.

Construction submittals include a project schedule and various submittal materials that the contractor will submit to the City of Cathedral City for approval throughout the construction process. In addition, the City of Cathedral City will submit a Notice to Proceed to the contractor by August 23, 2012.

Construction Submittals	Date	Status
AFTER agreement execution		
Project schedule and other contractor submittals	August 23, 2012	Pending
Notice to Proceed	August 23, 2012	Pending

Task 9: Construction - All construction for this project will occur after execution of the Implementation Grant Agreement.

Building Materials and /or Construction Standards

Pipes and appurtenances to be used in construction were selected and specified based on their compliance with Desert Water Agency's Standard Specifications. Design calculations were completed in accordance with current, local engineering standards, including pipe diameter and slope, service lateral size, trench backfill material and compaction requirements, and pavement patching and rehabilitation.

All construction will conform to the specifications prepared for the project by a licensed engineer. These specifications include project-specific construction standards and also require the contractor to conform to applicable local, state, and federal laws. The specific codes identified in preliminary analysis of the project include ASTM Standards for materials and manufacturing, Standard Specifications for Public Works

Construction (Greenbook), compliance with all State and Local health and safety standards, Cal-OSHA (California Occupational Safety and Health) requirements, Cathedral City Noise Ordinance, South Coast Air Quality Management District Standards, Colorado River Basin Regional Water Quality Control Board Standards, and Desert Water Agency construction standards.

Construction Tasks

Construction tasks for this project will include Mobilization and Site Preparation, Project Construction, and Performance Testing and Demobilization. These subtasks are described in detail below:

Subtask 9.1 Mobilization and Site Preparation: Mobilization and site preparation includes ordering of equipment, mobilizing contractor's equipment and construction material, and preparation of physical site.

Subtask 9.2 Project Construction: Project construction includes compliance activities including measures for traffic control and public convenience and safety, and completion of dust control in compliance with the *Coachella Valley PM10 State Implementation Plan*. This subtask also involves construction activities including, excavating trenches, shoring, sheeting and bracing, constructing a 15" sewer, constructing concrete manholes, boring and jacking a 15" pipe in steel casing, constructing sewer laterals, backfilling and compaction, and re-paving the roadway. In addition, this task will involve performance testing, materials testing, and surveying.

Subtask 9.3: Performance Testing and Demobilization: Performance testing and demobilization will include site inspection and trench backfill testing for compaction in accordance with ASTM D 2922 or ASTM D 1556, sewer pipe pressure testing in accordance with local water agency requirements for pressure testing, application of pre-approved mix designs for roadway resurfacing, and restoring the worksite to its preconstruction condition.

E. Environmental Compliance/Mitigation/Enhancement

Task 10: Environmental Compliance/Mitigation/Enhancement - The project received a CEQA Categorical Exemption in May, 2008 and as such, does not require environmental mitigation or enhancement requirements. This project does not require environmental review pursuant to NEPA.

During project construction, the contractor will comply with conditions of existing PM-10 permit conditions, existing NPDES stormwater permit conditions, and the Cathedral City Noise Ordinance.

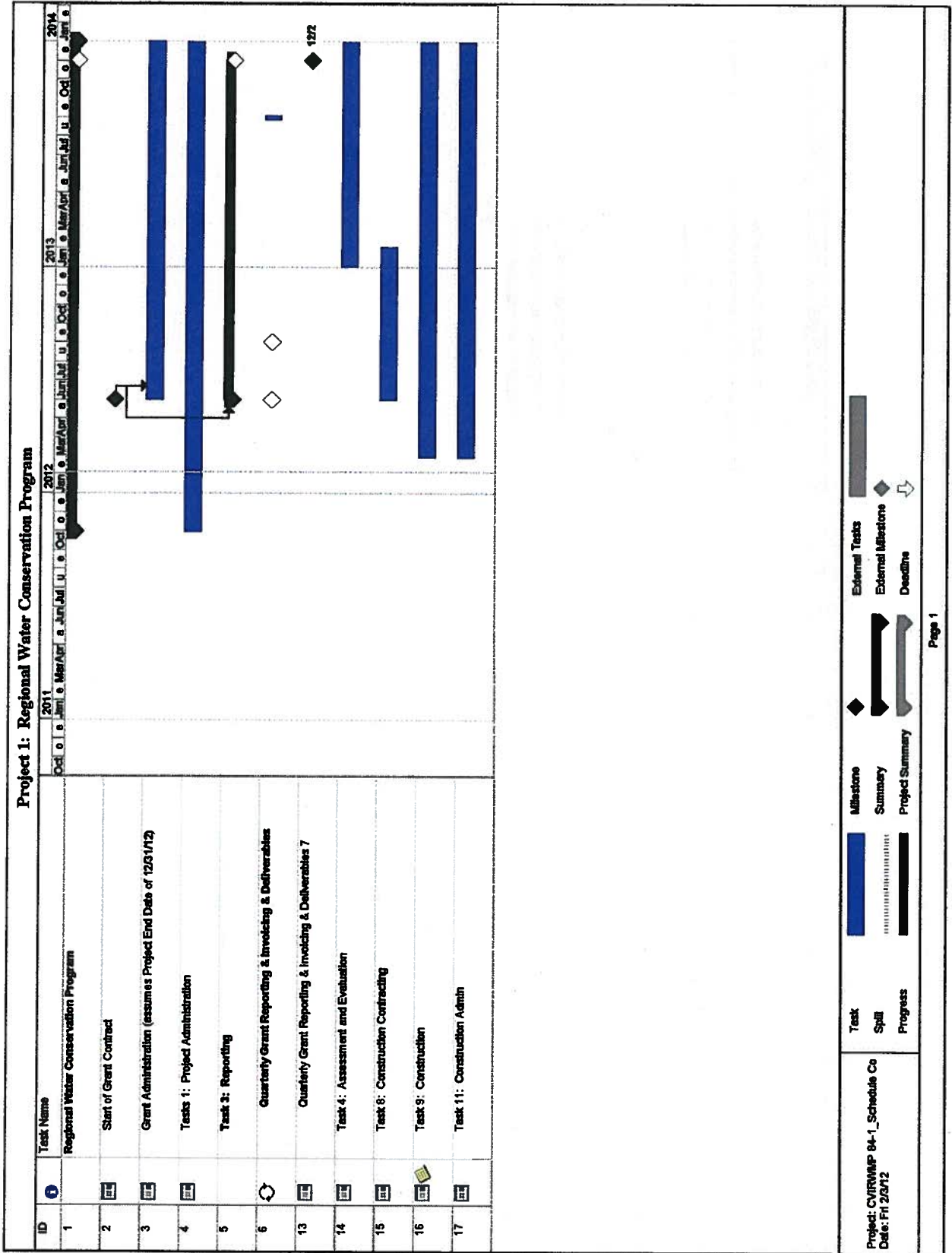
F. Construction Administration

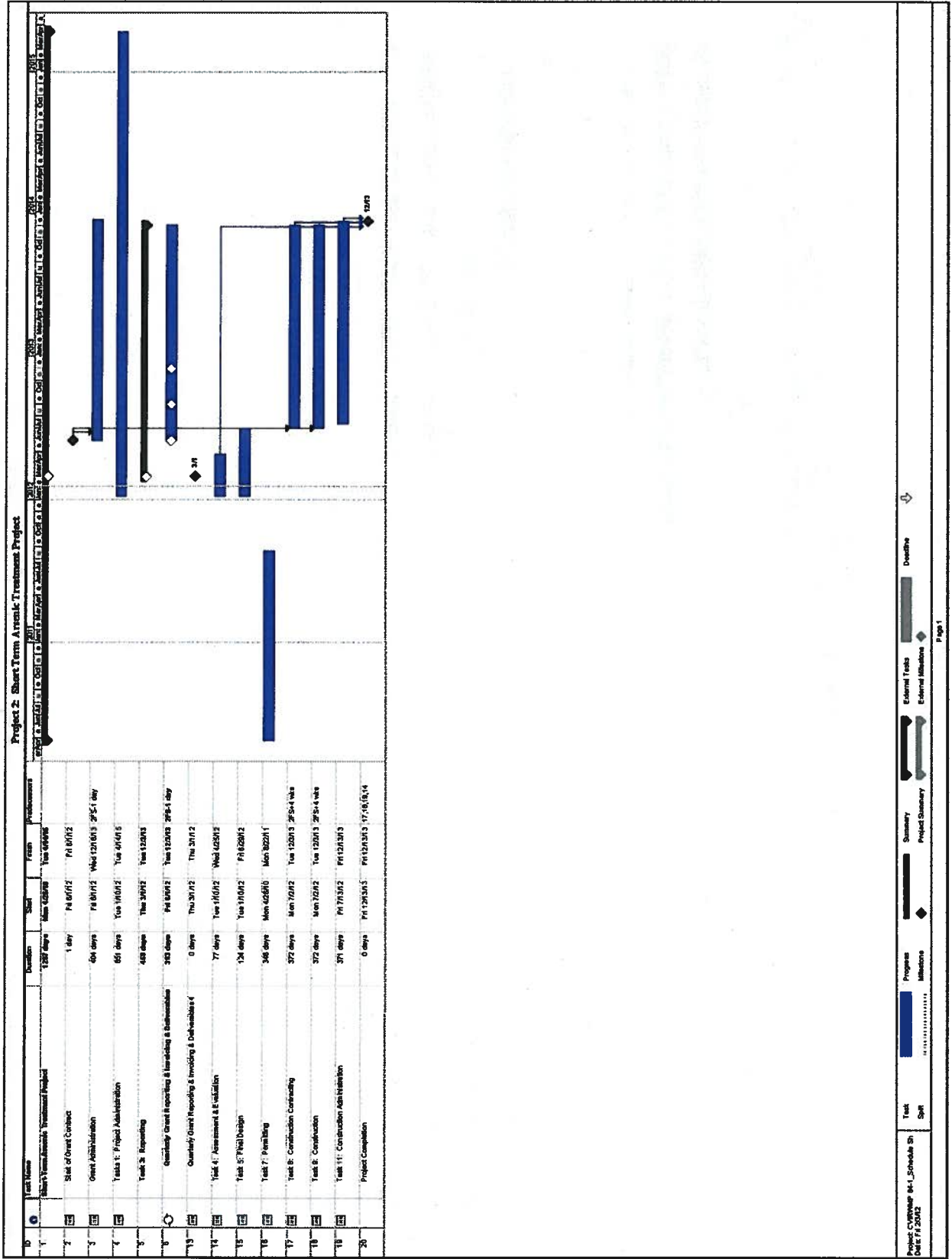
Task 11: Construction Administration - Construction administration for this project will not occur until after the Grant Agreement is executed. This task will require labor from a Construction Administration Consultant, who will ensure that the project complies with materials and construction standards set forth by the local water agencies. The local water agencies will review contractor procedures and submittals as necessary. Deliverables for this task include contractor materials and methods submittals, contractor invoices, responding to contractor requests for information, monthly status reports, and scheduling updates.

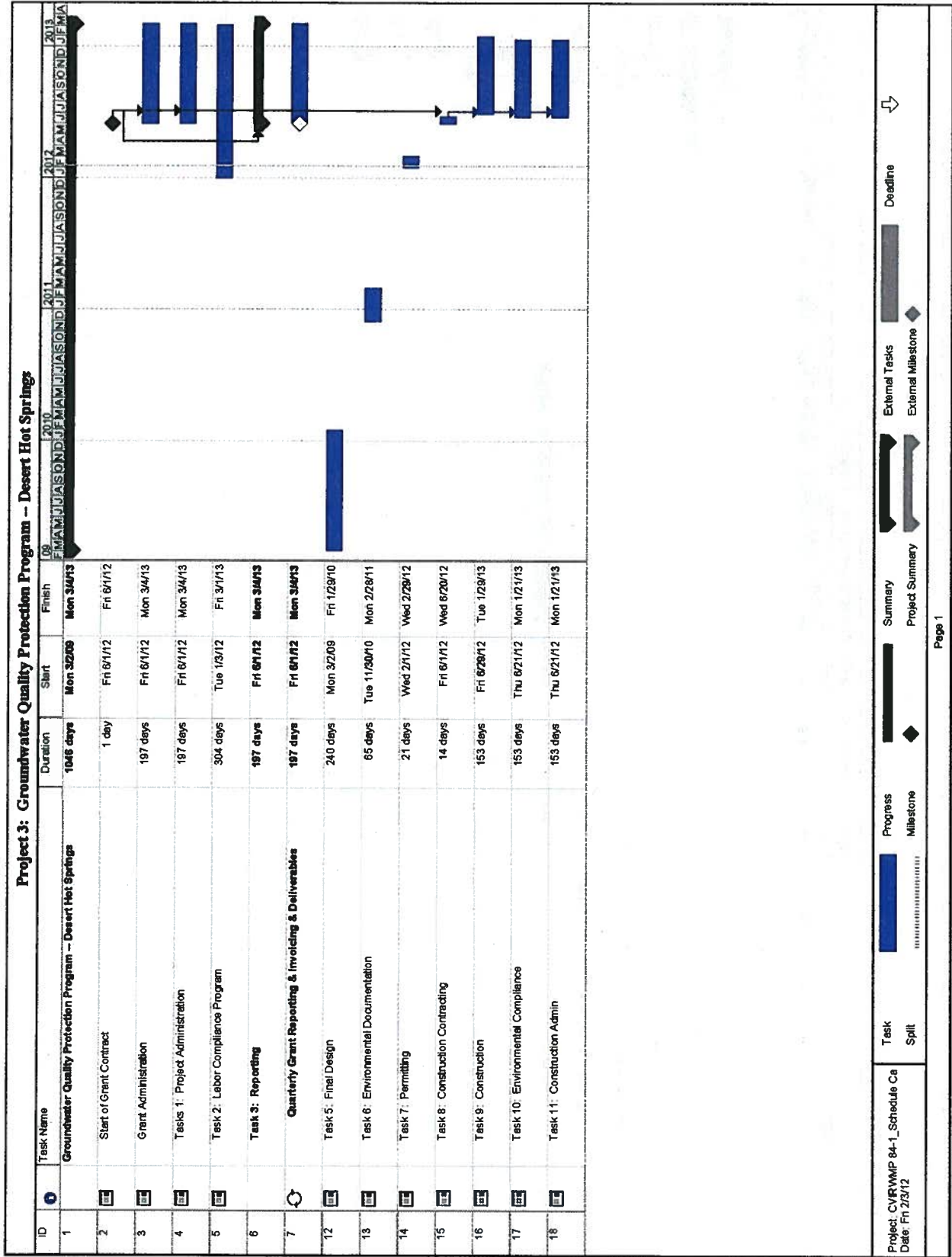
Labor Category	Level of effort	Status
AFTER agreement execution		
Construction Administrator	Average 5% of construction cost	Not started

EXHIBIT B SCHEDULE

The schedules provide start and end dates as well as milestones for each work plan task of each project within this proposal, consistent with the work plans and budgets. The schedules also demonstrate any dependencies or predecessors by showing links between tasks. The assumed start date of the implementation grant is June 1, 2012, and each project has an assumed end date that is reasonable based on their individual work plan and budget.







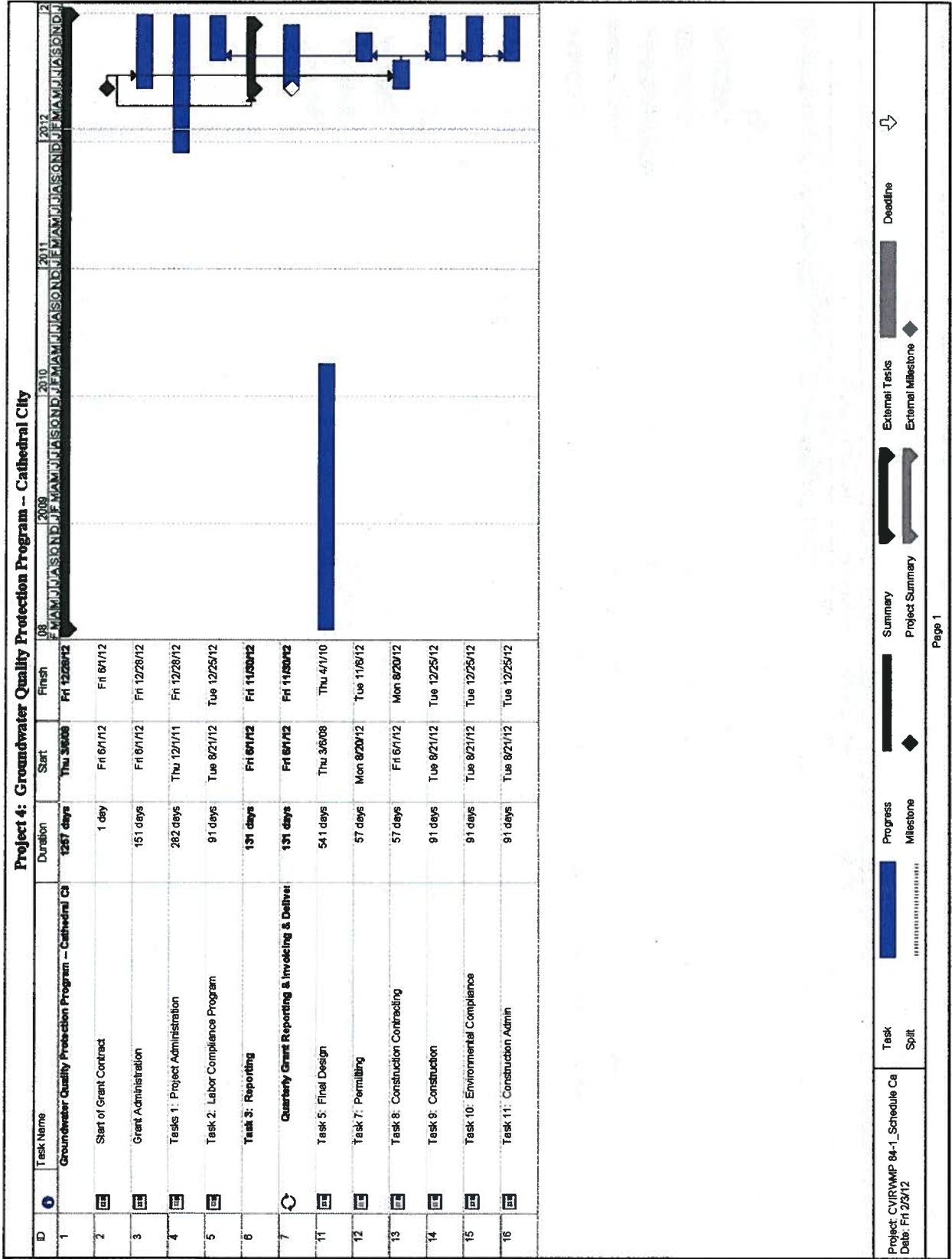


EXHIBIT C BUDGET

Coachella will be reimbursed according to concurrent draw down basis where grant funding and the cost share will be spent simultaneously. The amount of the cost share for each invoice must be based on the ratio of grant funding and the Grantee's cost share.

The proposal budget provides detailed budget documentation to support each cost shown in the Summary Budget Table (Table 1). Table 1 presents the proposed funding match for each project within the proposal, including documentation that demonstrates how the proposal will meet the minimum requirement of at least 25 percent of the total costs. Following Table 1 are detailed descriptions of individual project budgets; there may be several tasks and sub-tasks that are included in project budget descriptions. The *Short Term Arsenic Treatment Program* has applied for a funding match waiver because this program has demonstrated that it will address a critical water quality issue for East Valley disadvantaged communities (DACs).

Table 1: Summary Budget Table
Coachella Valley IRWM Implementation Grant Proposal

Budget Category		(a) Non-State Share* (Funding Match)	(b) Requested Grant Funding	(c) Other State Funds Being Used	(d) Total	(e) % Funding Match
GA	CVWD Grant Administration	\$0	\$100,000	\$0	\$100,000	
(a)	Direct Project Administration Costs	\$130,142	\$45,591	\$0	\$175,733	
(b)	Land Purchase/Easement	\$0	\$0	\$0	\$0	
(c)	Planning/Design/Engineering/ Environmental Documentation	\$405,300	\$18,000	\$0	\$423,300	
(d)	Construction/Implementation	\$2,271,633	\$3,604,975	\$0	\$5,876,608	
(e)	Environmental Compliance/ Mitigation/Enhancement	\$5,000	\$0	\$0	\$5,000	
(f)	Construction Administration	\$12,000	\$70,517	\$0	\$82,517	
(g)	Other Costs (Including Legal Costs, Permitting and Licenses)	\$42,700	\$7,500	\$0	\$50,200	
(h)	Construction/Implementation Contingency	\$125,600	\$153,417	\$0	\$279,017	
(i)	Grand Total	\$2,992,375	\$4,000,000	\$0	\$6,992,375	
(j)	Calculation of Funding Match %	\$2,992,375	-	-	\$6,992,375	43%
*Sources of funding: Please refer to each of the individual budgets below for a full explanation of the various sources of non-state funding.						

Detailed budgets for each of the projects included within this proposal, including a summary budget and supporting cost information are provided in the following sections.

Project 1: Regional Water Conservation Program

The *Regional Water Conservation Program* will involve tasks designed to bring water conservation to an accessible level and to a wide range of constituents throughout the Coachella Valley through outreach, water audits, and various other conservation programs. Funding for this program involves the following aspects of project implementation: grant administration, project administration, and construction/implementation.

Table 2 below provides a more detailed break-down of the total project budget.

**Table 2: Total Project Budget
Regional Water Conservation Program**

Budget Category		(a) Non-State Share* (Funding Match)	(b) Requested Grant Funding	(c) Other State Funds Being Used	(d) Total	(e) % Funding Match
GA	CVWD Grant Administration	\$0	\$25,641	\$0	\$25,641	0%
(a)	Direct Project Administration Costs	\$22,500	\$0	\$0	\$22,500	100%
(b)	Land Purchase/Easement	\$0	\$0	\$0	\$0	0%
(c)	Planning/Design/Engineering/ Environmental Documentation	\$0	\$0	\$0	\$0	0%
(d)	Construction/Implementation	\$325,000	\$1,000,000	\$0	\$1,325,000	25%
(e)	Environmental Compliance/ Mitigation/Enhancement	\$0	\$0	\$0	\$0	0%
(f)	Construction Administration	\$0	\$0	\$0	\$0	0%
(g)	Other Costs (Including Legal Costs, Permitting and Licenses)	\$0	\$0	\$0	\$0	0%
(h)	Construction/Implementation Contingency	\$0	\$0	\$0	\$0	0%
(I)	Grand Total	\$347,500	\$1,025,641	\$0	\$1,373,141	25%
* Sources of funding: The non-state share funding match will be provided by the conservation budgets of the operating funds of the individual partner agencies.						

This Implementation Grant proposal is requesting funding for three project tasks identified within the *Regional Water Conservation Program Work Plan*.

**Table 3: Cost Breakdown by Work Plan Task and Subtask
Regional Water Conservation Program**

Row/Task	Category	Total
GA	CVWD Grant Administration	\$25,641
Row (a)	Direct Project Administration Costs	\$22,500
Task 1	Project Administration	\$10,125
Task 3	Reporting	\$12,375
Row (d)	Construction/Implementation	\$1,325,000
Task 9	Construction	\$1,325,000
Row (I)	Grand Total	\$1,373,141

The sections below provide detailed descriptions of each of the row and task budgets (where applicable) shown in the summary table above. In addition, each section below describes how cost estimates for each of the tasks or rows were calculated.

GA Grant Administration

Each local project sponsor shall dedicate a portion of their grant funds to the Coachella Valley Water District (CVWD) for administration and processing of the Implementation Grant. The *Regional Water Conservation Program* will contribute \$25,641 to this administration cost.

Row (a) Direct Project Administration Costs

The total direct project administration costs for the program are \$22,500. Table 4 provides a detailed listing of all applicable costs.

Task 1: Project Administration - This includes the cost for all project administration efforts, including labor costs for a project administrator, accounting staff, and a conservation coordinator from each of the five partnering agencies for a total of \$9,625. An additional \$500 will be required for office supplies for grant administration tasks. These costs were determined based on existing conservation program administration efforts. The five partners currently engage in a variety of conservation activities, and administration of such programs was the basis for current and future cost determinations.

Task 2: Labor Compliance Program - Not applicable

Task 3: Reporting - This includes the cost for preparing required reports and invoicing, for a total of \$12,375. This is based on the costs associated with existing monitoring efforts including mapping, water use comparisons, and processing and consolidating data for formal planning documents.

**Table 5: Row (a) Direct Project Administration Budget
Regional Water Conservation Program**

Discipline	Hourly Wage (\$/hr)	Number of Hours	Total	Funding Match	Grant Request
CVWD Conservation Coordinator	\$75.00	20	\$1,500	\$1,500	\$0
CVWD Accounting Staff	\$60.00	20	\$1,200	\$1,200	\$0
CVWD Project Administrator	\$85.00	20	\$1,700	\$1,700	\$0
CWA Conservation Coordinator	\$75.00	20	\$1,500	\$1,500	\$0
CWA Accounting Staff	\$60.00	20	\$1,200	\$1,200	\$0
CWA Project Administrator	\$85.00	20	\$1,700	\$1,700	\$0
DWA Conservation Coordinator	\$75.00	20	\$1,500	\$1,500	\$0

Discipline	Hourly Wage (\$/hr)	Number of Hours	Total	Funding Match	Grant Request
DWA Accounting Staff	\$60.00	20	\$1,200	\$1,200	\$0
DWA Project Administrator	\$85.00	20	\$1,700	\$1,700	\$0
IWA Conservation Coordinator	\$75.00	20	\$1,500	\$1,500	\$0
IWA Accounting Staff	\$60.00	20	\$1,200	\$1,200	\$0
IWA Project Administrator	\$85.00	20	\$1,700	\$1,700	\$0
MSWD Conservation Coordinator	\$75.00	20	\$1,500	\$1,500	\$0
MSWD Accounting Staff	\$60.00	20	\$1,200	\$1,200	\$0
MSWD Project Administrator	\$85.00	20	\$1,700	\$1,700	\$0
Office Supplies	Lump Sum		\$500	\$500	\$500
			Total	\$22,500	\$0

Row (b) Land Purchase/Easement

Not applicable.

Row (c) Planning/Design/Engineering/Environmental Documentation

This program will not incur costs associated with planning, design, engineering, or environmental documentation.

Task 4: Assessment and Evaluation - Not applicable

Task 5: Final Design - Not applicable

Task 6: Environmental Documentation - Not applicable

Task 7: Permitting - Not applicable.

Row (d) Construction/Implementation

The Construction/Implementation costs for the program are estimated to be \$1,325,000. Table 6 provides a detailed listing of all applicable costs. This cost total is based on the following:

Task 8: Construction Contracting - The partner agencies will implement necessary construction contracting tasks. However, those staff costs are not included within the proposed budget.

Task 9: Construction/Implementation - Construction costs for this program are divided between three categories: materials, equipment, and labor. These costs, which are summarized below, are necessary to complete Subtasks 9.1 through 9.9, as described within *Task 9: Construction/Implementation of the Work Plan*.

Materials: Materials for the program include information (kits, etc.) that will be given to students as part of the Water Wise Program, and various workshop materials. In total, the materials costs for this program will be \$202,000. This amount was calculated by using the current cost of Water Wise Program materials multiplied by the number of households that could potentially be reached.

Equipment: Costs associated with this task include costs for sprinkler controls, sprinkler upgrades, and turf purchase. In total, the equipment costs for this program will be \$490,000, which was calculated based on the cost of such equipment multiplied by the number of retrofits the agencies hope to achieve.

Labor: Labor required to fulfill the construction/implementation task include the labor necessary to conduct outreach, water audits, a plan check of the Model Landscape Ordinance, landscape retrofits, and workshop presentations. The total labor costs for this program will be \$633,000, which was calculated based on hourly rates of labor to conduct tasks associated with the conservation program.

**Table 6: Row (d) Construction/Implementation Costs
Regional Water Conservation Program**

Materials Used	Unit Costs (\$)	Number of Units	Total (\$)	Funding Match	Grant Request
Materials					
Water Wise Program Materials	Lump Sum		\$200,000	\$0	\$200,000
Workshop Materials	Lump Sum		\$2,000	\$2,000	\$0
Subtotal			\$202,000	\$2,000	\$200,000
Equipment Used	Unit Costs (\$)	Number of Units	Total (\$)	Funding Match	Grant Request
Equipment					
Sprinkler Controllers	\$150	2,200	\$330,000	\$0	\$330,000
Sprinkler Upgrades	\$3	20,000	\$60,000	\$0	\$60,000
Turf Purchase (square feet)	\$1	100,000	\$100,000	\$0	\$100,000
Subtotal			\$490,000	\$0	\$490,000
Discipline	Hourly Wage (\$/hr)	Number of Hours	Total (\$)	Funding Match	Grant Request
Labor					
Outreach and Education	\$60	1,000	\$60,000	\$0	\$60,000
Water Audits	\$60	5,000	\$300,000	\$150,000	\$150,000
Plan Check	\$60	800	\$48,000	\$48,000	\$0
Landscape Retrofits	\$40	2,500	\$100,000	\$0	\$100,000
Workshop Presentations	\$60	300	\$18,000	\$18,000	\$0
Conservation Coordinator(s)	\$75	1,428	\$107,000	\$107,000	\$0
Subtotal			\$633,000	\$323,000	\$310,000
Total			\$1,325,000	\$325,000	\$1,000,000

Row (e) Environmental Compliance/Mitigation/Enhancement

This program will not incur costs associated with implementing environmental mitigation or enhancement requirements.

Task 10: Environmental Compliance/Mitigation/Enhancement - Not applicable

Row (f) Construction Administration

There are no construction administration costs included within this budget.

Task 11: Construction Administration - Not Applicable.

Row (g) Other Costs

No other costs will be required for implementation of this program.

Row (h) Construction/Implementation Contingency

No construction or implementation contingency costs will be required for implementation of this program.

Project 2: Short Term Arsenic Treatment Project

This project will involve implementing five point-of-entry reverse osmosis water treatment systems and 280 point-of-use reverse osmosis water treatment systems to address arsenic-related water quality issues within portions of the East Valley. Funding for this project involves the following aspects of project implementation: grant administration, project administration, planning/design/engineering/environmental documentation, construction/implementation, construction administration, other costs, and construction/implementation contingency.

The total cost associated with the *Short-Term Arsenic Treatment Project* is \$670,163. Of these total costs, \$564,103 is being requested for grant funding through the IRWM Implementation Grant Program. The remaining \$106,060 was/will be provided from the General Fund of Pueblo Unido Community Development Corporation (PUCDC). In total, this amount constitutes 16% of the total project cost, meaning that the non-State share of the total project cost (funding match) is 16% for this project. Because this project will not meet its 25% funding match requirement and will be serving disadvantaged communities (DACs), this project is requesting a funding waiver match. Table 8 below provides a more detailed break-down of the total project budget.

**Table 8: Total Project Budget
Short-Term Arsenic Treatment Project**

Budget Category		(a) Non-State Share* (Funding Match)	(b) Requested Grant Funding	(c) Other State Funds Being Used	(d) Total	(e) % Funding Match
GA	CVWD Grant Administration	\$0	\$14,103	\$0	\$14,103	0%
(a)	Direct Project Administration Costs	\$75,000	\$13,200	\$0	\$88,200	85%
(b)	Land Purchase/Easement	\$0	\$0	\$0	\$0	0%
(c)	Planning/Design/Engineering/ Environmental Documentation	\$2,160	\$18,000	\$0	\$20,160	11%
(d)	Construction/Implementation	\$26,200	\$438,800	\$0	\$465,000	6%
(e)	Environmental Compliance/ Mitigation/Enhancement	\$0	\$0	\$0	\$0	0%
(f)	Construction Administration	\$0	\$26,200	\$0	\$26,200	0%
(g)	Other Costs (Including Legal Costs, Permitting and Licenses)	\$2,700	\$7,500	\$0	\$10,200	26%
(h)	Construction/Implementation Contingency	\$0	\$46,300	\$0	\$46,300	0%
(I)	Grand Total	\$106,060	\$564,103	\$0	\$670,163	16%

* Sources of funding: General Fund of Pueblo Unido Community Development Corporation (PUCDC).

This Implementation Grant Proposal is requesting funding for seven of the eleven project tasks identified within the *Short-Term Arsenic Treatment Project* Work Plan.

**Table 9: Cost Breakdown by Work Plan Task and Subtask
Short-Term Arsenic Treatment Project**

Row/Task	Category	Total
GA	CVWD Grant Administration	\$14,103
Row (a)	Direct Project Administration Costs	\$88,200
Task 1	Project Administration	\$56,200
Task 3	Reporting	\$32,000
Row (c)	Planning/Design/Engineering/Environmental Documentation	\$20,160
Task 4	Assessment and Evaluation	\$5,500
Task 5	Final Design	\$12,495
Task 7	Permitting	\$2,165
Row (d)	Construction/Implementation	\$465,000
Task 9	Construction	\$465,000
Row (f)	Construction Administration	\$26,200
Task 11	Construction Contracting	\$26,200
Row (g)	Other Costs	\$10,200
Row (h)	Construction/Implementation Contingency	\$46,300
Row (I)	Grand Total	\$670,163

The sections below provide detailed descriptions of each of the row and task budgets (where applicable) shown in the summary table above. In addition, each description below describes how cost estimates for each of the tasks or rows were calculated.

Grant Administration (GA)

Local project sponsors shall dedicate a portion of their grant funds to the Coachella Valley Water District (CVWD) for administration and processing of the Implementation Grant. The *Short-Term Arsenic Treatment Project* will contribute \$14,103 to this administration cost.

Row (a) Direct Project Administration Costs

The total direct project administration costs for the project are \$88,200. Table 10 provides a detailed listing of all applicable costs.

Task 1: Project Administration - This includes the cost for all project administration efforts, including labor costs for a Project Manager and costs for equipment and supplies associated with project administration. These costs, which were estimated to be \$56,200, were determined based on the project administration requirements associated with implementation of the pilot project at San Antonio del Desierto Mobile Home Park, and adjusted for efficiencies and applied to the additional project area installations that are part of this project.

Task 2: Labor Compliance Program - Not applicable

Task 3: Reporting - This includes the cost for preparing the Project Assessment and Evaluation Plan, Quarterly Progress Reports and Invoices, and Project Completion Report.

These costs, which were estimated to be \$32,000, were based on the anticipated effort required to prepare information for each point of entry and point of use installation, and summarize this information into a report for submittal to Coachella Valley Water District to be compiled for DWR.

**Table 10: Row (a) Direct Project Administration Budget
Short-Term Arsenic Treatment Project**

Discipline	Hourly Wage (\$/hr)	Number of Hours	Total	Funding Match	Grant Request
Project Manager	\$55	120	\$6,600	\$6,600	
Project Manager	\$55	240	\$13,200		\$13,200
Equipment/Supplies	Lump Sum		\$68,400	\$68,400	
Total			\$88,200	\$75,000	\$13,200

Row (b) Land Purchase/Easement

Not applicable.

Row (c) Planning/Design/Engineering/Environmental Documentation

The total planning/design/engineering/environmental documentation costs for the project are \$20,160. Table 11 provides a detailed listing of all applicable costs. This cost total is based on the following:

Task 4: Assessment and Evaluation - This task includes costs for completing water testing that will take place prior to construction in order to assess and evaluate the project. These costs are anticipated to be \$5,500, which was calculated based on previous experience with water testing taken place during the pilot project.

Task 5: Final Design - This task includes the cost for finalizing design of the project. This cost was determined based on PUCDC's experience with similar projects, and were therefore estimated at approximately \$12,500.

Task 6: Environmental Documentation - Not applicable

Task 7: Permitting - PUCDC has applied for and received a treatment permit from the Riverside County Department of Environmental Health for the pilot project. PUCDC will also apply for an Environmental Health Permit and a Building Department Permit for implementation of the *Short-Term Arsenic Treatment Project*. Staff or other costs required to finalize this documentation are anticipated to be approximately \$2,160 and were calculated based on prior experience submitting and receiving permits from the County of Riverside.

**Table 11: Row (c) Planning/Design/Environmental Documentation Costs
Short-Term Arsenic Treatment Project**

Discipline	Hourly Wage (\$/hr)	Number of Hours	Total	Funding Match	Grant Request
Assessment and Evaluation					
Water Testing	\$55	100	\$5,500	-	\$5,500
Final Design					
Engineering	\$85	147	\$12,500	-	\$12,500
Permitting					
Engineering and Design	Lump Sum		\$2,160	\$2,160	-
Total			\$20,160	\$2,160	\$18,000

Row (d) Construction/Implementation

The Construction/Implementation costs for the project are estimated to be \$465,000. Table 12 provides a detailed listing of all applicable costs. This cost total is based on the following:

Task 8: Construction Contracting - Construction contracting will occur as part of this project, however no funds were budgeted for this task.

Task 9: Construction - Construction costs for this project are necessary to complete subtasks 9.1 through 9.3, and produce other deliverables described within Task 9 (Construction) of the Work Plan.

The total construction cost estimate of \$465,000 is based on construction costs incurred during the pilot study (at San Antonio del Desierto Mobile Home Park). PUCDC worked with the engineering team of the manufacturer who produces the reverse osmosis systems to develop and receive a cost estimate specific to this project.

Construction costs for this project are divided between three categories: Materials, Equipment, and Labor. These costs are summarized below and in Table 12:

Materials: Materials that will be required for construction of this project include four concrete slab foundations, four units of forming wood, and four units of rebar.

Equipment: Anticipated equipment costs for the project includes costs for point of use treatment systems, 1,500 gallon reverse osmosis systems, 15,000 gallon reverse osmosis systems, and shed structures/access.

Labor: Labor costs required for project construction include costs for a general contractor, masonry, an electrician, and a plumber.

**Table 12: Row (d) Construction/Implementation Costs
Short-Term Arsenic Treatment Project**

Materials					
Materials Used	Unit Costs (\$)	Number of Units	Total (\$)	Funding Match	Grant Request
26' x 19' Foundation (concrete slab)	\$6,000	5	\$24,000	\$24,000	\$0
Forming Wood	\$150	4	\$600	\$600	\$0
Rebar	\$400	4	\$1,600	\$1,600	\$0
Subtotal			\$26,200	\$26,200	\$0
Equipment Used	Unit Costs (\$)	Number of Units	Total (\$)	Funding Match	Grant Request
Point-of-Use Treatment System	\$445	280	\$124,600	\$0	\$124,600
1,500 gallon Reverse Osmosis System	\$15,000	3	\$45,000	\$0	\$45,000
15,000 gallon Reverse Osmosis System	\$85,000	2	\$170,000	\$0	\$170,000
Shed Structures and Fencing	\$1,700	4	\$6,800	\$0	\$6,800
Subtotal			\$346,400	\$0	\$346,400
Labor					
Discipline	Hourly Wage (\$)	Number of hours	Total (\$)	Funding Match	Grant Request
General Contractor	\$65	800	\$52,000	\$0	\$52,000
Masonry	\$40	160	\$6,480	\$0	\$6,480
Electrician	\$60	160	\$9,720	\$0	\$9,720
Plumber	\$55	280	\$15,400	\$0	\$15,400
General Labor	\$55	160	\$8,800	\$0	\$8,800
Subtotal			\$92,400	\$0	\$92,400
Total Cost			\$465,000	\$26,200	\$438,800

Row (e) Environmental Compliance/Mitigation/Enhancement

This project will not trigger requirements of CEQA, NEPA, or other environmental regulations and will therefore not require environmental compliance, mitigation, or enhancement.

Task 10: Environmental Compliance/Mitigation/Enhancement - Not applicable

Row (f) Construction Administration

The Construction Administration costs for the project are estimated to be \$26,200. This cost total is based on the following:

Task 11: Construction Administration - The project will require approximately 476 hours of construction administration to oversee a contractor to complete construction of the *Short-Term Arsenic Treatment Project*. If these actions, taken on behalf of PUCDC, require more than \$26,200, those funds will be allocated from PUCDC's general fund, or other funding sources.

**Table 13: Row (f) Construction Administration Costs
Short-Term Arsenic Treatment Project**

Labor Category	Hourly Wage (\$)	Number of hours	Total (\$)	Funding Match	Grant Request
Project Manager	\$55	476	\$26,200	\$0	\$26,200
Total			\$26,200	\$0	\$26,200

Row (g) Other Costs

Other costs for the project are \$10,200. These costs include fees from the Environmental Health Department (\$3,500), costs associated with a Certified Operator for monitoring efforts, and other costs that may be incurred based on previous experience with the pilot study (\$2,700). The other costs incurred (\$2,700) will be provided by the project proponent as matching funds.

Row (h) Construction/Implementation Contingency

Based on PUCDC's past experience with similar projects, approximately 10% of construction funds are generally required for unexpected expenses related to construction. As such, this project has budgeted \$46,300 for construction/implementation contingency.

Row (i) Grand Total

The Grand Total for the *Short Term Arsenic Treatment Project* (\$670,163) was calculated as the sum of rows (GA) through (h) for each column.

**Table 14: Row (i) Grand Total Costs
Short-Term Arsenic Treatment Project**

Row	Budget Category	Total Costs
GA	Grant Administration	\$14,103
(a)	Direct Project Administration Costs	\$88,200
(b)	Land Purchase/Easement	\$0
(c)	Planning/Design/Engineering/ Environmental Documentation	\$20,160
(d)	Construction/Implementation	\$465,000
(e)	Environmental Compliance/ Mitigation/Enhancement	\$0
(f)	Construction Administration	\$26,200
(g)	Other Costs (Including Legal Costs, Permitting and Licenses)	\$10,200
(h)	Construction/Implementation Contingency	\$46,300
(i)	Grand Total	\$670,163

Project 3: Groundwater Quality Protection Program – Desert Hot Springs

This project will involve extending the Mission Springs Water District (MSWD) municipal wastewater collection system to a residential area, designated as Sub-area D-1, thereby eliminating the need for on-site septic systems in that area and reducing the potential for groundwater contamination from densely clustered and/or failing septic systems. Funding for this project involves the following aspects of project implementation: grant administration, project administration, planning/design/engineering/environmental documentation, construction/implementation, construction administration, other costs, and construction/implementation contingency.

The total cost associated with the *Groundwater Quality Protection Program – Desert Hot Springs* is \$3,097,181. Of these total costs, \$1,025,641 is being requested for grant funding through the IRWM Implementation Grant Program. The remaining \$2,071,540 was/will be provided from the Assessment District No. 12 Bonds and District Capital Improvement Fund and a United States Army Corps of Engineers Planning Grant. In total, this amount constitutes 67% of the total project cost, meaning that the non-State share of the total project cost (funding match) is 67% for this project. Table 15 below provides a more detailed break-down of the total project budget.

**Table 15: Total Project Budget
Groundwater Quality Protection Program – Desert Hot Springs**

Budget Category		(a) Non-State Share* (Funding Match)	(b) Requested Grant Funding	(c) Other State Funds Being Used	(d) Total	(e) % Funding Match
GA	CVWD Grant Administration	\$0	\$25,641	\$0	\$25,641	0%
(a)	Direct Project Administration Costs	\$24,000	\$0	\$0	\$24,000	100%
(b)	Land Purchase/Easement	\$0	\$0	\$0	\$0	0%
(c)	Planning/Design/Engineering/ Environmental Documentation	\$58,140	\$0	\$0	\$58,140	100%
(d)	Construction/Implementation	\$1,806,800	\$1,000,000	\$0	\$2,806,800	64%
(e)	Environmental Compliance/ Mitigation/Enhancement	\$5,000	\$0	\$0	\$5,000	100%
(f)	Construction Administration	\$12,000	\$0	\$0	\$12,000	100%
(g)	Other Costs (Including Legal Costs, Permitting and Licenses)	\$40,000	\$0	\$0	\$40,000	100%
(h)	Construction/Implementation Contingency	\$125,600	\$0	\$0	\$125,600	100%
(I)	Grand Total	\$2,071,540	\$1,025,641	\$0	\$3,097,181	67%
*Sources of funding: Assessment District No. 12 Bonds and District Capital Improvement Fund. Design completed in conjunction with a UASCE planning grant that required a 25% cost share.						

This Implementation Grant Proposal budget allocates funding for six of the eleven project tasks identified within the *Groundwater Quality Protection Program – Desert Hot Springs Work Plan*.

**Table 16: Cost Breakdown by Work Plan Task and Subtask
Groundwater Quality Protection Program – Desert Hot Springs**

Row/Task	Category	Total
GA	CVWD Grant Administration	\$25,641
Row (a)	Direct Project Administration Costs	\$24,000
Task 1	Project Administration	\$19,200
Task 2	Labor Compliance Program	\$800
Task 3	Reporting	\$4,000
Row (c)	Planning/Design/Engineering/Environmental Documentation	\$58,140
Task 5	Final Design	\$58,140
Row (d)	Construction/Implementation	\$2,806,800
Task 9	Construction	\$2,806,800
Row (e)	Environmental Compliance/Mitigation/Enhancement	\$5,000
Row (f)	Construction Administration	\$12,000
Task 11	Construction Administration	\$12,000
Row (g)	Other Costs	\$40,000
Row (h)	Construction/Implementation Contingency	\$125,600
Row (I)	Grand Total	\$3,097,181

The sections below provide detailed descriptions of each of the row and task budgets (where applicable) shown in the summary table above. In addition, each description below describes how cost estimates for each of the tasks or rows were calculated.

Grant Administration (GA)

Each local project sponsor shall dedicate a portion of their grant funds to the Coachella Valley Water District (CVWD) for administration and processing of the Implementation Grant. The *Groundwater Quality Protection Program – Desert Hot Springs* will contribute \$25,641 to this administration cost.

Row (a) Direct Project Administration Costs

The total direct project administration costs for the project are \$24,000. Table 17 provides a detailed listing of all applicable costs.

Task 1: Project Administration - This includes the cost for all project administration efforts, including labor costs for a Director of Engineering Projects and a Senior Project Manager. These costs were determined based on the estimated costs of 120 hours each for the Director of Engineering Projects and Senior Project Manager, for a total of 240 hours of labor. The 240 hours is allocated evenly between the two positions with 192 hours for project administration, and the remaining hours for Tasks 2 and 3 (described below).

Task 2: Labor Compliance Program - Mission Springs Water District will implement a labor compliance program (LCP) for the *Groundwater Quality Protection Program – Desert Hot Springs*. Staff costs required to implement the LCP include eight total hours, four hours from the Director of Engineering Projects, and four hours from the Senior Project Manager.

Task 3: Reporting - This includes the cost for preparing the Project Assessment and Evaluation Plan, Quarterly Progress Reports and Invoices, and Project Completion Report. This is based on the estimate that 40 hours will be allocated to the administration of the DWR reports (collecting information and assembling reports).

**Table 17: Row (a) Direct Project Administration Budget
Groundwater Quality Protection Program – Desert Hot Springs**

Discipline	Hourly Wage (\$/hr)	Number of Hours	Total	Funding Match	Grant Request
Director of Engineering Projects	\$100	120	\$12,000	\$12,000	-
Senior Project Manager	\$100	120	\$12,000	\$12,000	-
Total			\$24,000	\$24,000	\$0

Row (b) Land Purchase/Easement

Not applicable.

Row (c) Planning/Design/Engineering/Environmental Documentation

The total planning/design/engineering/environmental documentation cost for the project is \$58,140 and is shown in Table 18. This cost total is based on the following:

Task 4: Assessment and Evaluation - Not applicable

Task 5: Final Design - This task includes the cost for finalizing design of the project. This cost was determined based on design engineering efforts that have already been incurred by MSWD to finalize design of the project.

Task 6: Environmental Documentation - MSWD has completed environmental documentation for this project, however, staff or other costs required to finalize this documentation are not included within the proposed Budget.

Task 7: Permitting - MSWD is ready to apply for a Stormwater Pollution Prevention Plan (SWPPP), a City Encroachment Permit, and a County Encroachment Permit. However, staff or other costs required to finalize this documentation are not included within the proposed Budget.

**Table 18: Row (c) Planning/Design/Environmental Documentation Costs
Groundwater Quality Protection Program – Desert Hot Springs**

Stage	Discipline	Hourly Wage (\$/hr)	Number of Hours	Total	Funding Match	Grant Request
100% Design Services	Engineering	Lump Sum		\$58,140	\$58,140	-
Total				\$58,140	\$58,140	\$0

Row (d) Construction/Implementation

The Construction/Implementation costs for the project are estimated to be \$2,542,800. Table 19 provides a detailed listing of all applicable costs. This cost total is based on the following:

Task 8: Construction Contracting - MSWD will complete construction contracting for this project, however staff or other costs required to finalize actions for this task are not included within the proposed Budget.

Task 9: Construction - Construction costs for this project are necessary to complete subtasks 9.1 through 9.3, and produce other deliverables described within Task 9 (Construction) of the Work Plan.

The total construction cost estimate of \$2,552,800 is based on a total estimate given by a licensed engineer. Of these costs, \$1,000,000 is being requested as grant funding, and \$1,542,800 will be matched by the Assessment District Number 12 Bonds and District Capital Improvement Fund. These cost estimates were based on the detailed engineer's estimate provided by an engineering firm. The grant funding and MSWD's

match will cover costs for the construction of the sewer lines and laterals, including all manholes and appurtenances.

**Table 19: Row (d) Construction/Implementation Costs
Groundwater Quality Protection Program – Desert Hot Springs**

Description of Costs	Unit Costs (\$)	Number of Units	Total (\$)	Funding Match	Grant Request
Task 9.1					
Mobilization/ Demobilization	Lump Sum		\$121,058	\$121,058	\$0
Task 9.2					
Project Construction	Lump Sum		\$2,391,742	\$1,391,742	\$1,000,000
Task 9.3					
Survey and Staking	Lump Sum		\$20,000	\$20,000	\$0
Soils Testing	Lump Sum		\$10,000	\$10,000	\$0
Consultant CM	Lump Sum		\$220,000	\$220,000	\$0
MSWD CM & Inspection	\$100/hr./440		\$44,000	\$44,000	\$0
		Total	\$2,806,800	\$1,806,800	\$1,000,000

Row (e) Environmental Compliance/Mitigation/Enhancement

The Environmental Compliance/Mitigation/Enhancement costs for the project are \$5,000, which will be paid for by the Assessment District Number 12 Bonds and District Capital Improvement Reserve Account. Table 20 provides a detailed listing of all applicable costs. This cost total is based on the following:

Task 10: Environmental Compliance/Mitigation/Enhancement - The environmental documentation (CEQA and NEPA) prepared for this project found that surveying by an archaeologist and a biologist may be necessary to mitigate potential impacts associated with the project. These surveying efforts will be accomplished as follows:

**Table 20: Row (e) Environmental Compliance/Mitigation/Enhancement Costs
Groundwater Quality Protection Program – Desert Hot Springs**

Discipline	Hourly Wage (\$)	Number of hours	Total (\$)	Funding Match	Grant Request
Archaeologist	\$100	10	\$1,000	\$1,000	\$0
Biologist	\$100	40	\$4,000	\$4,000	\$0
		Total	\$5,000	\$5,000	\$0

Row (f) Construction Administration

The Construction Administration costs for the project are estimated to be \$276,000. This cost total is based on the following:

Task 11: Construction Administration - The total costs for this task includes work anticipated from a MSWD Engineer, which will require about 120 hours of total labor. Additional efforts, including a construction management consultant, will be required under this task, but are not included in the budget. Such costs can typically be 10% of the total construction cost. These budgeted costs are summarized in Table 21 below.

**Table 21: Row (f) Construction Administration Costs
Groundwater Quality Protection Program – Desert Hot Springs**

Labor Category	Hourly Wage (\$)	Number of hours	Total (\$)	Funding Match	Grant Request
MSWD Engineer	\$100	120	\$12,000	\$12,000	\$0
Total			\$12,000	\$12,000	\$0

Row (g) Other Costs

Other costs for the project are \$40,000. These costs include permitting associated with the SWPPP (\$20,000) and encroachment permits (\$10,000) as well as efforts associated with the Labor Compliance Program (\$10,000). The SWPPP cost estimate is based on MSWD's discussions with engineering firms for cost estimates to comply with new stormwater permit requirements effective January 1, 2012. Encroachment permit costs are estimated based on similar projects recently completed by MSWD in the City of Desert Hot Springs. The Labor Compliance Program cost is approximately 0.5% of the project construction costs.

Row (h) Construction/Implementation Contingency

The Construction/Implementation Contingency costs for the *Groundwater Quality Protection Program – Desert Hot Springs* are estimated to be \$125,600. This was estimated to be approximately 5% of the total construction cost of \$2,542,800.

Row (i) Grand Total

The Grand Total for the *Groundwater Quality Protection Program – Desert Hot Springs* project (\$3,097,181) was calculated as the sum of rows (GA) through (h) for each column.

**Table 22: Row (i) Grand Total Costs
Groundwater Quality Protection Program – Desert Hot Springs**

Row	Budget Category	Total Costs
GA	Grant Administration	\$25,641
(a)	Direct Project Administration Costs	\$24,000
(b)	Land Purchase/Easement	\$0
(c)	Planning/Design/Engineering/ Environmental Documentation	\$58,140
(d)	Construction/Implementation	\$2,806,800
(e)	Environmental Compliance/ Mitigation/Enhancement	\$5,000
(f)	Construction Administration	\$12,000
(g)	Other Costs (Including Legal Costs, Permitting and Licenses)	\$40,000
(h)	Construction/Implementation Contingency	\$125,600
(i)	Grand Total	\$3,097,181

Project 4: Groundwater Quality Protection Program – Cathedral City

This project will involve removing failing and/or densely located septic tanks in the City of Cathedral City, expanding the Coachella Valley Water District (CVWD) wastewater collection system, and connecting the project area to a booster pump station in order to reduce groundwater contamination. Funding for this project involves the following aspects of project implementation: grant administration, project administration, planning/design/engineering/environmental documentation, construction/implementation, construction administration, and construction/implementation contingency.

The total cost associated with the *Groundwater Quality Protection Program—Cathedral City* is \$1,851,611. Of these total costs, \$1,384,615 is being requested for grant funding through the IRWM Implementation Grant Program. The remaining \$467,275 was or will be provided by the City of Cathedral City's Redevelopment Agency (RDA) funds. In total, this amount constitutes 25% of the total project cost, meaning that the non-State share of the total project cost (funding match) is 25% for this project. Table 23 below provides a more detailed break-down of the total project budget.

**Table 23: Total Project Budget
Groundwater Quality Protection Program—Cathedral City**

		(a)	(b)	(c)	(d)	(e)
Budget Category		Non-State Share* (Funding Match)	Requested Grant Funding	Other State Funds Being Used	Total	% Funding Match
GA	CVWD Grant Administration	\$0	\$34,615	\$0	\$34,615	0%
(a)	Direct Project Administration Costs	\$8,642	\$32,391	\$0	\$41,033	21%
(b)	Land Purchase/Easement	\$0	\$0	\$0	\$0	0%
(c)	Planning/Design/Engineering/Environmental Documentation	\$345,000	\$0	\$0	\$345,000	100%
(d)	Construction/Implementation	\$113,633	\$1,166,175	\$0	\$1,279,808	9%
(e)	Environmental Compliance/Mitigation/Enhancement	\$0	\$0	\$0	\$0	0%
(f)	Construction Administration	\$0	\$44,317	\$0	\$44,137	0%
(g)	Other Costs (Including Legal Costs, Permitting and Licenses)	\$0	\$0	\$0	\$0	0%
(h)	Construction/Implementation Contingency	\$0	\$107,117	\$0	\$107,117	0%
(i)	Grand Total	\$467,275	\$1,384,615	\$0	\$1,851,890	25%
* Sources of funding: Cathedral City funded the studies and design services with City Redevelopment Agency (RDA) funds.						

This Implementation Grant Proposal is requesting funding for five of the eleven project tasks identified within the *Groundwater Quality Protection Program – Cathedral City Work Plan*.

**Table 24: Cost Breakdown by Work Plan Task and Subtask
Groundwater Quality Protection Program—Cathedral City**

Row/Task	Category	Total
GA	CVWD Grant Administration	\$34,615
Row (a)	Direct Project Administration Costs	\$41,033
Task 1	Project Administration	\$41,033
Row (c)	Planning/Design/Engineering/Environmental Documentation	\$345,000
Task 5	Final Design	\$345,000
Row (d)	Construction/Implementation	\$1,279,808
Task 8	Construction Contracting	\$113,633
Task 9	Construction	\$1,166,175
Row (f)	Construction Administration	\$44,317
Task 11	Construction Administration	\$44,317
Row (h)	Construction/Implementation Contingency	\$107,117
Row (i)	Grand Total	\$1,851,611

The sections below provide detailed descriptions of each of the row and task budgets (where applicable) shown in the summary table above. In addition, each description below describes how cost estimates for each of the tasks or rows were developed.

Grant Administration (GA)

Each local project sponsor shall dedicate a portion of their grant funds to CVWD for administration and processing of the Implementation Grant. The *Groundwater Quality Protection Program – Cathedral City* will contribute \$34,615 to this administration cost.

Row (a) Direct Project Administration Costs

The total project administration cost for the project is estimated to be \$41,033. This is approximately 3% of the project construction cost, and is within the range of previous administrative costs for similar projects incurred by the City of Cathedral City. Table 25 provides a detailed listing of all applicable costs.

Task 1: Project Administration - This includes the cost for all project administration efforts, including labor costs for an Engineer and an Accountant from Cathedral City, and consultants for Project Management. These costs were determined based on experience with similar projects completed by the City of Cathedral City. The City of Cathedral City has completed similar projects, and compiled a database of relevant costs. This database provided the basis for cost estimates associated with this project.

Task 2: Labor Compliance Program - The City of Cathedral City will implement a labor compliance program (LCP) for the *Groundwater Quality Protection Program – Cathedral City*. However, staff costs required to implement the LCP are not included within the proposed Budget.

Task 3: Reporting - The City of Cathedral City will complete a Project Assessment and Evaluation Plan, Quarterly Progress Reports and Invoices, and a Project Completion Report. However, staff costs required to complete this reporting are not included within the proposed budget.

**Table 25: Row (a) Direct Project Administration Budget
Groundwater Quality Protection Program—Cathedral City**

Discipline	Hourly Wage (\$/hr)	Number of Hours	Total	Funding Match	Grant Request
Cathedral City Engineer	\$124.84	100	\$12,484	\$1,248	\$11,236
Cathedral City Accountant	\$90.04	88	\$7,924	\$1,981	\$5,943
Consultant Project Management	\$150.00	77.5	\$11,625	\$3,600	\$8,025
Cathedral City Administration	\$125.00	72	\$9,000	\$1,813	\$7,187
Total			\$41,033	\$8,642	\$32,391

Row (b) Land Purchase/Easement

Not applicable.

Row (c) Planning/Design/Engineering/Environmental Documentation

The total Planning/Design/Engineering/Environmental documentation costs for the project are \$345,000. Table 26 provides a detailed listing of all applicable costs. This cost total is based on the following:

Task 4: Assessment and Evaluation - Not applicable

Task 5: Final Design - This task includes the cost for finalizing design of the project. This cost has already been incurred by the project proponent, and was therefore determined based on actual costs.

Task 6: Environmental Documentation - Not applicable

Task 7: Permitting - The City of Cathedral City will complete tasks associated with obtaining a City Encroachment Permit. However, staff costs required to complete permitting are not included within the proposed Budget.

**Table 26: Row (c) Planning/Design/Environmental Documentation Costs
Groundwater Quality Protection Program—Cathedral City**

Discipline	Hourly Wage (\$/hr)	Number of Hours	Total	Funding Match	Grant Request
100% Design Services					
Civil/Sanitary Engineering	Lump Sum		\$345,000	\$345,000	-
Total			\$345,000	\$345,000	\$0

Row (d) Construction/Implementation

The Construction/Implementation costs for the project are estimated to be \$1,279,808. Table 27 provides a detailed listing of all applicable costs. This cost total is based on the following:

Task 8: Construction Contracting - This task will include advertising and awarding the construction contract. The budget for this is estimated to be \$113,633 based on prior experience by the City of Cathedral City.

Task 9: Construction - Construction costs for this project, which are summarized below, are necessary to complete subtasks 9.1 through 9.3, and produce other deliverables described within Task 9 (Construction) of the Work Plan. All of the cost estimates for the following subtasks are based on the bid schedule, final construction, and bid documents from similar projects within the City of Cathedral City. Updated costs will be provided by contractors during the bid solicitation process.

Subtask 9.1 Mobilization and Site Preparation: Costs associated with this task are for mobilization, which is estimated to be \$25,000.

Subtask 9.2 Project Construction: Costs associated with this task are for traffic control, public convenience and safety, dust control, shoring sheeting and bracing, materials testing, surveying, and all construction costs. These total costs are estimated to be \$1,071,175.

Subtask 9.3 Performance Testing and Demobilization: Costs associated with this task include reconstructing the existing manhole base and site inspection and are estimated to be \$70,000.

**Table 27: Row (d) Construction/Implementation Costs
Groundwater Quality Protection Program—Cathedral City**

Description of Costs	Unit Costs (\$)	Number of Units	Total (\$)	Funding Match	Grant Request
Task 8 Construction Contracting					
Construction Contracting	Lump Sum		\$113,633	\$113,633	\$0
Subtask 9.1 Mobilization and Site Preparation					
Mobilization	Lump Sum		\$25,000	\$0	\$25,000
Subtask 9.2 Project Construction					
Traffic Control, Public Convenience and Safety	Lump Sum		\$15,000	\$0	\$15,000
Dust Control	Lump Sum		\$4,000	\$0	\$4,000
Shoring, Sheeting, and Bracing	Lump Sum		\$25,000	\$0	\$25,000
Construct 15" VCP Sewer Main 0-15' depth	\$145	2307	\$334,515	\$0	\$334,515
Construct 15" VCP Sewer Main over 15' depth	\$205	1462	\$299,710	\$0	\$299,710
Construct 6" VCP Sewer Lateral w/cleanout	\$95	1500	\$142,500	\$0	\$142,500
Construct Concrete Manhole 10'-15' depth	\$4,350	12	\$52,200	\$0	\$52,200
Construct Concrete Manhole over 15' depth	\$5,000	9	\$45,000	\$0	\$45,000
Construct 15" VCP Sewer in 30" jacked and bored steel casing	\$850	145	\$123,250	\$0	\$123,250
Materials Testing	Lump Sum		\$18,000	\$0	\$18,000
Surveying	Lump Sum		\$12,000	\$0	\$12,000
Subtask 9.3 Performance Testing and Demobilization					
Reconstruct Existing Manhole Base	Lump Sum		\$5,000	\$0	\$5,000
Inspection	Lump Sum		\$65,000	\$0	\$65,000
Total			\$1,279,808	\$113,633	\$1,166,175

Row (e) Environmental Compliance/Mitigation/Enhancement

This project received a CEQA Categorical Exemption in May, 2008 and therefore will not incur further costs associated with implementing environmental mitigation or enhancement requirements.

Task 10: Environmental Compliance/Mitigation/Enhancement - Not applicable

Row (f) Construction Administration

The Construction Administration costs for the project are estimated to be \$44,317. This cost total is based on the following:

Task 11: Construction Administration - Costs for this task are estimated to be \$44,317, which will be allocated to a Construction Administration Consultant who will ensure that the project complies with Desert Water Agency materials and construction standards.

**Table 28: Row (f) Construction Administration Costs
Groundwater Quality Protection Program—Cathedral City**

Labor Category	Hourly Wage (\$)	Number of hours	Total (\$)	Funding Match	Grant Request
Construction Administration Consultant	Lump Sum		\$44,317	\$0	\$44,317
Total			\$44,317	\$0	\$44,317

Row (g) Other Costs

No other costs will be required for implementation of this project.

Row (h) Construction/Implementation Contingency

The Construction/Implementation Contingency costs for the *Groundwater Quality Protection Program – Cathedral City* are estimated to be \$107,117. This was estimated to be approximately 10% of the total construction cost of \$1,166,175.

Row (I) Grand Total

The Grand Total for the project (\$1,738,257) was calculated as the sum of rows (GA) through (h) for each column.

**Table 29: Row (I) Grand Total Costs
Groundwater Quality Protection Program—Cathedral City**

Row	Budget Category	Total Costs
GA	Grant Administration	\$34,615
(a)	Direct Project Administration Costs	\$41,033
(b)	Land Purchase/Easement	\$0
(c)	Planning/Design/Engineering/ Environmental Documentation	\$345,000
(d)	Construction/Implementation	\$1,279,808
(e)	Environmental Compliance/ Mitigation/Enhancement	\$0
(f)	Construction Administration	\$44,317
(g)	Other Costs (Including Legal Costs, Permitting and Licenses)	\$0
(h)	Construction/Implementation Contingency	\$107,117
(I)	Grand Total	\$1,851,890

Exhibit D STANDARD CONDITIONS

D.1 ACCOUNTING AND DEPOSIT OF GRANT DISBURSEMENT:

- a) **SEPARATE ACCOUNTING OF GRANT DISBURSEMENT AND INTEREST RECORDS:** Grantee shall account for the money disbursed pursuant to this Grant Agreement separately from all other Grantee funds. Grantee shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Grantee shall keep complete and accurate records of all receipts, disbursements, and interest earned on expenditures of such funds. Grantee shall require its contractors or subcontractors to maintain books, records, and other documents pertinent to their work in accordance with generally accepted accounting principles and practices. Records are subject to inspection by State at any and all reasonable times.
- b) **FISCAL MANAGEMENT SYSTEMS AND ACCOUNTING STANDARDS:** The Grantee agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracing of grant funds to a level of expenditure adequate to establish that such funds have not been used in violation of state law or this Grant Agreement.
- c) **REMITTANCE OF UNEXPENDED FUNDS:** Grantee, within a period of sixty (60) calendar days from the final disbursement from State to Grantee of grant funds, shall remit to State any unexpended funds that were disbursed to Grantee under this Grant Agreement and were not needed to pay Eligible Project Costs.

D.2 ACKNOWLEDGEMENT OF CREDIT: Grantee shall include appropriate acknowledgement of credit to the State and to all cost-sharing partners for their support when promoting the Project or using any data and/or information developed under this Grant Agreement. During construction of the Project, Grantee shall install a sign at a prominent location which shall include a statement that the Project is financed under the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, administered by State of California, Department of Water Resources. Grantee shall notify State that the sign has been erected by providing them with a site map with the sign location noted and a photograph of the sign.

D.3 AMENDMENT: No amendment or variation of the terms of this Grant Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or agreement not incorporated in the Grant Agreement is binding on any of the parties. For guidance on the Amendment Requirements see Exhibit H.

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

D.5 AUDITS: 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 State. After completion of the Project, State may require Grantee to conduct a final audit, at Grantee's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and State may take any action it deems necessary to protect its interests.

Pursuant to Government Code Section 8546.7, the parties shall be subject to the examination and audit of State for a period of three 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 Grantee or subcontractors shall be preserved for this purpose for at least three (3) years after Project completion. See Exhibit H for a listing of documents/records that State Auditors would need to review in the event of a grant being audited.

- D.6 BUDGET CONTINGENCY: LIMIT ON STATE FUNDS.** Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 is subject to the availability of funds including any mandates from the Department of Finance, the Pooled Money Investment Board or any other state authority. The State will not make payments of any kind, including advances or reimbursements, until funding is made available by the State Treasurer.
- D.7 CHILD SUPPORT COMPLIANCE ACT:** For any Grant Agreement in excess of \$100,000, the Grantee acknowledges in accordance with Public Contract Code 7110, that:
- a) The Grantee recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
 - b) The Grantee, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
- D.8 COMPETITIVE BIDDING AND PROCUREMENTS:** Grantee shall comply with all applicable laws and regulations regarding securing competitive bids and undertaking competitive negotiations in Grantee's contracts with other entities for acquisition of goods and services and construction of public works with funds provided by State under this Grant Agreement.
- D.9 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.10 CONFLICT OF INTEREST**
- 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 Employee:** 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.
- D.11 DELIVERY OF INFORMATION, REPORTS, AND DATA:** The Grantee agrees to expeditiously provide, during work on the Project and throughout the term of this Grant Agreement, such reports, data, information, and certifications as may be reasonably required by the State.
- D.12 DISPOSITION OF EQUIPMENT:** Grantee shall provide to State, not less than 30 days prior to submission of the final project invoice, a final inventory list of equipment purchased with grant funds provided by State. Grantee shall consult with State on the scope of the inventory not less than 60 days prior to the submission of the final project invoice. The inventory shall include all items with a current estimated fair market value of more than \$5,000 per item. Within 60 days of receipt of such inventory, State shall provide Grantee with a list of the items on the inventory that State will take title to. All other items shall become the property of Grantee. State shall arrange for delivery from Grantee of items that it takes title to. Cost of transportation, if any, shall be borne by State.

- D.13 DISPUTES:** In the event of an invoice dispute, payment will not be made until the dispute is resolved and a corrected invoice submitted. Failure to use the address exactly as provided may result in return of the invoice to the Grantee. Payment shall be deemed complete upon deposit of the payment, properly addressed, postage prepaid, in the United States mail. Any claim that Grantee may have regarding the performance of this Grant Agreement including, but not limited to claims for additional compensation or extension of time, shall be submitted to the Director, Department of Water Resources, within thirty (30) calendar days of Grantee's knowledge of the claim. State and Grantee shall then attempt to negotiate a resolution of such claim and process an amendment to the Grant Agreement to implement the terms of any such resolution.
- D.14 DRUG-FREE WORKPLACE CERTIFICATION**
- Certification of Compliance:** By signing this Grant Agreement, Grantee, its contractors or subcontractors hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Government Code 8350 *et seq.*) and have or will provide a drug-free workplace by taking the following actions:
- a) Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code Section 8355(a).
 - b) Establish a Drug-Free Awareness Program, as required by Government Code Section 8355(b) to inform employees, contractors, or subcontractors about all of the following:
 1. The dangers of drug abuse in the workplace,
 2. Grantee's policy of maintaining a drug-free workplace,
 3. Any available counseling, rehabilitation, and employee assistance programs, and
 4. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
 - c) Provide as required by Government Code Sections 8355(c), that every employee, contractor, and/or subcontractor who works under this Grant Agreement:
 1. Will receive a copy of Grantee's drug-free policy statement, and
 2. Will agree to abide by terms of Grantee's condition of employment, contract or subcontract.
- D.15 FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED CIVIL ENGINEER:** Upon completion of a construction project and as determined by State, Grantee shall provide for a final inspection and certification by a California Registered Civil Engineer that the project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Grant Agreement and to the State's satisfaction.
- D.16 GOVERNING LAW:** This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
- D.17 GRANTEE COMMITMENTS:** Grantee accepts and agrees to comply with all terms, provisions, conditions, and commitments of this Funding Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Funding Recipient in the application, documents, amendments, and communications filed in support of its request for California Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Act of 2006 financing.
- D.18 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 Grant 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 Grant Agreement.

- D.19 INDEPENDENT CAPACITY:** Grantee, and the agents and employees of Grantee, if any, in the performance of the Grant Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.
- D.20 INSPECTIONS:** State shall have the right to inspect the work being performed at any and all reasonable times, providing a minimum of a 24-hour notice, during the term of the Grant Agreement. This right shall extend to any local project sponsor, subagreements, and Grantee shall include provisions ensuring such access in all its contracts or sub-contractors entered into pursuant to its Grant Agreement with State. Grantee acknowledges that Project documents may be subject to the Public Records Act (California Government Code Section 6250 *et seq.*). State shall have the right to inspect these documents at any and all reasonable times after completion of the Project to ensure compliance with the terms and conditions of this Grant Agreement. During regular office hours, State shall have the right to inspect and to make copies of any books, records, or reports of the Grantee relating to this Grant Agreement. Grantee shall maintain and shall make available at all times for such inspection accurate records of its costs, disbursements, and receipts with respect to its activities under this Grant Agreement. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and State may withhold disbursements to Grantee or take any other action it deems necessary to protect its interests.
- D.21 NONDISCRIMINATION:** During the performance of this Grant Agreement, Grantee and its contractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Grantee and contractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and contractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12990 (a-f) *et seq.*) and the applicable regulations promulgated there under (California Code of Regulations, Title 2, Section 7285 *et seq.*). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Grant Agreement by reference and made a part hereof as if set forth in full. Grantee and its contractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. Grantee shall include the nondiscrimination and compliance provisions of this clause in all contracts to perform work under the Grant Agreement.
- D.22 NO THIRD PARTY RIGHTS:** The parties to this Grant Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Grant Agreement, or of any duty, covenant, obligation or undertaking established herein.
- D.23 OPINIONS AND DETERMINATIONS:** The parties agree that review or approval of any IRWM Program applications, documents, permits, plans and specifications or other program information by the State is for administrative purposes only and does not relieve the Grantee of its responsibility to properly plan, design, construct, operate, maintain, implement, or otherwise carry out the IRWM Program.
- D.24 PERMITS, LICENSES, APPROVALS, AND LEGAL OBLIGATIONS.** Grantee shall be responsible for obtaining any and all permits, licenses, and approvals required for performing its obligations under this Grant Agreement. Grantee shall comply with the California Environmental Quality Act (PRC Section 21000 *et seq.*) and other applicable federal, State, and local laws, rules, and regulations, guidelines, and requirements prior to disbursement of funds under this Grant Agreement.

Without limiting the foregoing, Funding Recipient shall keep informed of and take all measures necessary to ensure compliance with California Labor Code requirements, including but not limited to Section 1720 *et seq.* of the California Labor Code regarding public works, limitations on use of

volunteer labor (California Labor Code Section 1720.4), labor compliance programs (California Labor Code Section 1771.5), and payment of prevailing wages for work done under this Funding Agreement. Pursuant to the provisions of Proposition 84, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, Cal. Pub. Res. Code § 75076 et seq., the Funding Recipient must have a labor compliance program that meets the requirements of California Labor Code Section 1771.5.

- D.25 PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION:** Grantee and Local Project Sponsors 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 IRWM Program without prior permission of State. Grantee and Local Project Sponsors shall not take any action concerning the performance of this Grant Agreement, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of Grantee to meet its obligations under this Grant Agreement, without prior written permission of State. State may require that the proceeds from the disposition of any real or personal property acquired with funds disbursed under this Grant Agreement be remitted to State.
- D.26 REMEDIES, COSTS, AND ATTORNEY FEES:** The Grantee agrees that any remedy provided in this Grant Agreement is in addition to and not in derogation of any other legal or equitable remedy available to the State as a result of breach of this Grant Agreement by the Grantee, whether such breach occurs before or after completion of the Project, and exercise of any remedy provided by this Grant Agreement by the State shall not preclude the State from pursuing any legal remedy or right which would otherwise be available. In the event of litigation between the parties hereto arising from this Grant Agreement, it is agreed that the prevailing party shall be entitled to such reasonable costs and/or attorney fees as may be ordered by the court entertaining such litigation.
- D.27 RETENTION:** Notwithstanding any other provision of this Grant Agreement, State shall, for each project, withhold five percent (5.0%) of the funds requested by Grantee for reimbursement of Eligible Costs. Each project in this Grant Agreement will be eligible to release its respective retention when that project is completed and Grantee has met requirements of Paragraph 17, "Submissions of Reports" as follows. At such time as the "Project Completion Report" required under Paragraph 17 is submitted to and approved by State, State shall disburse the retained funds as to that project to Grantee, except in the case of the last project to be completed under this Grant Agreement, in which case retention for such project will not be disbursed until the "Grant Completion Report" is submitted to and approved by State.
- D.28 RIGHTS IN DATA:** To the extent permitted by law, 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 in the public domain. 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.
- D.29 SEVERABILITY OF UNENFORCEABLE PROVISION:** If any provision of this Grant Agreement is held invalid or unenforceable by a court of final jurisdiction, all other provisions of this Grant Agreement shall be construed to remain fully valid, enforceable, and binding on the parties.
- D.30 STATE REVIEWS AND INDEMNIFICATION:** The parties agree that review or approval of Project applications, documents, permits, plans and specifications or other Project information by the State is for administrative purposes only and does not relieve the Grantee or Local Project Sponsors of their responsibility to properly plan, design, construct, operate, maintain, implement, or otherwise carry out

the Project. To the extent permitted by law, the Grantee and Local Project Sponsors agree to indemnify, defend and hold harmless the State and the State against any loss or liability arising out of any claim or action brought against the State from and against any and all losses, claims, damages, liabilities or expenses, of every conceivable kind, character and nature whatsoever arising out of, resulting from, or in any way connected with:

- a) The Project or the conditions, occupancy, use, possession, conduct or management of, work done in or about, or the planning, design, acquisition, installation, or construction, of the Project or any part thereof;
- b) Performing any of the terms contained in this Grant Agreement or any related document;
- c) Any violation of any applicable law, rule or regulation, any environmental law (including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the California Hazardous Substance Account Act, the Federal Water Pollution Control Act, the Clean Air Act, the California Hazardous Waste Control Law and CWC Section 13304, and any successors to said laws), rule or regulation or the release of any toxic substance on or near the natural water system; or
- d) Any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements required to be stated therein, in light of the circumstances under which they were made, not misleading with respect to any information provided by the Grantee for use in any disclosure document utilized in connection with any of the transactions contemplated by this Grant Agreement. Grantee agrees to pay and discharge any judgment or award entered or made against the State with respect to any such claim or action, and any settlement, compromise or other voluntary resolution. The provisions of this section shall survive the term of the Grant Agreement.

D.31 SUCCESSORS AND ASSIGNS: This Grant Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Grant Agreement or any part thereof, rights hereunder, or interest herein by the Grantee shall be valid unless and until it is approved by State and made subject to such reasonable terms and conditions as State may impose.

D.32 TIMELINESS: Time is of the essence in this Grant Agreement.

D.33 TRAVEL: Grantee agrees that travel and per diem costs shall NOT be eligible for reimbursement with State funds, and shall NOT be eligible for computing Grantee cost match. Travel includes the costs of transportation, subsistence, and other associated costs incurred by personnel during the term of this Grant Agreement.

D.34 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 REPORT FORMAT AND REQUIREMENTS

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

QUARTERLY PROGRESS REPORT

Grantee shall submit Quarterly Progress Reports on a consistent basis to meet the State's requirement for disbursement of funds. The quarterly progress report should describe the work performed during the reporting period. For each project, describe the work performed including:

CONTINUING ELIGIBILITY

- A brief summary of the status of adoption of an IRWM Plan that complies with Part 2.2 of Division 6 of the CWC commencing with Section 10530.
- Discuss the reasonable and feasible efforts to engage DAC into your IRWM efforts in regards to planning and projects that support their critical water supply or water quality needs.
- An update on efforts to adopt a Groundwater Management Plan.

PROJECT INFORMATION (INCLUDE ANY OF THE BELOW THAT WERE APPLICABLE DURING THE REPORTING PERIOD)

- Legal matters.
- Engineering matters.
- Environmental matters.
- Status of permits, easements, rights-of-way, and approvals as may be required by other State, federal, and/or local agencies.
- Major accomplishments during the quarter (i.e. tasks completed, milestones met, meetings held or attended, press releases, etc).
- Discussion of data submittal effort(s) for the previous quarter, including a description of the data submitted and date(s) of submittal.
- Issues/concerns that have, will, or could affect the schedule or budget, with a recommendation on how to correct the matter.
- Description of any differences between the work performed and the work outlined in the project work plans.
- Description of any efforts to update IRWM Plan to obligations listed in Paragraph 12, "Continuing Eligibility, if applicable."

COST INFORMATION

- Provide a List showing all costs incurred during the quarter by the grantee, the Local Project Sponsor overseeing the work, and each contractor working on the project. The list should include for all non-construction, or implementation costs, (i.e., design, and admin charges) the hours per task worked on during the quarter for above personnel.
- A discussion on how the actual budget is progressing in comparison to the project budget included in the Work Plan.
- A revised budget, including an explanation of why the revisions were necessary, by task, if changed from latest budget shown in Appendix C, Budget. Note, a revised budget may require an official amendment to the Agreement before it is accepted as final.

SCHEDULE INFORMATION

- A schedule showing actual progress versus planned progress as shown in Exhibit B.
- A discussion on how the actual schedule is progressing in comparison to the schedule in Exhibit B.
- A revised schedule, by task, if changed from latest schedule in Exhibit B. Note, a revised schedule may require an official amendment to the Agreement before it is accepted as final.

ANTICIPATED ACTIVITIES NEXT QUARTER

- Provide a description of anticipated activities for the next quarterly reporting period.

PROJECT COMPLETION REPORT

A Project Completion Report is required for each project identified in the Work Plan, Exhibit A. This report will include the following Sections:

EXECUTIVE SUMMARY

The Executive Summary consists of a maximum of ten (10) pages summarizing project information (see report status section below for topics). The Executive Summary should include the following:

- Brief description of work proposed to be done in the original Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 IRWM Implementation Grant application.
- Description of actual work completed and any deviations from the work plan identified in the Grant Agreement. List any official amendments to the Agreement, with a short description of the amendment.
- Describe the mechanism or process that allows for continued performance monitoring of the projects in meeting the objectives of the IRWM Plan.

REPORTS AND/OR PRODUCTS

- Provide a copy of any final technical report or study, produced for this project as described in the Work Plan, if applicable.
- Provide a map and shapefile(s) showing the location of the completed project. A description of the geographic projection and datum used for the shapefile must be submitted with the shapefile (a NAD '83 datum and either a UTM 10 or UTM 11 projection, dependent on the project's location in the state, should be utilized).
- If any wells were constructed as part of the project, provide the following information: well logs; borehole geophysical logs; state well number; site information to include horizontal (NAD '83) and vertical (NAVD '88) datum to be determined within 0.5 feet.
- Provide an electronic copy of any as-built plans (media: CD-ROM; PDF format).
- Provide copies of any data collected along with location maps.
- If applicable, describe the findings of any study and whether the study determined the engineering, hydrologic, hydrogeologic, environmental, economic and financial feasibility of the project.
- If applicable, a discussion of the critical water supply or water quality benefits to DAC as part of this Grant Agreement.

COST & DISPOSITION OF FUNDS INFORMATION

- A list of invoices showing:
 - The date each invoice was submitted to State.
 - The amount of the invoice.
 - The date the check was received.
 - The amount of the check (If a check has not been received for the final invoice, then state this in this section).
- A spreadsheet summary of the original budget costs by task versus the final project costs

- A summary of final funds disbursement including:
 - Labor cost of personnel of agency/ major consultant /sub-consultants (Indicate personnel, hours, rates, type of profession and reason for consultant, i.e., design, CEQA work, etc).
 - Construction cost information, shown by material, equipment, labor costs, and change orders.
 - Any other incurred cost detail.
 - A statement verifying separate accounting of grant disbursements.
- Summary of project cost including:
 - Accounting of the cost of project expenditure.
 - Include all internal and external costs not previously disclosed.
 - 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 project, with quantification of such benefits provided, if applicable.
- A final project schedule showing actual progress verse planned progress.
- Certification from a California Registered Civil Engineer that the project was conducted in accordance with the approved work plan and any approved modifications thereto.
- Submittal schedule for the Project Performance Report and an outline of the proposed reporting format.

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 IRWM Program funded by this Grant Agreement, and includes the following:

EXECUTIVE SUMMARY

The Executive Summary consists of a maximum of twenty (20) pages summarizing information for the grant as well as the individual projects.

REPORTS AND/OR PRODUCTS

- Summary of the regional priorities, objectives, and water management strategies of the IRWM Plan.
- Brief comparison of work proposed in the original Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 IRWM Implementation Grant application and actual work done.

- Brief description of the projects completed and how they will further the goals identified in the Agency's final approved IRWM Plan.
- Describe how the implemented projects will meet the regional priorities identified in the final approved IRWM Plan and how the projects contribute to regional integration.
- Identify remaining work and mechanism for their implementation.
- Identify any changes to the IRWM Plan as result of project implementation.
- Short description of the two year IRWM Plan update and the date when the updated Plan was submitted to DWR.
- If applicable, a short discussion on how the IRWM Plan will assist in reducing dependence on Delta water supplies.
- A discussion of the critical water supply or water quality benefits to DAC as part of this Grant Agreement

COST & DISPOSITION OF FUNDS INFORMATION

- A summary of final funds disbursement for each project.

ADDITIONAL INFORMATION

- A final schedule showing individual project's actual progress duration verse planned progress.
- Certification from a California Registered Civil Engineer that the Program was conducted in accordance with the approved work plan and any approved modifications thereto. Discussion of the synergies of the completed projects, including the integration of project benefits and a comparison of actual benefits versus those discussed in the original proposal.
- Submittal schedule for the Project Performance Reports for each of the projects in this Grant Agreement.

PROJECT-PERFORMANCE REPORT

Project Performance Report is required annually for every project for a period of 10 years beginning after the first year of operation, and includes the following:

REPORTS AND/OR PRODUCTS

- Time period of the annual report, i.e., Oct 2014 through September 2015.
- Short project description.
- Brief discussion of the project benefits to water quality, water supply, and the environment.
- An assessment of any explanations for any differences between the expected versus actual project benefits in meeting IRWM priorities as stated in the original IRWM Implementation Grant application. Where applicable, the reporting should include quantitative metrics, i.e., new acre-feet of water produced that year, acres of wildlife habitat added, 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 Monitoring Plan discussed in Paragraph 22 of this Grant Agreement.
- Any additional information relevant to or generated by the continued operation of the project.

ELECTRONIC REPORT FORMATTING

Grantee agrees that work funded under this Grant Agreement will be provided in an electronic format to State. Electronic submittal of final reports, plans, studies, data, and other work performed under this grant shall be as follows:

- Text preferably in MS WORD or text PDF format.
- Files generally less than 10 MB in size.
- Files named so that the public can determine their content. For example, file naming of reports must have the title and, if subdivided into smaller sized files, the chapter number/letter and names in the report Table of Content (TOC); files of maps, figures, and tables by number/letter as referenced in the TOC; well logs files with DWR-required naming convention; and Appendix number/letter and named in the TOC.
- For projects involving a modeling component, grantee shall provide the major input data files, parameters, calibration statistics, output files, and other information requested by State's Project Manager.

**EXHIBIT F
LOCAL PROJECT SPONSORS**

LOCAL PROJECT SPONSORS

Grantee has assigned, for each project, a Local Project Sponsor according to the roles of the participating agencies identified in the IRWM Plan. Local Project Sponsors may act on behalf of Grantee for the purposes of individual project management, oversight, compliance, and operations and maintenance. Local Project Sponsors are identified for each Sponsored Project below:

Local Sponsor Agency Designations		
Sponsored Project	Sponsor Agency	Agency Address
Project 1 - Regional Water Conservation Program	Coachella Valley Water District	85995 Avenue 52 Coachella, CA 92236-2568
Project 2 - Short Term Arsenic Treatment Project	Pueblo Unido Community Development Corporation	78-115 Calle Estado, Suite 204 La Quinta, CA 92253
Project 3 - Groundwater Quality Protection Program – Desert Hot Springs	Mission Springs Water District	66575 2nd Street Desert Hot Springs, CA 92240
Project 4 - Groundwater Quality Protection Program – Cathedral City	Cathedral City, City of	68700 Avenida Lalo Guerrero Cathedral City, CA 92234

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 E.

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

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

GROUNDWATER LEVEL DATA

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

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

EXHIBIT H STATE AUDIT DOCUMENT REQUIREMENTS AND GUIDELINES FOR GRANTEES UNDER DWR FINANCIAL ASSISTANCE PROGRAMS

The following provides a list of documents typically required by State Auditors and general guidelines for Grantees. List of documents pertains to both Grant funding and Grantee's Funding Match 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.

List of Documents for Audit

Internal Controls:

1. Organization chart (e.g., Agency's overall organization chart and organization chart for this Grant Agreement's funded projects.
2. Written internal procedures and flowcharts for the following:
 - a. Receipts, deposits and disbursements
 - b. State reimbursement requests
 - c. Grant expenditure tracking
 - d. Guidelines, policy, and procedures on grant 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 grant funded Program/Project.

Agreements and Contracts:

1. Original signed Grant Agreement, any amendment(s) and budget modification documents.
2. A listing of all bond-funded grants received from the State.
3. A listing of all other funding sources for each project.
4. All subcontractor and consultant contracts and related or partners documents, if applicable.
5. Contracts between the Agency and member agencies as related to this grant agreement.

Invoices:

1. Invoices from vendors and subcontractors for expenditures submitted to the State for payments under this Grant Agreement.
2. Documentation linking subcontractor invoices to State reimbursement, requests and related budget line items under this Grant Agreement.
3. Reimbursement requests submitted to the State for this 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 this Grant Agreement.
4. Bank statements showing the deposit of the receipts.

Accounting Records:

1. Ledgers showing entries for 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 reimbursement.

Administration Costs: Supporting documents showing the calculation of administration costs.

Personnel:

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

Project Files:

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

General Grant Agreement GuidelinesAmendment Requirements:

Amendments (to the work plan, budget, and/or schedule portions of the agreement) are triggered when the proposed changes are deemed by DWR to be substantial. Substantial changes generally include changes to the wording/scope of work, schedule or term, and budget. For example, a formal budget change to an Agreement is required when the proposed budget change for a Task is greater than 10% of the budget for that particular Task or the Task to be exchanged with.

Funding Match Contribution

Funding Match (often referred to as Grantee Cost Share) is the amount defined in Paragraph 4 of this Agreement. Funding Match 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 involved) directly related to the execution of the scope of work (examples: volunteer services, equipment use, and facilities). The cost of which in-kind service is valued can be counted as funding match in lieu of actual funds (or revenue) provided by the Grantee. Other funding match and in-kind service eligibility conditions apply (see paragraph 9). Provided below is guidance for claiming funding match with and without in-kind services.

1. Adequate documentation supporting value of in-kind service (or volunteer service) as funding match claimed shall be maintained. 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. Provide formal (on official letterhead) and substantial documentation of in-kind service by including the following:
 - o Describe contributed item(s) or service(s)
 - o Purpose for which contribution was made (tie to scope of work)
 - o Name of contributing organization and date of contribution
 - o 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 #4, below)
 - o Person's name and function of the contributing person
 - o Hours of contribution
 - o If multiple sources exist, summarize these on a table with summed charges
 - o Was contribution provided by, obtained with, or supported by government funds? If so, indicate source.
2. Funding match contribution (including in-kind services) shall be for costs and services directly attributed to activities included in this Grant Agreement Work Plan. These services, furnished by professional and technical personnel, consultants, and other skilled and unskilled labor may be counted as in-kind if the activities are an integral and necessary part of this Grant Agreement. Evaluate eligibility with DWR Project Manager in advance of submittal.

3. Do not track cash contributions made to a project as an expenditure as you would for an in-kind service. When providing funding match, track cash contributions to the Project (i.e. revenues) and expenditures (typically in-kind contribution) separately in an accounting system.
4. Rates for volunteer or in-kind services shall be consistent with those paid for similar work in the Grantee 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. In either case, paid fringe benefits that are reasonable, allowable, and allocable may be included in the valuation.