GRANT AGREEMENT BETWEEN THE STATE OF CALIFORNIA (DEPARTMENT OF WATER RESOURCES) AND THE CASTAIC LAKE WATER AGENCY, AGREEMENT NUMBER 4600009561
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 **Castaic Lake Water Agency**, a public agency in the County of Los Angeles, 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 **Upper Santa Clara River Integrated Regional Water Management (IRWM) Plan, dated June 2008**, 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 **August 31, 2016**, 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 8.

3. GRANT AMOUNT. The maximum amount payable by State under this Grant Agreement shall not exceed **$6,931,000.** Reimbursement of grant funds may be claimed for work commencing after **August 16, 2011.**

4. GRANTEE COST SHARE. The reasonable costs for this Agreement are estimated to be **$16,240,032.** Grantee shall provide a Grantee Cost Share (Funding Match) in the amount of at least **25%** of the total project cost. Grantee's Funding Match is estimated to be **$9,309,032.** 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 **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 Upper Santa Clara River IRWM Proposition 84, Round 1 Implementation 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 Scope of Work 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. Exceptions may include contractual work such as planning or other administrative activities that are not 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 an appropriate pro-rata allocation of overhead and administrative expenses that are regularly assigned to all such projects 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. **This documentation must be provided in both hardcopy (one copy) and CD format.**
   4) Each invoice shall clearly delineate those costs claimed for reimbursement from the State's grant amount, as depicted in Paragraph 3, "Grant Amount" and those costs that represent Grantee's and Local Project Sponsors' costs, as applicable, in Paragraph 4, "Grantee 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 one original invoice form (signature and date in ink) to the following address:**

Department of Water Resources
Attention: Tanya Meeth
PO Box 942836
Sacramento, CA 94236-0001

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) Timely adoption of an IRWM Plan that meets the requirements contained in Part 2.2 of Division 6 of the CWC, commencing with Section 10530.
    b) 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.*)
    c) 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.
    d) 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 Plan (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 **Upper Santa Clara River 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 in **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 agrees to comply with all applicable California Labor Code requirements, including prevailing wage provisions. Grantee must, independently or through a third party, adopt and enforce a Department of Industrial Relations-certified LCP meeting the requirements of Labor Code section 1771.5 for projects funded by:
    a) Proposition 84 (Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006; PRC sections 75075 *et seq.*) or
    b) Any other funding source requiring an LCP.

At the State's request, Grantee must promptly submit written evidence of Grantee's compliance with the LCP requirements.

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, "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses. "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. Along with the Attachment 6 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:
    a) Baseline conditions.
    b) Brief discussion of monitoring systems to be utilized.
    c) Methodology of monitoring.
    d) Frequency of monitoring.
    e) 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:
    a) Events or proposed changes that could affect the scope, budget, or work performed under this Grant Agreement. Grantee agrees that no substantial change in the scope of a project 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.
    b) Any public or media event publicizing the accomplishments and/or results of this Grant Agreement and provide the opportunity for attendance and participation by State's representatives. Grantee shall make such notification at least fourteen (14) calendar days prior to the event.
    c) 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 above.

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 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	Castaic Lake Water Agency Dan Masnada General Manager 27234 Bouquet Canyon Road Santa Clarita, CA 91350 Phone: (661) 297-1611 e-mail: dmasnada@clwa.org

Direct all inquiries to the Project Manager:

Department of Water Resources Tanya Meeth Division of Integrated Regional Water Management P.O Box 942836 Phone: (916) 651-9227 e-mail: tmeeth@water.ca.gov	Castaic Lake Water Agency Lauren Everett 27234 Bouquet Canyon Road Santa Clarita, CA 91350 Phone: (661) 513-1282 leverett@clwa.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 RESOUCES

Paula J. Landis, P.E., Chief
Division of Integrated Regional Water Management
Date 4-10-12

CASTAIC LAKE WATER AGENCY

Dan Masnada
General Manager
Date 3/6/12

Approved as to Legal Form and Sufficiency

Spencer Kenner, Assistant Chief Counsel
Office of Chief Counsel
Date 4/6/12

EXHIBIT A
WORK PLAN

Project 1 - Grant Administration

This project is to administer and manage capital project activities and the overall project schedule and budget to ensure that the projects within this grant proposal are completed efficiently and successfully. Project management activities will include budget and schedule control and quality assurance and quality control (QA/QC) for the duration of the grant. Tasks include the development of the grant and associated agreements and the development and submittal of quarterly reports and invoices to DWR. Quarterly reports will include project progress reports, upcoming work, schedule, budget, and other pertinent information.

Grant Administration Submittals	
Quarterly Reports	Ongoing by quarter
Invoices	Ongoing
Project Deliverables to DWR	Ongoing and subject to each project's workplan/schedule
Project Completion Reports/Grant Completion Report	July 2013 (earliest project)/February 2016
Project Performance Monitoring Reports	Beginning July 2014 (earliest project)

Project 2 - Santa Clarita Valley Water Use Efficiency Plan Programs (CLWA - 4)

Project Description

The Project implements two years of the following four programs. Project specifications for each of the programs have been excerpted from the Santa Clarita Valley Water Use Efficiency (SCV WUE) Plan that was provided in the Grant Application.

Program 1
Santa Clarita Valley Large Landscape Check-up and Incentive Program

The program will offer customized water check-ups, equipment rebates (incentives), and water budgeting to public and private sector large landscape sites with high water use. At the onset, the key targets will be the City of Santa Clarita Landscape Maintenance Districts, Los Angeles County Parks and Homeowner's Associations. Rebates (incentives) are offered for water-saving devices including high efficiency nozzles and weather based irrigation controllers.

Program 2
Santa Clarita Valley CII Check-up and Customized Incentive Program

Approximately 19% of Santa Clarita Valley water is consumed by Commercial, Industrial and Institutional (CII) customers. As a result, this program is tailored to allow customized incentives for site-specific opportunities. The program offers comprehensive water check-ups and reporting of cost effective recommendations in a clear and concise format with a focus on payback. The program will target high opportunity customers including: amusements parks, colleges, universities and school districts, hotels, hospitals and other customers identified by the retail water agencies. The key decision maker will be

identified and contacted via phone to enlist participation. After the check-up is conducted, customers will then be offered a per acre-foot saved rebate (incentive) based upon the findings of the check-up.

Program 3
Santa Clarita Valley Residential Landscape Contractor Certification and Weather-based Irrigation Controller Program

The Program would target all landscape contractors in the Santa Clarita Valley and would allow residents to participate as well. Landscape contractors and residents would be invited to water use efficiency training workshops where they would be trained in the classroom and in the field on the importance of general water use efficiency, properly installed weather-based irrigation controllers, hydrozoning, and high distribution uniformity. After attending the training, landscape contractors and residents would be eligible to receive free weather-based irrigation controllers. After installing the weather-based irrigation controller, our consultant would inspect the installation to make sure it was done correctly and answer any questions about the controller or the irrigation system.

Program 4
High Efficiency Toilet Rebate Program

This is an open rebate program to the public for residential customers, budgeted at approximately 500 rebates per year. The Santa Clarita Valley has a high percentage of new housing stock with 40 percent of single family and 33 percent of multi-family housing units built after 1992. As a result of plumbing code changes, these homes already utilize water saving low flow toilets. The key savings opportunity lies within older residential sites that are utilizing non-ULF toilets and would benefit greatly from upgrading to a high-efficiency toilet (1.28 gallons per flush).

Project References (provided in Grant Application)

- CLWA-4.1 Santa Clarita Valley Water Use Efficiency Strategic Plan, Final Draft. August 2008. A & N Technical Services, Inc.

- CLWA-4.2 2005 Urban Water Management Plan for Castaic Lake Water Agency, CLWA Santa Clarita Water Division, Newhall County Water District, Valencia Water Company

Project Map
See Figure CLWA-4 for a project map of the SCV WUE Plan Programs Project.

Project Timing and Phasing
The project is two years of a five-year program. The programs have already had one successful year of implementation and now seek expansion consistent with the SCV WUE Plan.

All of the project components are identified in the SCV WUE Plan.

Work to be Performed
The tasks necessary to complete the Project are discussed in detail below.

a) Direct Project Administration Cost

Task a.1, a.2: Administration and Reporting

Project administration includes administration of grant contracts, preparation of reports and plans, coordination of design contracts, and other activities as required. This project will be coordinated by a designated project manager employed by the Agency. The project manager will be the point of contact for the project's duration and be responsible for the day-to-day activities of the project and all reporting, and will coordinate with various agencies regarding permitting, environmental and design issues.

CLWA, as the project proponent and granting agency, will prepare and submit quarterly progress reports and invoices. CLWA will require the contractors to submit monthly reports to be submitted with the invoices. The progress reports will describe activities undertaken and accomplishments of each task during the milestones achieved, and any problems encountered in the performance of the work under this contract. A final summary report will be prepared and submitted once the project is completed.

Post-performance reports shall be submitted annually after the first operational year has elapsed for a total of 10 years after the completed project begins operation.

Task a.3: Labor Compliance Program

The project does not involve any "public works" construction elements that would require the payment of prevailing wages. Therefore, the Agency is not required to initiate and enforce a Labor Compliance Program in accordance with the Labor Code 1771.8 for this project.

Direct Project Administration Submittals	
Quarterly Reports	Ongoing by quarter
Final Summary Report at Project Completion	July 2013

b) Land Purchase/Easement

Not applicable. No land purchases or right-of-way easements are required for implementing CLWA-4.

c) Planning/Design/Engineering/Environmental Documentation

Task c.1: Assessment and Evaluation

The technical feasibility of the programs being implemented are described and supported by the SVC WUE Plan. No additional design reports or investigations are needed.

Planning/Design/Engineering Submittals	
SVC Water Use Efficiency Plan	Completed (2008) - Submitted with Grant Application

Task c.2: Final Design

The technical feasibility of the programs being implemented are described and supported by the SVC WUE Plan. No additional design reports or investigations are needed.

Task c.3: Environmental Documentation
The CII and Weather-based Irrigation Controller Programs were determined to be Categorically Exempt from CEQA under the CEQA Guidelines, Section 15061 (b)(3). Since no construction is needed, no environmental compliance documentation is required.

Task c.4: Permitting
No permits are required for implementation of the SCV WUE Plan programs.

d) Implementation

Task d.1: Programs Implementation

This task includes the ongoing costs associated with program advertising and outreach, training of contractors for the installation conservation devices and for the verification of proper installation of all conservation equipment and water-saving changes in landscaping.

The four water use efficiency programs will be implemented over the course of the two year period of 2012-2013.

Programs 1, 2, 3 and 4
Tasks will include:

- Targeted solicitation of key customers
- Public and private check-up process for site visits
- Recommendations for applicable incentives
- Water use efficiency education and workshops
- Application for available high efficiency nozzles, WBICs, and other incentives
- Landscape Contractor Certification and water efficiency training workshops

Task d.2: Purchase Conservation Equipment

- Weather-based irrigation controllers (WBICs) – **Program 4**
- Minor conservation equipment as required during water audits (such as broken sprinkler lines and faulty spray heads) – **Programs 2, 3 and 4**

Task d.3: Rebates

- Rebates of $100 for approximately 1,000 High Efficiency Toilets (HETs). Includes both single family and multi-family and mobile homes – **Program 1**

Based on individual water check-ups conducted, customized rebates for new equipment and equipment retrofits will be offered to customers. The rebate amount offered will be based on a per acre-foot saved value, based on the findings of the check-up. Rebates will include the following:

- High efficiency nozzles and WBICs – **Programs 2 and 3**

Program 3

- HETs and urinals
- Waterbrooms

- Commercial/coin operated high efficiency washers (HEWs)
- Cooling tower conductivity controller
- Sub-meters for landscape

Implementation Submittals	
Notice to Proceed	August 2011
Notice of Completion	July 2013
Final Construction Summary Report	July 2013

e) Environmental Compliance/Mitigation/Enhancement

The CII and Weather-based Irrigation Controller Programs were determined to be Categorically Exempt from CEQA under the CEQA Guidelines, Section 15061 (b)(3). No mitigation or enhancement is required.

f) Construction Administration

Not applicable. No costs for construction administration are being requested.

g) Other Costs

Task g.1: Public Outreach

Program requires substantial amounts of outreach to inform targeted customers of program availability. This availability of water use efficiency programs is a component of a broader outreach social marketing strategy to inform the public of the benefits of water conservation and the tools to accomplish that goal. Marketing occurring in a variety of media outlets and dedicated materials for the water conservation programs are developed in addition to their being advertised in general water conservation outreach efforts. Water conservation outreach is generally on an annual basis with program commencement and creation of new materials each spring. Water Use Efficiency programs advertising would be more on an as needed basis as classes are offered and customer notification opportunities identified.

Task g.2: Project Monitoring Plan

A Project Monitoring Plan will be prepared for the project to identify measures that can be used to monitor progress towards achieving project goals.

Other Submittals	
Project Monitoring Plan	January 2012

h) Construction/Implementation Contingency

Costs for contingency for construction/implementation have not been assumed as a separate budget item.

Project 3 - Santa Clara River-Sewer Trunk Line Relocation (NCWD-3)

Project Description

The NCWD-3 project consists of Phase 1 only, which was identified in the Sand Canyon Sewer Relocation Report (Alliance Land Planning and Engineering, 2009) as the first and critical step towards successfully completing the relocation project. Phase 1 consists of the design to relocate the sewer trunk line out of the Santa Clara riverbed, into nearby public right-of-way. Within Phase 1, NCWD will plan, design, and engineer the safe relocation of the sewer trunk line. Phase 1 work includes the planning for river bank protection, land title requests, surveying, and the engineering report. Also included during this phase is the environmental planning that surrounds the construction of an alternate sewer line. CEQA documentation will be required and coordination and permitting from the Regional Water Quality Control Board, California Department of Fish and Game, Army Corps of Engineers, and Los Angeles County Flood Control District.

Project References (provided in Grant Application)

- NCWD-3.1 Sand Canyon Sewer Relocation Report, Alliance Land Planning and Engineering. (November 2009)

Project Map

See Figure NCWD-3 for a project map of the Sewer Trunk Line Relocation project.

Project Timing and Phasing

The District divided the relocation of the sewer trunk line into three phases. This phase (Phase 1) deals strictly with planning, design, and engineering involved with relocating the sewer line out of the Santa Clara River, into the public right-of-way. The outcome of the design will determine how the remaining phases will be incorporated into the District's Capital Improvement Plan.

Work to be Performed

The tasks necessary to complete the Project are discussed in detail below.

a) Direct Project Administration Cost

Task a.1, a.2: Administration and Reporting

Project administration includes administration of grant and construction contracts, preparation of reports and plans, coordination of design contracts, and other activities as required to complete the project. This project will be coordinated by a designated project manager by the District. The project manager will be the point of contact for the project's duration and will be responsible for the day-to-day activities of the project and all reporting to the granting agency, and will coordinate with the various agencies regarding permitting, environmental, and design issues.

The project manager for the District will prepare and submit quarterly progress reports and invoices to CLWA, the granting agency. The District will require the contractors to submit monthly reports to be submitted with the invoices. The progress reports will describe activities undertaken and accomplishments of each task during the milestones achieved, and any problems encountered in the performance of the work under this contract. A final summary report will be prepared and submitted once the project is completed.

Post-performance reports shall be submitted annually after the first operational year has elapsed for a total of 10 years after the completed project begins operation.

Task a.3: Labor Compliance Program
The project does not involve any "public works" construction elements that would require the payment of prevailing wages. Therefore, the District is not required to initiate and enforce a Labor Compliance Program in accordance with the Labor Code 1771.8 for this project.

Direct Project Administration Submittals	
Quarterly Reports	Ongoing by quarter
Final Summary Report at Project Completion	October 2013

b) Land Purchase/Easement

NCWD-3 will require land title requests from the City of Santa Clarita, and/or the County of Los Angeles for project work in the unincorporated area.

Land Purchase/Easement Submittals	
Land title requests	September 2013

c) Planning/Design/Engineering/Environmental Documentation

Task c.1: Assessment and Evaluation
Phase I of this Project was identified in the Sand Canyon Sewer Relocation Report (Alliance Land Planning & Engineering, 2009). This report provides a preliminary solution on how to relocate the sewer line outside of the Santa Clara River.

Subtask c.1.1: Geotechnical Investigations, Data Collection and Surveying
During Phase 3 of the project, it will be necessary to install a 8" gravity sewer running along the north side of the river, adjacent to an existing Mobile Home Park. This section of sewer will require soil cement bank protection. During Phase 1, the engineering and permitting of the soil cement bank protection is necessary prior to its actual construction.

Prior to construction, surveyors must verify the alignment of the relocated sewer main. Surveyors are also needed to verify easements within properties and to locate boundaries associated with property transactions for the project.

Task c.2: Final Design
The project is currently at 10% (conceptual) design. This task includes preparation of an Engineering Report. When complete, the Engineering Report will provide complete plans for pipe alignment. It will also provide details for the construction of a sewer lift pumping station and riverbank protection through soil cement bank enhancements. The Engineering Report will outline work to be completed in Phase 2 and Phase 3, allowing these subsequent phases to be completed independently. During the process of the Engineering Report completion, valuable information regarding the extent of the environmental

documentation will be released. This information is expected to be released at the 30% design phase, so the two efforts can take place concurrently.

Planning/Design/Engineering Submittals	
Sand Canyon Sewer Relocation Report	Complete (2009) - Submitted with Grant Application
Data Collection and Surveying Memoranda	June 2012
Engineering Report	June 2013

Task c.3: Environmental Documentation

A California Environmental Quality Act (CEQA) Categorical Exemption for Feasibility Studies (Class 6) was filed for the project. The project is proposed in phases, with Phase 1 being the engineering and planning associated with relocating the sewer trunk line out of the Santa Clara Riverbed. This phase does not include any construction activities and will provide the required project description in the CEQA documentation for the construction phases of the project. As part of Phase 1, after the preliminary design is complete and the design criteria is established, an Initial Study will be completed to determine the level of CEQA documentation required for Phase 2 and Phase 3 (both not part of this grant). It is assumed that environmental planning will coincide with design from the early stages of development, 30% submittals, as well as coordination with those that have permitting authority over the site such as the Regional Water Quality Control Board (RWQCB), California Department of Fish and Game (CDFG), Los Angeles Flood Control District (LAFCD), and Army Corps of Engineers (ACOE).

CEQA/NEPA Documentation Submittals	
CEQA Initial Study	June 2013

Task c.4: Permitting

The Project requires acquisition of Waste Discharge Requirements from Los Angeles RWQCB National Pollutant Discharge Elimination System (NPDES) permit, a Section 1602 consultation with the CDFG for a Streambed Alteration Agreement, a Section 404 consultation with the ACOE and Section 401 Water Quality Certification with the Los Angeles RWQCB, and permits from the LAFCD.

Permitting Documentation Submittals	
Los Angeles RWQCB NPDES Permit	June 2013
CDFG Section 1602	June 2013
ACOE 404/ Los Angeles RWQCB 401	June 2013
Los Angeles Flood Control District Permit	June 2013

d) Construction/Implementation

The proposed project is the first phase of NCWD-3 in which the District will plan, design, and engineer the safe relocation of the sewer trunk line. Construction is not associated with this phase.

e) Environmental Compliance/Mitigation/Enhancement

All costs for environmental compliance are assumed in Task c.3.

f) Construction Administration

As there is no construction for this phase of the Project, no funds are being requested for construction administration.

g) Other Costs

Task g.1: Project Monitoring Plan

A Project Monitoring Plan will be prepared for the project to identify measures that can be used to monitor progress towards achieving project goals.

Other Submittals	
Project Monitoring Plan	April 2012

h) Construction/Implementation Contingency

As there is no construction for this phase of the Project, no funds are being requested for construction administration. No additional contingency for implementation has been assumed within the project budget.

Project 4 - Santa Clarita Valley Southern End Recycled Water Project (VWC-1)

Project Description

Valencia Water Company (VWC) wants to expand the existing recycled water transmission and distribution system southerly in the Santa Clarita Valley to supply recycled water to additional customers as well as to potentially supply a source of recycled water to adjacent agencies. The project will provide approximately 910 acre-feet (AF) of recycled water per year to VWC municipal customers for domestic landscape irrigation. The source of recycled water to this area of the VWC system is the Valencia WRP. This facility treats approximately 15 million gallons per day (mgd) of sewage generated in the Santa Clarita Valley. This plant provides a source of recycled water supply to both the CLWA and VWC.

The VWC-1 Project includes the planning, designing, and construction of recycled water improvements of Phase 2C of the Recycled Water Master Plan. The potential recycled water use, preliminary pipeline alignments and sizing, and preliminary costs associated with the extension of the recycled water system was developed in a Technical Memorandum (TM), dated April 2010 (Reference VWC-1.3). The TM identified the potential recycled water users for the project, and in addition to supplying the VWC demands, several potential use sites were identified in the area that are within the jurisdiction of NCWD and the SCWD. The TM considered a few alternatives for the extension of the recycled water system to serve major VWC irrigation uses and provide a supply to NCWD, with the final alignment to be determined during a preliminary design study that identifies construction constraints. To determine the recommended facilities to serve the project, a hydraulic analysis was performed. The result was a project that will include the following components:

- Approximately 29,000 linear feet transmission main and distribution pipelines
- Approximately 1,000 linear feet Freeway Crossing
- Traffic Control, Traffic Loops, Re-striping, etc
- 2 Booster Stations, Storage Tank; and
- Service Meter Connections

Project References (provided in Grant Application)

- VWC-1.1 Recycled Water Master Plan (Kennedy/Jenks Consultants, 2002)
- VWC-1.2 Recycled Water Master Plan, Final Program Environmental Impact Report (2007)
- VWC-1.3 Valencia Water Company, Recycled Water Study for the South End Projects (Dexter Wilson Engineering, 2010)

Project Map

See Figure VWC-1 for a project map of the VWC Southern End Recycled Water Project.

Project Timing and Phasing

All of the components or phases of CLWA's recycled water system are identified in CLWA's Recycled Water Master Plan (Reference VWC-1.1). Grant funds are being requested for only one section of Phase 2 of the Master Plan; Phase 2C (Project VWC-1).

While VWC-1 is a phase of a larger system, even if no future phases were approved, this project could continue to supply water since it is connected directly to the existing recycled water system and to identify end consumers.

Work to be Performed

The tasks necessary to complete the Project are discussed below.

a) Direct Project Administration Cost

Task a.1, a.2: Administration & Reporting

Project administration includes administration of grant, planning, and design contracts, preparation of reports and plans, coordination of planning and design contracts, and other activities as required to complete design and construction. This project will be coordinated by a designated project manager employed by VWC. The project manager will be the point of contact for the project's duration and be responsible for the day-to-day activities of the project and all reporting, and will coordinate with various agencies regarding permitting, environmental, design, and construction issues.

VWC will prepare and submit quarterly progress reports and invoices to CLWA. VWC will require the contractors to submit monthly reports to be submitted with the invoices. The progress reports will describe activities undertaken and accomplishments of each task during the milestones achieved, and any problems encountered in the performance of the work under this contract. A final summary report will be prepared and submitted once the project is completed.

Post-performance reports shall be submitted annually after the first operational year has elapsed for a total of 10 years after the completed project begins operation.

Task a.3: Labor Compliance Program

VWC will implement a Labor Compliance Program in accordance with the Labor Code 1771.8.

Direct Project Administration Submittals	
Quarterly Reports	Ongoing by quarter
Labor Compliance Program	July 2013
Final Summary Report at Project Completion	December 2015

b) Land Purchase/Easement

An easement will be required from the City of Santa Clarita/College of the Canyons/County of Los Angeles to house a pump station and for pipelines in flood control channels and public streets (all in public rights-of-way). Negotiations with the Los Angeles County Flood Control District will be performed to obtain encroachment permits for conducting the work within the public-right-of-way.

c) Planning/Design/Engineering/Environmental Documentation

Task c.1: Assessment and Evaluation

The project is currently at 10% (conceptual) design, with the completion of a Technical Memorandum (TM) that provides the preliminary recycled water demand analysis and pipeline alignment alternatives with connection to the existing Valencia WRP (Reference VWC-1.3). Background documentation was completed which includes a recycled water market assessment, hydraulic analysis, and storage requirements analysis. The report recommends a preliminary design report be completed to design the final recycled water pipeline alignments.

Subtask c.1.1.3 *Preliminary Design Report*

The preliminary design report will be prepared to summarize the market assessment, design concept evaluation and justification, and provide a written description of the design including alternatives analysis, environmental impact assessment and economic estimates. Control plans and specifications, at 30% design, will be provided as an appendix in 11 x 17 format.

Task c.2: Final Design

Final Design Plans and Specifications are scheduled for completion by April 2013, with interim deliverables proposed as described, below. Plans and specifications will be prepared at the 60%, 90%, and 100% design completion levels. At each stage of completion, the project proponent's staff and outside technical experts will provide technical review and Quality Assurance/Quality Control (QA/QC) of the plans and specifications.

At the 60% Design stage, comments on the preliminary design report will be addressed and will include detailed pipeline and booster station design plans. Pipeline plans will include plan and profile sheets to detail existing utilities, proposed pipeline layout, and surveying data. Booster station plans will include pipeline, mechanical and electrical layouts and details.

At the 90% Design stage, complete design packages will be available for pipeline construction, booster station construction and operation, and permit requirements. In addition, a traffic control plan will be prepared for construction purposes in areas indicated in encroachment permits. Also, the pump station plans will include comprehensive piping, structural, mechanical, and electrical details. A comprehensive copy of the specifications will include front end documents, technical specifications, and Special Provisions. Final Design and construction documents shall include approved design and specification packages with signatures for construction.

Planning/Design/Engineering Submittals	
Technical Memorandum (Dexter, February 2010)	Completed (2010)–Submitted with Grant Application
Preliminary Design Report (30% Design)	January 2012
60% Plans and Specifications	September 2012
90% Plans and Specifications	February 2013
Final (100%) Plans and Specifications	April 2013

Task c.3: Environmental Documentation

An Initial Study/Negative Declaration is being prepared for the project that is tiering off of the previously certified Programmatic Environmental Impact Report for the Recycled Water Master Plan. Mitigation included in the PEIR addresses construction related air quality and noise impacts. No tribal notification has occurred and the project will be developed within fully developed portions of Santa Clarita and there is no grading of raw land required.

CEQA/NEPA Documentation Submittals	
Initial Study/Negative Declaration	July 2012

Task c.4: Permitting

The Project requires acquisition of California Department of Fish and Game (CDFG) Section 1602 Streambed Alteration Agreement, and Army Corps of Engineers 404 and Regional Water Quality Control Board 401 permits for one channel crossing. Approval of the system is required from California Department of Public Health (DPH) and the Santa Clarita Valley Sanitation District. Title 22 was prepared by CDPH in accordance with Division 7, Chapter 7 of the Water Code. It establishes the quality and/or treatment processes required for an effluent to be used for a specific non-potable application. Encroachment permits from the City will be required to work within the public right-of-way.

Permitting Documentation Submittals	
CDFG Section 1602	April 2013
ACOE 404, RWCQB 401	April 2013
DPH, Title 22 Engineering Report	April 2013
City of Santa Clarita Encroachment Permit	April 2013

d) Construction/Implementation

Task d.1: Project construction

For each significant section of pipeline the following tasks will be included:

- Field surveying and marking
- Mobilization of equipment to site
- Implementation of traffic control plan
- Removal of asphalt and trench excavation
- Laying of pipe in trench and connection
- Connection to any recycled water systems ready for service
- Backfilling and repaving
- Demobilization and removal of traffic control measures
- Relocation to next pipeline segment
- Testing
- Shut down and connection to existing recycled water system

Pump station construction:

- Field surveying and marking
- Mobilization of equipment to site
- Site preparation and grading

- Piping installation
- Foundation construction and paving
- Pump Installation
- Housing construction
- Testing
- Finish construction including fencing

Construction Submittals	
Notice to Proceed	July 2013
Notice of Completion	December 2014

e) Environmental Compliance/Mitigation/Enhancement

CEQA compliance for the project is discussed in Task c.4. These efforts have not been budgeted separately and their costs are included in the Planning/Design/Engineering/Environmental Documentation Task.

f) Construction Administration

During construction, the project manager and/or qualified engineering consultants will provide construction management and administration, including engineering services during construction; daily on-site observation and inspection; testing of materials used for construction, including soils and concrete; and documentation of these activities.

g) Other Costs

Task g.1: Project Monitoring Plan

A Project Monitoring Plan will be prepared for the project to identify measures that can be used to monitor progress towards achieving project goals.

VWC shall ensure that where applicable, groundwater monitoring requirements will be consistent with the Groundwater Quality Monitoring Act of 2001 and data collected will be in accordance with Surface Water Ambient Monitoring Program (SWAMP) and data reporting requirements as well as Groundwater Ambient Monitoring and Assessment (GAMA) Program protocols.

Other Submittals	
Project Monitoring Plan	January 2013
Final Construction Summary Report	December 2015

Project 5 - Santa Clara River, San Francisquito Creek Arundo and Tamarisk Removal Project (SC – 1/USFS – 1)

Project Description

The project is for the removal of arundo and tamarisk within the City of Santa Clarita in a highly visible area bordered by recreational trails to demonstrate a natural resource management project to the public, improve habitat, and increase surface water.

The project will be conducted in two phases.

Phase 1

The first phase will be to complete the removal of arundo and tamarisk in the site specific implementation area (Project Area 1), approximately 150 acres, (areas D, E, F and G on Figure 1 SC-1/USFS-1).

Within Project Area 1 two types of restoration efforts will be employed to ensure the effective eradication of the invasive species. The first effort will include the initial treatment of the arundo, which includes non-native biomass removal and herbicide application. Arundo may be ground in place with mechanical equipment such as a brush grinder (where appropriate), or removed by manual means employing tools such as chainsaws and brush cutters. After removal of the targeted vegetation, an appropriate aquatically approved herbicide will be applied. In areas where mechanical vegetation grinding is to occur, arundo will be allowed to resprout to a height of 2 to 3 feet, and herbicide will be applied via foliar spray. In areas where manual removal is to occur, herbicide will be applied immediately to the cut stumps via daubing or painting. Foliar application of herbicide may also occur on non-native stands of vegetation where appropriate. In addition to arundo, other invasive plants may be removed, if applicable. As the area is home to several endangered species, the manual means will likely be the prevailing method.

As arundo contains significant energy resources in its root structure, it is difficult to eradicate it in a single treatment phase. Therefore, after the initial treatment, a diligent monitoring and maintenance program will be implemented to facilitate re-treatments and avoid re-infestation of the site. During this time, retreatments of herbicide will be applied regularly to exhaust the belowground resources of the plant and lead to its elimination from the treatment area. Project reconnaissance visits to areas upstream of the treatment area indicate that significant arundo populations do not exist above the site. As potential for re-infestation from upstream sources is thus low, it is expected that in five years, arundo will be eradicated from the project site, and significant growth of native riparian vegetation will be achieved as a result of the elimination of invasive species. Frequent monitoring of the site will ensure that any changes in the site, such as additional arundo resprouts, will be treated in a timely manner.

In addition to removal of noxious weeds, this project contains a potential restoration component. Monitoring of the site will indicate if revegetation is necessary. Native species common to the site such as willows (Salix sp.) and mule fat (Baccharis salicifolia) reestablish readily through natural recruitment once competition from non-native species is removed. However, it may be determined that certain areas within the site require more rapid enhancement than natural recruitment can provide. This would be accomplished through the installation of cuttings of these species, as appropriate.

Previous restoration efforts have shown that this after treatment monitoring and maintenance program is essential to the success of the restoration effort. The monitoring and maintenance program is backed by the Santa Clara River Invasive Weeds Task Force and funded through an endowment that the US Fish and Wildlife Service developed specifically to fund long term management of previously cut arundo infestation areas. The City has been in discussions with US Fish and Wildlife Service to continue the life of this program.

Phase 2

The second phase of the project would continue the removal of arundo and tamarisk out of Project Area 1, up into City owned reaches along both San Francisquito and Bouquet Canyon Creeks, and into the Angeles National Forest

(see Figure 2 SC-1/USFS-1). The U.S Forest Service is preparing a NEPA document to resume invasive plant removal in those tributaries. Completion of Phase 2 would complete the original task envisioned in the SCARP and abate the most concentrated arundo infestation in the Upper Santa Clara River watershed.

Project References (provided in Grant Application)

The following references support SC-1's feasibility and technical methods. The Santa Clara River Arundo and Tamarisk Removal Plan (SCARP) included three distinct but interdependent efforts. These efforts included the following documents and permits:

- SC-1/USFS-1.1 Upper Santa Clara River Arundo/Tamarisk Removal Program – Santa Clarita Site Specific Plan (Ventura County Resource Conservation District/AMEC, July 2005).

- SC-1/USFS-1.2 Upper Santa Clara River Watershed Arundo and Tamarisk Removal Program – Long Term Implementation Plan (Ventura County Resource Conservation District, June 2006).

- SC-1/USFS-1.3 Upper Santa Clara River Watershed Arundo/Tamarisk Removal Plan Programmatic Environmental Impact Report (EIR) Final (Ventura County Resource Conservation District) February 2006.

- SC-1/USFS-1.4 Permits from the US Fish and Wildlife Service, California Department of Fish and Game SAA, and Army Corps of Engineers – 2004 – present.

- SC-1/USFS-1.5 Upper Santa Clara River Watershed Arundo/Tamarisk Removal Plan Programmatic Environmental Impact Report (EIR) Statement of Findings and Statement of Overriding Considerations, VCRCD 2006

Project Map

See Figure 1 SC-1/USFS-1 and Figure 2 SC-1/USFS-1 for project maps of the Arundo and Tamarisk Removal Project.

Project Timing and Phasing

The SCARP and efforts by the Angeles National Forest are all part of the larger effort to reduce invasive plants, and specifically arundo and tamarisk, to 2% of the canopy within the riparian areas of the Santa Clara River and its tributaries. Phase 1 would correspond to the current readiness of the project on City owned property in Project Area 1. This area has been in active restoration since 2005. However, funding sources have increasingly become scarce. Proposition 84 Integrated Regional Water Management funding would allow the City to complete the initial removal work in these areas, allowing for less expensive follow-up work to be completed. The second phase of the restoration would move effort into the San Francisquito Creek and Bouquet Canyon Creek tributaries (Phase 2), would allow two high value riparian areas to meet the 2% standard and prevent re-infestation at the confluences of the creeks and the main stem of the Santa Clara River.

Work to be Performed

The tasks necessary to complete the Project are discussed in detail below.

a) Direct Project Administration Cost

<u>Task a.1, a.2: Administration & Reporting</u>

Project administration includes administration of grant and construction contracts, preparation of reports and plans, coordination of design contracts, and other activities as required to complete design and construction.

The Sustainability Planner for the City of Santa Clarita will complete required tracking and quarterly reports as required by this grant and submit them to CLWA, the granting agency. This person will also coordinate with contractors and develop the necessary administrative record (contracts, RFPs, City Council items, etc.) necessary to complete the requirements of the grant. A final summary report will be prepared and submitted once the project is completed.

Post-performance reports shall be submitted annually after the first operational year has elapsed for a total of 10 years after the completed project begins operation.

Task a.3: Labor Compliance Program

The City has a Labor Compliance Program in accordance with the Labor Code 1771.5; ID: 2003.00362. The City's Labor Compliance Specialist will be on staff and will be available to perform preconstruction meetings, to provide reporting forms, perform inspections, and written reports as required in state law for this project. However, because the project does not involve any "public works" elements that would require the payment of prevailing wages, it is not required to initiate and enforce the Labor Compliance Program for this project.

Direct Project Administration Submittals	
Quarterly Reports	Ongoing by quarter
Final Summary Report at Project Completion	February 2013

b) Land Purchase/Easement

Not applicable. No land purchase or easements are required for Phase 1.

c) Planning/Design/Engineering/Environmental Documentation

Task c.1: Assessment and Evaluation

All planning and preliminary design efforts have been successfully completed.

Task c.2: Final Design

Planning and design of Phase 1 is complete and documented in the Santa Clarita Site Specific Plan, Santa Clara River Long Term Implementation Plan, and a programmatic Environmental Impact Report (EIR) with regional agency permitting. Phase 2 may require further design pending completion of the NEPA process.

Planning/Design/Engineering Submittals	
Santa Clarita Site Specific Plan	Completed - Submitted with Grant Application
Santa Clara River Long Term Implementation Plan	Completed - Submitted with Grant Application

Task c.3: Environmental Documentation

The Ventura County RCD certified the EIR prepared for the programmatic program, which covers the actions provided for in Phase 1 of this Project. The Angeles National Forest is complying with NEPA and is completing the environmental document required for Phase 2 of the project. Phase 1 is not dependent on the NEPA compliance and can proceed using the approved CEQA document.

CEQA/NEPA Documentation Submittals	
Programmatic EIR	Completed - Submitted with Grant Application
NEPA EA/Environmental Impact Statement	May 2012

Task c.4: Permitting

This project plans to utilize the Upper Santa Clara River Arundo/Tamarisk Removal Program (SCARP) programmatic permits held by the VCRCD. California Department of Fish and Game (CDFG) Section 1602 Streambed Alteration Agreement, Army Corps 404/401 certifications had previously been acquired, but will now need annual renewal to ensure compliance.

Permitting Documentation Submittals	
ACOE 404/RWQCB 401	September 2012
CDFG Section 1602	September 2012

d) Construction/Implementation

Task d.1: Bid and Award

Removal of arundo and tamarisk is currently done at the current 150-acre site using the subcontractor Wildscape Restoration. The contractor was chosen during the project bid and award process in 2008. The proposed project will utilize this contract which can be amended for current and future work of a similar type and scale.

Task d.2: Mobilization and Site Preparation

- Pre-construction surveys
- Pre-construction meeting
- Delivering equipment to site and predetermined staging area

Task d.3: Project Construction

- Biological monitor on site at all times
- Project management consultant surveying initial work
- Deploying tractors and chippers
- Vegetation removal hand crews
- Certified applicators daubing Aquamaster with Blazon dye over cut arundo stalks
- Removing biomass to chipper and placing chipped material into dump truck for appropriate disposal; Dump truck hauls material away

Task d.4: Performance Testing and Demobilization

- Project management consultant monitors for resprouts
- Hand crews and biologists deployed to spray resprouts with Aquamaster with Blazon dye

Construction Submittals	
Notice to Proceed	September 2012
Notice of Completion	January 2013

e) Environmental Compliance/Mitigation/Enhancement

CEQA compliance for the project is discussed in Task c.4. The VCRCD adopted a Mitigation Monitoring Plan as part of the Final PEIR which contains feasible mitigation measures to reduce impacts to the environment from implementation of the SCARP (see Reference SC-1/USFS-1.5). The programmatic EIR describes the range of techniques typically employed for removal of arundo and tamarisk infestations, analyzes the impacts resulting from the range of techniques, and identifies appropriate mitigation measures. This allows for the selection from a wide variety of techniques by future project proponents. Project proponents wishing to use techniques not covered by these programmatic permits would need to apply for individual permits for future removal projects. These efforts have not been budgeted separately and their costs are included in the Planning/Design/Engineering/Environmental Documentation Task. The EIR determined potential short-term significant impacts: Noise, Water Quality, and Biological Resources. However, due to the long term environmental benefits, a Statement of Overriding Considerations was adopted by the VCRCD.

f) Construction Administration

During construction, City staff and project management consultants will provide construction management and administration. This includes including daily on-site observation before the start of work; inspection of equipment to ensure good working order; checking progress and issues from previous day, developing action plan for working in consultation with on-site biologist.

g) Other Costs

Task g.1: Project Monitoring Plan

A Project Monitoring Plan will be prepared for the project to identify measures that can be used to monitor progress towards achieving project goals.

A Quality Assurance Project Plan, which outlines a plan for collecting pre- and post-project water quality data has been prepared for the project, and has been reviewed and certified by the Los Angeles Regional Water Quality Control Board (RWQCB). Data collected will be in accordance with Surface Water Ambient Monitoring Program (SWAMP) and data reporting requirements as well as Groundwater Ambient Monitoring and Assessment (GAMA) Program protocols.

Task g.2: Equipment

Additional equipment that will be purchased:

- Aquamaster
- Dump truck
- Dump charge

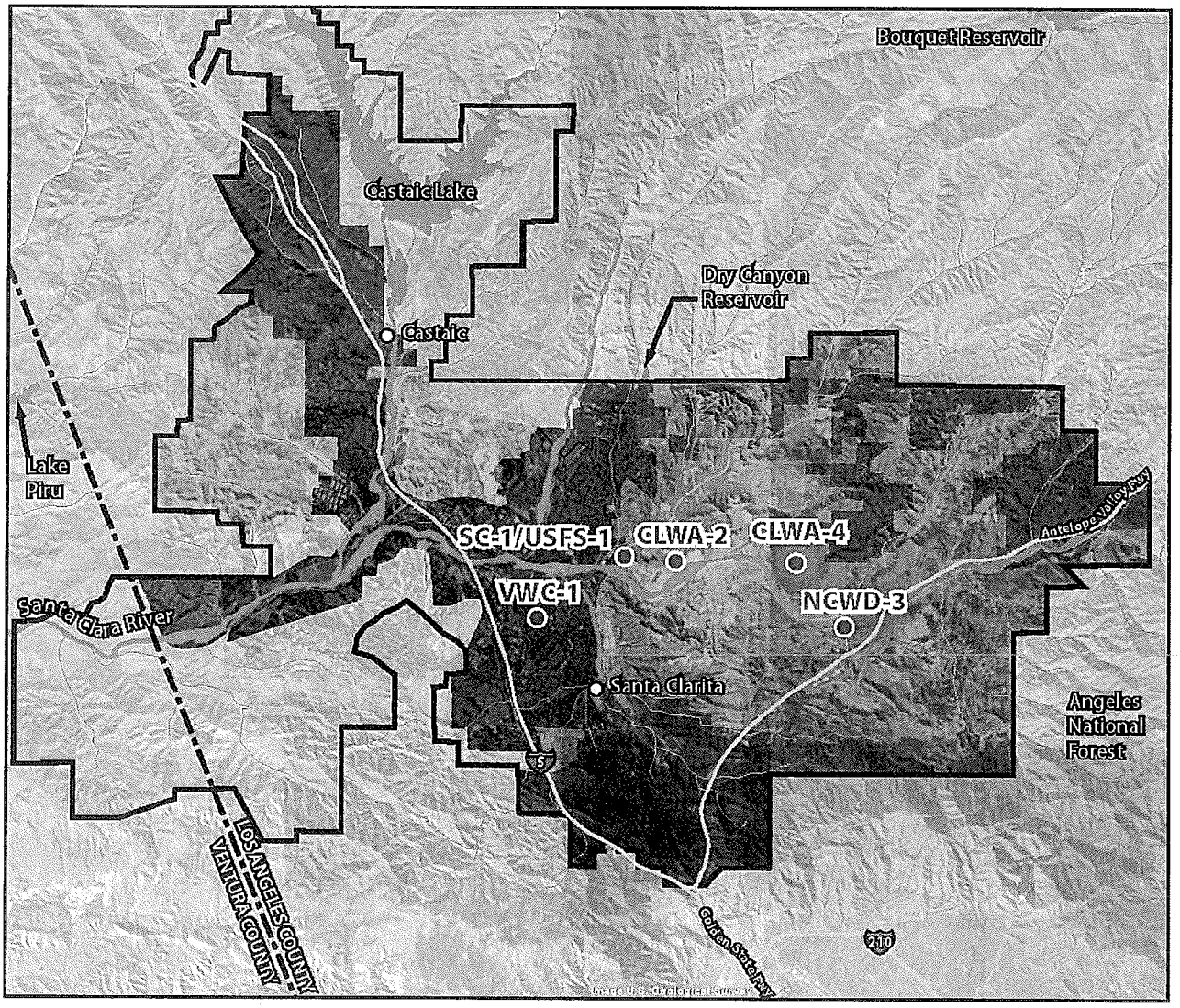
- Blazon dye indicator

Other Submittals	
Project Monitoring Plan	April 2012

h) Construction/Implementation Contingency

Costs for contingency for construction/implementation have been assumed at 15 percent of costs shown in Task d) Construction.

PROJECT MAPS



LEGEND:

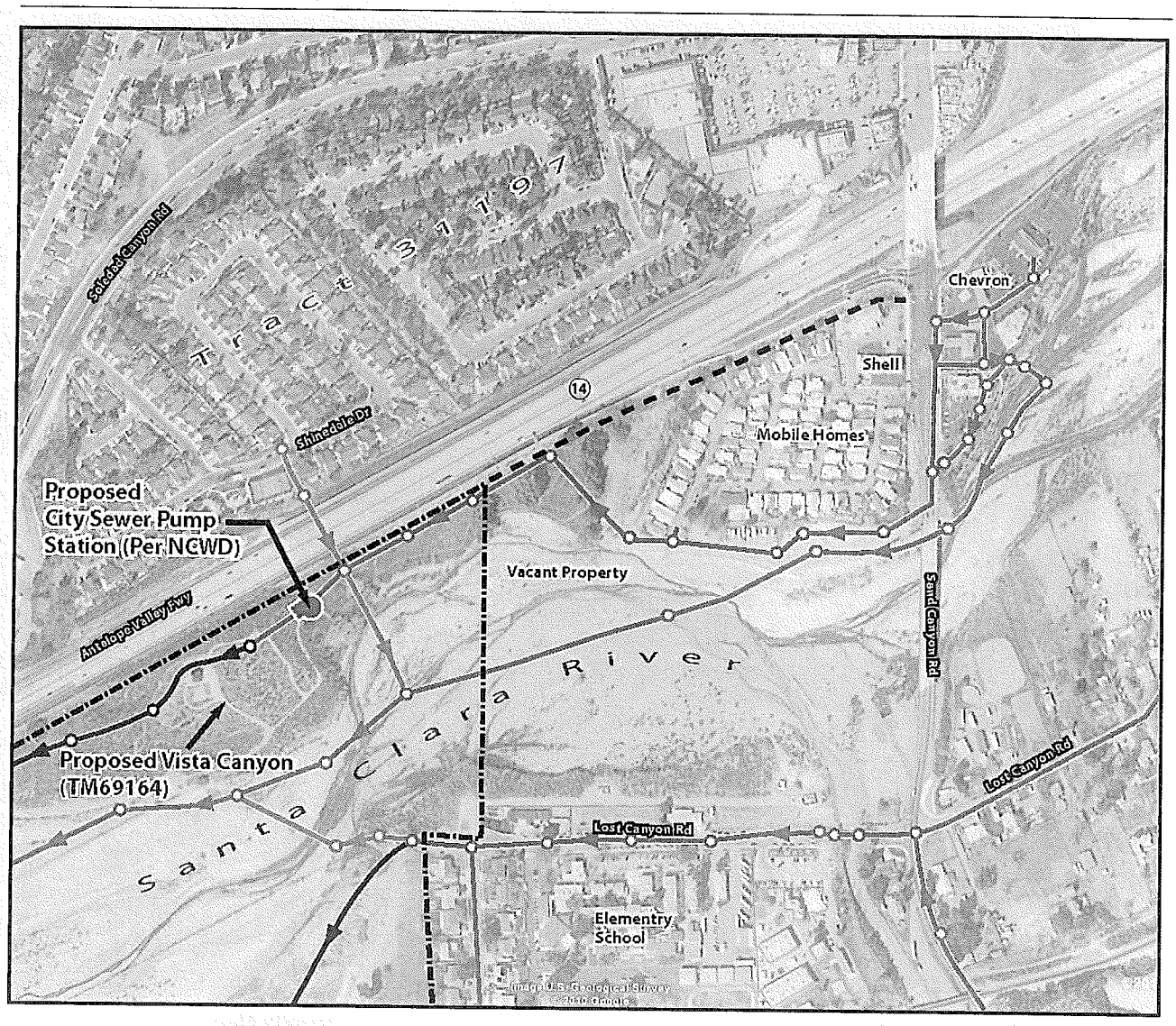
- CLWA Service Area
- L.A. County Waterworks District #36
- Newhall County Water District
- Santa Clarita Water Division
- Valencia Water Company
- Project Location
- Service Area Wide
- Interstate Line
- County Line

N

Sources:
1. Castaic Lake Water Agency Service Area
2. Google Earth - Image U.S. Geological Survey

Project 2

CLWA-4
SCV Water Use Efficiency Plan Programs

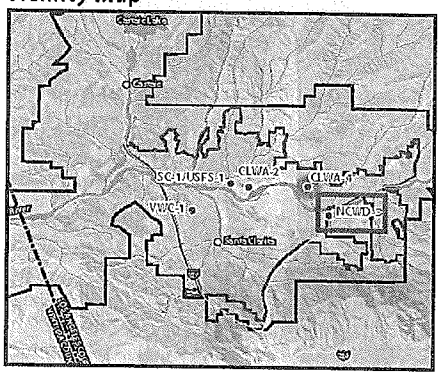


LEGEND:

- Proposed City Sewer (per NCWD)
- Proposed City Sewer (per VC)
- Existing City Sewer
- Existing NCWD Sewer
- Existing County Sewer
- Vista Canyon Boundary
- Existing Caltrans Fence
- Interstate Line

N

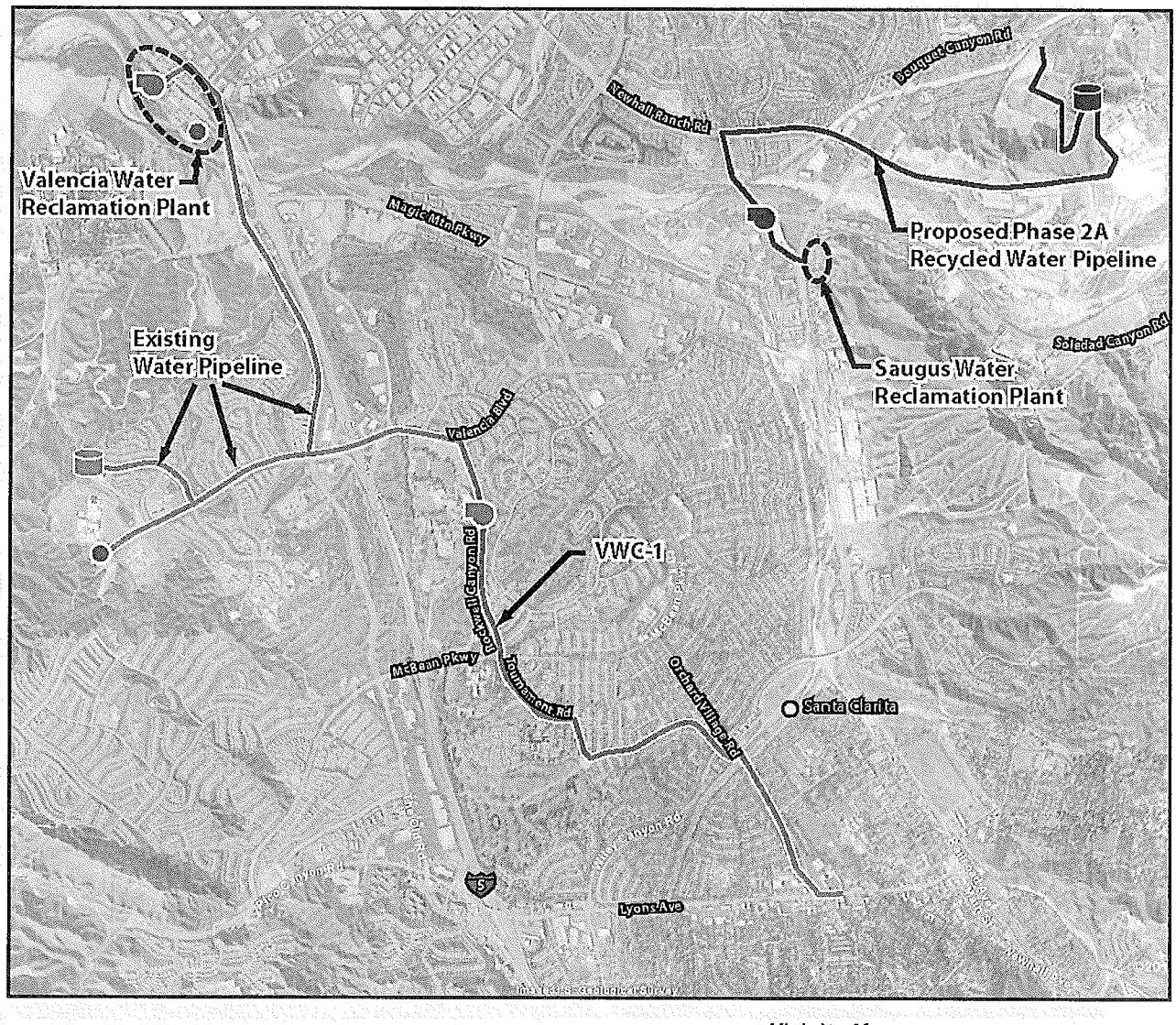
Vicinity Map



Sources:
1. Alliance - Sand Canyon Sewer Relocation Exhibit, 11/06/09
2. Google Earth - Image U.S. Geological Survey

Project 3

NCWD-3
Santa Clara River Sewer Trunk Line Relocation (Phase 1) Project

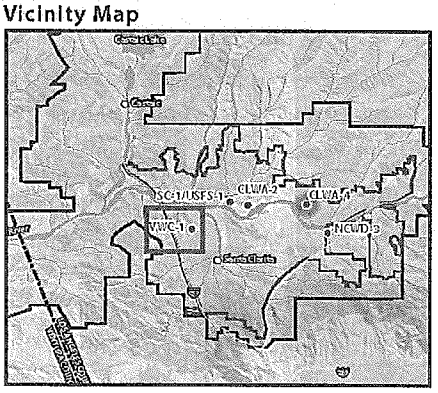


Legend:

- Water Pump Station
- Water Pipeline
- Water Storage Tank
- Interstate Line
- Monitoring Location

N

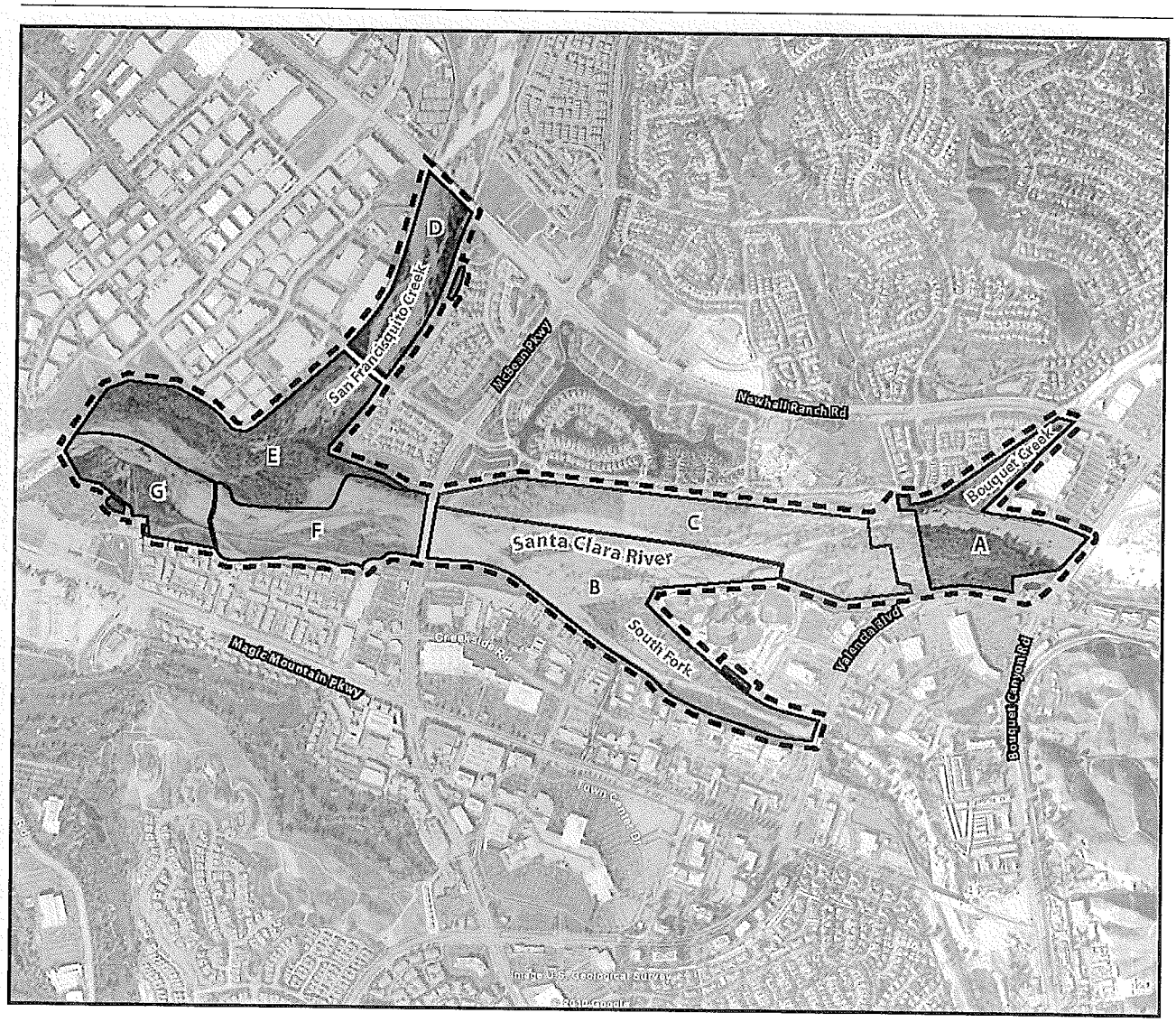
Vicinity Map



Project 4

Sources:
1. Draft Recycled Water Phase 2C Planning & Preliminary Design Layout
2. Google Earth - Image U.S. Geological Survey

VWC-1
SCV Southern End Recycled Water Project



LEGEND:

- Project & Staging Area A
- Project & Staging Area B
- Project & Staging Area C
- Project & Staging Area D
- Project & Staging Area E
- Project & Staging Area F
- Project & Staging Area G
- Project Area of Phase 1

N

Project 5

Sources:

1. Upper Santa Clara River Watershed Arundo and Tamarisk Removal Project (SCARP), Site-Specific Implementation Project (SSIP) Area, Wildscape Restoration, November 2008
2. Google Earth - Image U.S. Geological Survey

Vicinity Map

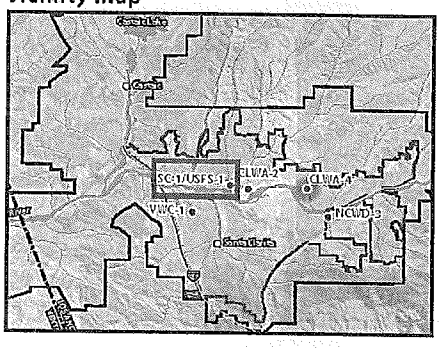
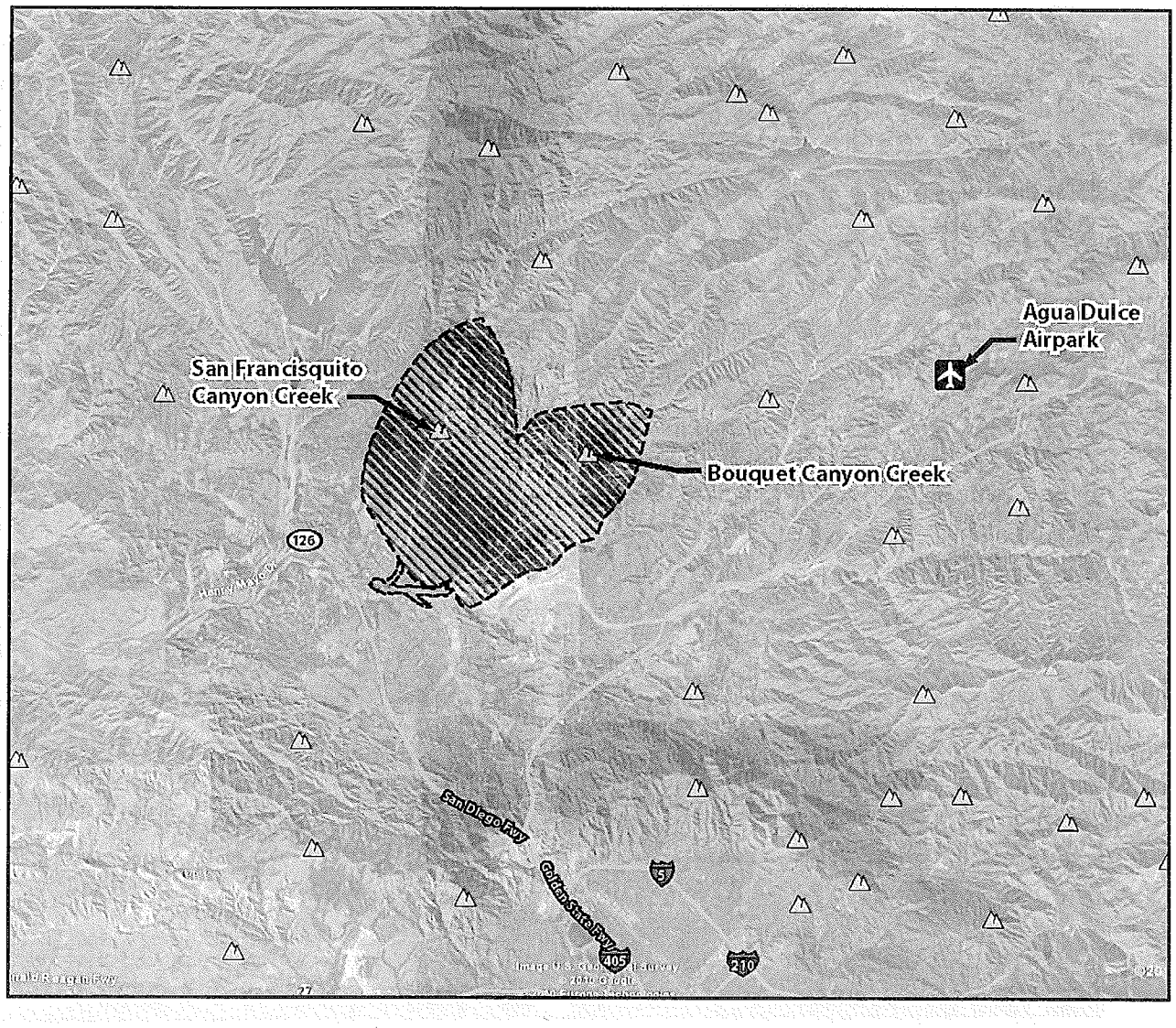


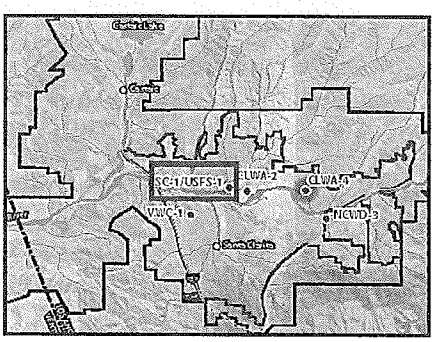
FIGURE 1 OF SC-1/USFS-1
Santa Clara River, San Francisquito Creek Arundo & Tamarisk Removal Project, Phase 1



LEGEND:

- SC-1/USFS-1 Phase 1
- SC-1/USFS-1 Phase 2
- National Forest
- Interstate Line

N



Project 5

Sources:
1. Upper Santa Clara River Watershed Arundo and Tamarisk Removal Project (SCARP), Site-Specific Implementation Project (SSIP) Area, Wildscape Restoration, November 2008
2. Google Earth - Image U.S. Geological Survey

FIGURE 2 OF SC-1/USFS-1
Santa Clara River, San Francisquito Creek Arundo & Tamarisk Removal Project, Phase 2

EXHIBIT B
SCHEDULE

Upper Santa Clara River IRWMP Prop 84 Round 1 Implementation Grant Proposal Schedule

Task	Work Task Title	Description	Start	Finish
Project 1 - Grant Administration				
	Grant Administration		**8/16/2011**	**2/27/2016**
	Combined Quarterly Reports			
		Submit Combined Quarterly Report	4/27/2012	4/27/2012
		Submit Combined Quarterly Report	7/27/2012	7/27/2012
		Submit Combined Quarterly Report	10/26/2012	10/26/2012
		Submit Combined Quarterly Report	1/25/2013	1/25/2013
		Submit Combined Quarterly Report	4/26/2013	4/26/2013
		Submit Combined Quarterly Report	7/31/2013	7/31/2013
		Submit Combined Quarterly Report	10/31/2013	10/31/2013
		Submit Combined Quarterly Report	1/31/2014	1/31/2014
		Submit Combined Quarterly Report	4/30/2014	4/30/2014
		Submit Combined Quarterly Report	7/31/2014	7/31/2014
		Submit Combined Quarterly Report	10/31/2014	10/31/2014
		Submit Combined Quarterly Report	1/30/2015	1/30/2015
		Submit Combined Quarterly Report	4/30/2015	4/30/2015
		Submit Combined Quarterly Report	7/31/2015	7/31/2015
		Submit Combined Quarterly Report	10/30/2015	10/30/2015
		Submit Combined Quarterly Report	12/31/2015	12/31/2015
		Grant Completion Report	2/27/2016	2/27/2016
Project 2 - CLWA – 4 Santa Clarita Valley Water Use Efficiency Plan Programs				
a)	**Direct Project Administration**		**8/16/2011**	**7/31/2013**
a.1	Administration		8/16/2011	7/31/2013
a.2	Reporting			
		Quarterly Report	4/27/2012	4/27/2012
		Quarterly Report	7/27/2012	7/27/2012
		Quarterly Report	10/26/2012	10/26/2012
		Quarterly Report	1/25/2013	1/25/2013
		Quarterly Report	4/26/2013	4/26/2013
		Quarterly Report	7/26/2013	7/26/2013

		Final Report Project Completion	7/26/2013	7/26/2013
		Post-Performance Reports	10/24/2013	10/24/2023
a.3	Labor Compliance Program		NA	NA
b)	**Land Purchase Easement**		**NA**	**NA**
c)	**Planning/Design/Engineering/ Environmental Documentation**		**NA**	**NA**
d)	**Implementation**		**8/16/2011**	**7/31/2013**
d.1	Programs Implementation		8/16/2011	7/31/2013
		Consultants Notice to Proceed	8/16/2011	8/16/2011
d.2	Purchase Conservation Equipment		8/16/2011	7/31/2013
d.3	Rebates		8/16/2011	7/31/2013
		Notice of Completion	7/31/2013	7/31/2013
		Final Construction Summary Report	7/31/2013	7/31/2013
e)	**Environmental Compliance/Mitigation/Enhancement**		**NA**	**NA**
f)	**Construction Administration**		**NA**	**NA**
g)	**Other Costs**		**8/16/2011**	**7/31/2013**
g.1	Public Outreach		8/16/2011	7/31/2013
g.2	Project Monitoring Plan		1/27/2012	1/27/2012
h)	**Construction/Implementation Contingency**		**NA**	**NA**
Project 3 - NCWD – 3 Santa Clara River Sewer Trunk Line Relocation (Phase I)				
a)	**Direct Project Administration**		**9/1/2011**	**10/31/2013**
a.1	Administration		9/1/2011	10/31/2013
a.2	Reporting			
		Quarterly Report	4/27/2012	4/27/2012
		Quarterly Report	7/27/2012	7/27/2012
		Quarterly Report	10/26/2012	10/26/2012
		Quarterly Report	1/25/2013	1/25/2013
		Quarterly Report	4/26/2013	4/26/2013
		Quarterly Report	7/26/2013	7/26/2013
		Quarterly Report	10/31/2013	10/31/2013
		Final Report Project Completion	10/31/2013	10/31/2013
		Post-Performance Reports	12/3/2013	12/4/2023
a.3	Labor Compliance Program		NA	NA
b)	**Land Purchase/Easement**	Land Purchase/Easement (land title request)	**1/2/2012**	**9/2/2013**
c)	**Planning/Design/Engineering/ Environmental Documentation**		**9/1/2011**	**9/2/2013**
c.1	Assessment and Evaluation	Geotechnical Investigations, Data Collection and Surveying	11/1/2011	6/1/2012
c.2	Final Design	Engineering Report	7/2/2012	2/1/2013
c.3	Environmental Documentation	CEQA IS	9/1/2011	6/3/2013

c.4	Permitting	NPDES, CDFG, ACOE 401, LACFD	9/1/2011	6/3/2013
d)	**Construction/Implementation**		**NA**	**NA**
e)	**Environmental Compliance/Mitigation/Enhancement**		**NA**	**NA**
f)	**Construction Administration**		**NA**	**NA**
g)	**Other Costs**		**4/27/2012**	**4/27/2012**
g.1	Project Monitoring Plan		4/27/2012	4/27/2012
h)	**Construction/Implementation Contingency**		**NA**	**NA**
Project 4 - VWC – 1 Santa Clarita Valley Southern End Recycled Water Project				
a)	**Direct Project Administration**		**8/16/2011**	**12/31/2015**
a.1	Administration		8/16/2011	12/31/2015
a.2	Reporting			
		Quarterly Report	4/27/2012	4/27/2012
		Quarterly Report	7/27/2012	7/27/2012
		Quarterly Report	10/26/2012	10/26/2012
		Quarterly Report	1/25/2013	1/25/2013
		Quarterly Report	4/26/2013	4/26/2013
		Quarterly Report	7/26/2013	7/26/2013
		Quarterly Report	10/25/2013	10/25/2013
		Quarterly Report	1/31/2014	1/31/2014
		Quarterly Report	4/25/2014	4/25/2014
		Quarterly Report	7/25/2014	7/25/2014
		Quarterly Report	10/31/2014	10/31/2014
		Quarterly Report	1/30/2015	1/30/2015
		Quarterly Report	4/24/2015	4/24/2015
		Quarterly Report	7/31/2015	7/31/2015
		Quarterly Report	10/30/2015	10/30/2015
		Final Report Project Completion	12/31/2015	12/31/2015
		Post-Performance Reports	3/30/2016	3/16/2026
a.3	Labor Compliance Program		7/1/2013	12/31/2015
b)	**Land Purchase/Easement**	Land Purchase/Easement	**4/2/2012**	**4/1/2013**
c)	**Planning/Design/Engineering/ Environmental Documentation**		**8/1/2011**	**4/1/2013**
c.1	Assessment and Evaluation		8/1/2011	1/2/2012
1.3		Preliminary Design Report	8/1/2011	1/2/2012
c.2	Final Design	Final (100% Design)	5/1/2012	4/1/2013
c.3	Environmental Documentation	CEQA IS	1/2/2012	7/1/2012
c.4	Permitting	CDFG, ACOE, RWQCB, DPH, City	5/1/2012	4/1/2013
d)	**Construction/Implementation**		**7/1/2013**	**12/1/2014**
d.1	Project Construction		7/1/2013	12/1/2014
		Notice to Proceed	7/1/2013	7/1/2013
		Notice of Completion	12/1/2014	12/1/2014
e)	**Environmental Compliance/Mitigation/Enhancement**		**NA**	**NA**
f)	**Construction Administration**		**7/1/2013**	**12/31/2014**

		Quarterly Construction Report	10/25/2013	10/25/2013
		Quarterly Construction Report	1/31/2014	1/31/2014
		Quarterly Construction Report	4/25/2014	4/25/2014
		Quarterly Construction Report	7/25/2014	7/25/2014
		Quarterly Construction Report	10/31/2014	10/31/2014
		Final Construction Report	12/31/2014	12/31/2014
g)	**Other Costs**		**1/25/2013**	**12/1/2015**
g.1	Project Monitoring Plan, QAPP		1/25/2013	12/1/2014
Project 5 - SC – 1/USFS – 1 Santa Clara River, San Francisquito Creek Arundo and Tamarisk Removal Project				
a)	**Direct Project Administration**		**8/16/2011**	**2/1/2013**
a.1	Administration		8/16/2011	2/1/2013
a.2	Reporting			
		Quarterly Report	4/27/2012	4/27/2012
		Quarterly Report	7/27/2012	7/27/2012
		Quarterly Report	10/26/2012	10/26/2012
		Quarterly Report	1/25/2013	1/25/2013
		Final Report Project Completion	1/25/2013	1/25/2013
		Post-Performance Reports	4/11/2013	4/11/2023
a.3	Labor Compliance Program		NA	NA
b)	**Land Purchase/Easement**		**NA**	**NA**
c)	**Planning/Design/Engineering/ Environmental Documentation**		**In progress**	**9/1/2011**
c.3	Environmental Documentation		In progress	5/1/2012
c.4	Permitting		3/1/2011	9/3/2012
d)	**Construction/Implementation**		**9/3/2012**	**1/1/2013**
d.3	Project Construction		9/3/2012	1/1/2013
		Notice to Proceed	9/3/2012	9/3/2012
		Notice of Completion	1/1/2013	1/1/2013
e)	**Environmental Compliance/Mitigation/Enhancement**		**NA**	**NA**
f)	**Construction Administration**		**10/26/2012**	**1/25/2013**
		Quarterly Construction Report	10/26/2012	10/26/2012
		Quarterly Construction Report	1/25/2013	1/25/2013
		Final Construction Report	1/25/2013	1/25/2013
g)	**Other Costs**		**4/27/2012**	**8/1/2012**
g.1	Project Monitoring Plan		4/27/2012	4/27/2012
g.2	Equipment		NA	NA
h)	**Construction/Implementation Contingency**		**9/3/2012**	**1/1/2013**

EXHIBIT C
BUDGET

Summary Budget Table: Upper Santa Clara River IRWM Plan Round 1 Proposition 84 Implementation Grant						
Project No.	Individual Project Title	Non-State Share (Funding Match)	Required Funding Match (Non-State Share)	DWR Grant Funds	Other State Funding Being Used	Total Project Cost
1	Grant Administration	$ 15,229	$ 15,229	$ 289,354	$ -	$ 304,583
2	SCV WUE Programs (CLWA - 4)	$ 979,000	$ 489,500	$ 979,000	$ -	$ 1,958,000
3	SCR Sewer Trunk Line (NCWD - 3)	$ -	$ -	$ 240,000	$ -	$ 240,000
4	Revised SCV Southern End Recycled Water Project (VWC - 1)	$ 8,254,803	$ 3,532,407	$ 4,756,197	$ -	$ 13,011,000
5	SCR Arundo & Tamarisk Removal (SC - 1/USFS - 1)	$ 60,000	$ 30,000	$ 666,449	$ -	$ 726,449
	Grand Total	**$ 9,309,032**	**$ 4,067,136**	**$ 6,931,000**	**$ -**	**$ 16,240,032**

Note: The Method of Grant Funds Disbursement is Concurrent Draw Down. In this method, DWR Grant Funds and the Grantee's Required Funding Match will be spent simultaneously and is calculated based on the ratio of DWR Grant Funds and the Grantee's Required Funding Match (which may vary by budget category). The calculated Concurrent Drawdown Percent is shown on each of the following individual Project Budget Tables and indicates for each dollar invoiced to DWR, the percent that is reimbursed as grant funds; the remainder amount goes toward satisfying Grantee's Required Funding Match.

Proposal: Upper Santa Clara River IRWM Plan Round 1 Proposition 84 Implementation Grant
Project: Grant Administration

Budget Category	Budget Category Description	Non-State Share (Funding Match)*	Required Funding Match (Non-State Share)	DWR Grant Funds	Other State Funds Being Used	Total Project Cost	Concurrent Drawdown Percent (%)
(a)	Direct Project Administration Costs	$ 15,229	$ 15,229	$ 289,354	$ -	$ 304,583	95.00
(b)	Land Purchase/Easement	$ -	$ -	$ -	$ -	$ -	-
(c)	Planning/Design/Engineering/ Environmental Documentation	$ -	$ -	$ -	$ -	$ -	-
(d)	Construction/Implementation	$ -	$ -	$ -	$ -	$ -	-
(e)	Environmental Compliance/ Mitigation/Enhancement	$ -	$ -	$ -	$ -	$ -	-
(f)	Construction Administration	$ -	$ -	$ -	$ -	$ -	-
(g)	Other Costs	$ -	$ -	$ -	$ -	$ -	-
(h)	Construction/Implementation Contingency	$ -	$ -	$ -	$ -	$ -	-
(i)	Grand Total, (Sum rows (a) through (h) for each column)	$ 15,229	$ 15,229	$ 289,354	$ -	$ 304,583	-

* List sources of funding: *Castaic Lake Water Agency general operating fund and revenue from water rates.*

Note: The Method of Grant Funds Disbursement is Concurrent Draw Down. In this method, DWR Grant Funds and the Grantee's Required Funding Match will be spent simultaneously and is calculated based on the ratio of DWR Grant Funds and the Grantee's Required Funding Match (which may vary by budget category). The Concurrent Drawdown Percent shown above indicates, for each dollar invoiced to DWR, the percent that is reimbursed as grant funds; the remainder amount goes toward satisfying Grantee's Required Funding Match.

Proposal: Upper Santa Clara River IRWM Plan Round 1 Proposition 84 Implementation Grant
Project: Santa Clarita Valley Water Use Efficiency Plan Programs (CLWA-4)

Budget Category	Budget Category Description	Non-State Share (Funding Match)*	Required Funding Match (Non-State Share)	DWR Grant Funds	Other State Funds Being Used	Total Project Cost	Concurrent Drawdown Percent (%)
(a)	Direct Project Administration Costs	$ 130,000	$ 65,000	$ 130,000	$ -	$ 260,000	66.67
(b)	Land Purchase/Easement	$ -	$ -	$ -	$ -	$ -	-
(c)	Planning/Design/Engineering/ Environmental Documentation	$ -	$ -	$ -	$ -	$ -	-
(d)	Construction/Implementation	$ 641,000	$ 320,500	$ 641,000	$ -	$ 1,282,000	66.67
(e)	Environmental Compliance/ Mitigation/Enhancement	$ -	$ -	$ -	$ -	$ -	-
(f)	Construction Administration	$ -	$ -	$ -	$ -	$ -	-
(g)	Other Costs	$ 208,000	$ 104,000	$ 208,000	$ -	$ 416,000	66.67
(h)	Construction/Implementation Contingency	$ -	$ -	$ -	$ -	$ -	-
(i)	Grand Total, (Sum rows (a) through (h) for each column)	$ 979,000	$ 489,500	$ 979,000	$ -	$ 1,958,000	-

* List sources of funding: *Castaic Lake Water Agency wholesale water rate revenues.*

Note: The Method of Grant Funds Disbursement is Concurrent Draw Down. In this method, DWR Grant Funds and the Grantee's Required Funding Match will be spent simultaneously and is calculated based on the ratio of DWR Grant Funds and the Grantee's Required Funding Match (which may vary by budget category). The Concurrent Drawdown Percent shown above indicates, for each dollar invoiced to DWR, the percent that is reimbursed as grant funds; the remainder amount goes toward satisfying Grantee's Required Funding Match.

Proposal: Upper Santa Clara River IRWM Plan Round 1 Proposition 84 Implementation Grant
Project: Santa Clara River - Sewer Trunk Line Relocation (Phase 1) (NCWD-3)

Budget Category	Budget Category Description	Non-State Share (Funding Match)*	Required Funding Match (Non-State Share)	DWR Grant Funds	Other State Funds Being Used	Total Project Cost	Concurrent Drawdown Percent (%)
(a)	Direct Project Administration Costs	$ -	$ -	$ 12,000	$ -	$ 12,000	100
(b)	Land Purchase/Easement	$ -	$ -	$ 20,000	$ -	$ 20,000	100
(c)	Planning/Design/Engineering/ Environmental Documentation	$ -	$ -	$ 208,000	$ -	$ 208,000	100
(d)	Construction/Implementation	$ -	$ -	$ -	$ -	$ -	-
(e)	Environmental Compliance/ Mitigation/Enhancement	$ -	$ -	$ -	$ -	$ -	-
(f)	Construction Administration	$ -	$ -	$ -	$ -	$ -	-
(g)	Other Costs	$ -	$ -	$ -	$ -	$ -	-
(h)	Construction/Implementation Contingency	$ -	$ -	$ -	$ -	$ -	-
(i)	Grand Total, (Sum rows (a) through (h) for each column)	$ -	$ -	$ 240,000	$ -	$ 240,000	-

* List sources of funding: *District capital reserves.*

Note: The Method of Grant Funds Disbursement is Concurrent Draw Down. In this method, DWR Grant Funds and the Grantee's Required Funding Match will be spent simultaneously and is calculated based on the ratio of DWR Grant Funds and the Grantee's Required Funding Match (which may vary by budget category). The Concurrent Drawdown Percent shown above indicates, for each dollar invoiced to DWR, the percent that is reimbursed as grant funds; the remainder amount goes toward satisfying Grantee's Required Funding Match.

Proposal: Upper Santa Clara River IRWM Plan Round 1 Proposition 84 Implementation Grant
Project: Santa Clarita Valley Southern End Recycled Water Project (VWC-1)

Budget Category	Budget Category Description	Non-State Share (Funding Match)*	Required Funding Match (Non-State Share)	DWR Grant Funds	Other State Funds Being Used	Total Project Cost	Concurrent Drawdown Percent (%)
(a)	Direct Project Administration Costs	$ 87,000	$ 34,365	$ 50,083	$ -	$ 137,083	59.31
(b)	Land Purchase/Easement	$ 250,000	$ 98,750	$ 144,065	$ -	$ 394,065	59.33
(c)	Planning/Design/Engineering/ Environmental Documentation	$ 760,000	$ 303,240	$ 437,903	$ -	$ 1,197,903	59.08
(d)	Construction/Implementation	$ 3,903,803	$ 1,778,182	$ 2,249,253	$ -	$ 6,153,056	55.85
(e)	Environmental Compliance/ Mitigation/Enhancement	$ -	$ -	$ -	$ -	$ -	-
(f)	Construction Administration	$ 3,254,000	$ 1,317,870	$ 1,874,893	$ -	$ 5,128,893	58.72
(g)	Other Costs	$ -	$ -	$ -	$ -	$ -	-
(h)	Construction/Implementation Contingency	$ -	$ -	$ -	$ -	$ -	-
(i)	Grand Total, (Sum rows (a) through (h) for each column)	$ 8,254,803	$ 3,532,407	$ 4,756,197	$ -	$ 13,011,000	

* List sources of funding: *Property tax/water rates.*

Note: The Method of Grant Funds Disbursement is Concurrent Draw Down. In this method, DWR Grant Funds and the Grantee's Required Funding Match will be spent simultaneously and is calculated based on the ratio of DWR Grant Funds and the Grantee's Required Funding Match (which may vary by budget category). The Concurrent Drawdown Percent shown above indicates, for each dollar invoiced to DWR, the percent that is reimbursed as grant funds; the remainder amount goes toward satisfying Grantee's Required Funding Match.

Proposal: Upper Santa Clara River IRWM Plan Round 1 Proposition 84 Implementation Grant
Project: Santa Clara River, San Francisquito Creek Arundo and Tamarisk Removal Project (SC-1/USFS-1, SCR Arundo Removal)

Budget Category	Budget Category Description	Non-State Share (Funding Match)*	Required Funding Match (Non-State Share)	DWR Grant Funds	Other State Funds Being Used	Total Project Cost	Concurrent Drawdown Percent (%)
(a)	Direct Project Administration Costs	$ -	$ -	$ 25,638	$ -	$ 25,638	100
(b)	Land Purchase/Easement	$ -	$ -	$ -	$ -	$ -	-
(c)	Planning/Design/Engineering/ Environmental Documentation	$ 60,000	$ 30,000	$ 10,000	$ -	$ 70,000	25
(d)	Construction/Implementation	$ -	$ -	$ 455,575	$ -	$ 455,575	100
(e)	Environmental Compliance/ Mitigation/Enhancement	$ -	$ -	$ -	$ -	$ -	-
(f)	Construction Administration	$ -	$ -	$ 78,650	$ -	$ 78,650	100
(g)	Other Costs	$ -	$ -	$ 28,250	$ -	$ 28,250	100
(h)	Construction/Implementation Contingency	$ -	$ -	$ 68,336	$ -	$ 68,336	100
(i)	**Grand Total, (Sum rows (a) through (h) for each column)**	$ 60,000	$ 30,000	$ 666,449	$ -	$ 726,449	-

*** List sources of funding:** *A US Fish and Wildlife Service endowment for invasive plant removal in the Santa Clara River, staff time for City and the US Forest Service, volunteer hours for US Forest Service project.*

Note: The Method of Grant Funds Disbursement is Concurrent Draw Down. In this method, DWR Grant Funds and the Grantee's Required Funding Match will be spent simultaneously and is calculated based on the ratio of DWR Grant Funds and the Grantee's Required Funding Match (which may vary by budget category). The Concurrent Drawdown Percent shown above indicates, for each dollar invoiced to DWR, the percent that is reimbursed as grant funds; the remainder amount goes toward satisfying Grantee's Required Funding Match.

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 and 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 -- 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 contractor acknowledges in accordance with Public Contract Code 7110, that:

a) The contractor 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 contractor, 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 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 subcontracts entered into pursuant to its Grant Agreement with State. Grantee acknowledges that the Project work site will be reportable under the Public Records Act (California Government Code Section 6250 et. seq.). State shall have the right to inspect the Grantee's office 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 through 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%) until January 1, 2016 and ten percent (10.0%), thereafter, of the funds requested by Grantee for reimbursement of Eligible Costs. Each project in this Grant Agreement will be eligible to release its respective retention when that project is completed and Grantee has met requirements of Paragraph 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: 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 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

- For Urban Water Suppliers who have not submitted a complete Urban Water Management Plan, the status of the plan development and submittal.
- 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.
- In areas that receive water supplied from the Sacramento-San Joaquin Delta, the IRWM Plan must reduce dependence on the Sacramento-San Joaquin Delta for water supply (SB 855 (Stats. 2010) Section 31(c)(1)(B)).
- Upon adoption of IRWM Plan, submit an electronic copy with progress report.

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 verse 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 Post 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 Post Performance Reports for each of the projects in this Grant Agreement.

PROJECT-PERFORMANCE REPORT

A 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 – Grant Administration	Castaic Lake Water Agency	27234 Bouquet Canyon Road, Santa Clarita, CA 91350
Project 2 – Santa Clarita Valley WUE Programs (CLWA-4)	Castaic Lake Water Agency	27234 Bouquet Canyon Road, Santa Clarita, CA 91350
Project 3 - Santa Clara River Sewer Trunk Line Relocation (NCWD-3)	Newhall County Water District	23780 Pine Street, Newhall, CA 91321
Project 4 - Santa Clarita Valley Southern End Recycled Water Project (VWC-1)	Valencia Water Company	24631 Avenue Rockefeller Valencia, CA 91355
Project 5 – Santa Clara River, San Francisquito Creek Arundo & Tamarisk Removal Project (SC-1/USFS-1)	City of Santa Clarita/~~Ventura Resource Conservation District~~ Angeles National Forest	23920 Valencia Boulevard, Santa Clarita CA 91355

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
Guidelines for Grantees

The following provides a list of documents typically required by State Auditors and general guidelines for Grantees. List of documents pertains to both 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 Guidelines

Amendment 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 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:
   - Describe contributed item(s) or service(s)
   - Purpose for which contribution was made (tie to scope of work)
   - Name of contributing organization and date of contribution
   - 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)
   - Person's name and function of the contributing person .
   - Hours of contribution
   - If multiple sources exist, summarize these on a table with summed charges
   - 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.

EXHIBIT I
GRANTEE RESOLUTION

RESOLUTION NO. 2756

RESOLUTION OF THE BOARD OF DIRECTORS OF THE CASTAIC LAKE WATER AGENCY GRANTING THE GENERAL MANAGER THE AUTHORITY TO (1) APPLY FOR AN INTEGRATED REGIONAL WATER MANAGEMENT IMPLEMENTATION GRANT AND TO EXECUTE A GRANT AGREEMENT WITH THE CALIFORNIA DEPARTMENT OF WATER RESOURCES, (2) ENTER INTO AGREEMENTS WITH THE CITY OF SANTA CLARITA AND THE NEWHALL COUNTY WATER DISTRICT TO SHARE THE COSTS OF THE APPLICATION PREPARATION AND (3) APPROVE A WORK AUTHORIZATION WITH KENNEDY/JENKS CONSULTANTS TO PREPARE THE APPLICATION FOR AN INTEGRATED REGIONAL WATER MANAGEMENT IMPLEMENTATION GRANT.

WHEREAS, the Castaic Lake Water Agency, City of Santa Clarita, Los Angeles County Flood Control District, San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, Newhall County Water District, Santa Clarita Valley Sanitation District of Los Angeles County, Santa Clarita Water Division of CLWA and Valencia Water Company have established a Regional Water Management Group in accordance the *Integrated Regional Water Management Planning Act* of *2002; and*

WHEREAS, the State of California provides grant funds for the integrated regional water management pursuant to the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84); and

WHEREAS, this grant program is administered by the Department of Water Resources; and

WHEREAS, the Department of Water Resources requires the grant applicant to designate, by Resolution, an authorized representative for filing the grant application and executing the Grant Agreement; and

WHEREAS, the Castaic Lake Water Agency was authorized, designated and requested by the Regional Water Management Group of the Upper Santa Clara River Watershed Integrated Regional Water Management Plan to prepare and apply on its behalf for an Implementation Grant under Proposition 84.

WHEREAS, the stakeholders of the Upper Santa Clara River Watershed Integrated Regional Water Management Plan have identified a suite of projects to be included in an Implementation Grant Application; and

WHEREAS, the Newhall County Water District, Valencia Water Company, the City of Santa Clarita and CLWA all have projects in the suite of projects; and

WHEREAS, the project sponsors have agreed to proportionally share the costs of the Implementation Grant Application on the basis of the individual grant requests, where CLWA would also be financially responsible for the Valencia Water Company project; and

WHEREAS, in order to the share costs of the Implementation Grant Application preparation, an agreement will need to be executed among all of the parties; and

WHEREAS, the consulting firm of Kennedy/Jenks Consultants assisted in the preparation of the Upper Santa Clara River Integrated Regional Water Management Plan, the preparation of a planning grant application for updating that plan, and are very familiar with the Upper Santa Clara River Watershed and the requirements of the Integrated Regional Water Management grant process; and

WHEREAS, the firm of Kennedy/Jenks Consultants has prepared a scope of work and cost estimate to prepare the IRWM Implementation Grant application.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors, the governing body of the Castaic Lake Water Agency, resolves and orders as follows:

1) The General Manager is authorized and directed to file an application with Department of Water Resources to obtain an Integrated Regional Water Management Implementation Grant pursuant to the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Public Resource Code [PRC] Section 75001 *et seq.*).

2) The General Manager is authorized and directed to enter into and execute an agreement with the Department of Water Resources to receive a grant for the Upper Santa Clara River Integrated Regional Water Management Plan Implementation Projects and is hereby authorized and directed to prepare the necessary data, conduct investigations and file such applications as necessary to enter into and execute the grant agreement.

3) The General Manager is authorized to enter into agreements with the City of Santa Clarita and the Newhall County Water District to share the costs of the application preparation, and to approve a Work Authorization with Kennedy/Jenks Consultants to prepare the application for an Integrated Regional Water Management Implementation Grant.

President

I, the undersigned, hereby certify I am the duly appointed and acting Secretary of the Castaic Lake Water Agency and at a regular meeting of the Board of Directors of said Agency held on Wednesday, October 27, 2010, the foregoing Resolution No. 2756 was duly and regularly adopted by said Board, and that said resolution has not been rescinded or amended since the date of its adoption, and it is now in full force and effect.

DATED: October 27, 2010

April Jacobs, Secretary