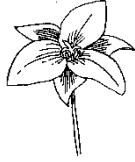


WESTHAVEN COMMUNITY SERVICES DISTRICT

P.O. Box 2015 (446 B 6th Ave. Westhaven) Trinidad CA 95570 (707) 677-0798 wcsd@suddenlinkmail.com



REGULAR MONTHLY BOARD MEETING AGENDA

The regular meeting of the Board of Directors of the Westhaven Community Services District will be held

Wednesday June 15th 2022 at 6:30 p.m. Due to the coronavirus pandemic, until further notice, this and upcoming WCSD Board meetings will be held virtually using ZOOM.

How to Submit Public Comment:

Members of the public may provide public comment before and during the meeting by sending email comments to the WCSD Manager at prosenblatt.wcsd@suddenlinkmail.com Such email comments must identify the agenda item number in the subject line of the email. The comments will be read into the record, with a maximum allowance of three minutes (approximately 500 words) per individual comment, subject to the Board President's discretion. If a comment is received after an agenda item is heard, but before the close of the meeting, the comment will be included as a part of the written record of the meeting but will not be read into the record during the meeting.

Topic: Regular Meeting of WCSD Board for June 2022

Time: Jun 15, 2022 06:30 PM Pacific Time (US and Canada)

Join Zoom Meeting

<https://humboldtstate.zoom.us/j/84320171898>

Meeting ID: 843 2017 1898

Passcode: 333143

One tap mobile

+16699006833,,84320171898# US (San Jose)

+12532158782,,84320171898# US (Tacoma)

1. CALL TO ORDER

2. PUBLIC COMMENT

Materials related to an item on this Agenda, including materials submitted to the Board after distribution of the Board Packets, are available for public inspection in the WCSD Office at 446 B Sixth Avenue.

Members of the public are invited to comment on any matter within the authority of the WCSD.

Comments may also be offered during the discussion of any item on the agenda.

Board discussion of matters not appearing on the published agenda is prohibited by law.

3. AMEND / APPROVE ORDER OF AGENDA ITEMS

4. RESOLUTION 2022.6 REGARDING AB361 REMOTE MEETING

4.1 Resolution 2022.7 Regarding AB 361 Remote Meeting Via Zoom

5. AMEND / APPROVE MINUTES

5.1 May 18th, 2022 - Regular meeting minutes. **Discussion/Approval**

6. FINANCIAL REPORTS, DISCUSSIONS AND APPROVALS

6.1 Directors' Report – monthly billing and collections — **Discussion**

6.2 Water consumption and Sales – **Discussion**

6.3 Income / Expense Report. **Discussion**

6.4 Finance Officer's Recommendations – **Discussion**

6.5 Treasurer's Report and Recommendations – **Discussion**

6.6 May's warrants – **Discussion/Approval**

7. **MANAGER'S REPORT**
 - 7.1 Water loss. No known leaks in May. **Discussion**
8. **UPDATE ON GRANT FUNDING AND RELATED ACTIVITES**
 - 8.1 DWR Small Community Drought Grant work proceeding. **Discussion/Approval**
 - 8.2 Update on activities related to well drilling. **Discussion/Approval**
 - 8.3 City of Trinidad Multi-benefit grant emergency intertie. **Discussion/Approval**
9. **TECHNICAL ASSISTANCE GRANT FROM DEPT OF FINANCIAL ASSISTANCE**
 - 9.1 Update on progress of technical assistance grant for Water Plant from DFA. **Discussion/Approval**
10. **NORTH COAST RESOURCE PARTNERSHIP TECHNICAL ASSISTANCE GRANT TWO CREEKS CAPP**
 - 10.1 Update on Technical assistance grant for writing the Conceptual Area Protection Plan (CAPP) for the Two Creek watershed to work with Mark Andre and BBW **Discussion/Approval**
11. **HIRING GRANT ADMINISTRATION ASSISTANCE**
 - 11.1 General Manager proposes hiring Don Allen local grant administration expert to assist with keeping DWR grant on track. Cost's would be paid through grant. Hire as contractor. **Discussion/Approval**
12. **2022-2023 BUDGET**
 - 12.1 Discussion of the 2022-2023 budget **Discussion/Approval**
13. **MOVE FUNDS FROM CAPITAL RESERVES TO CHECKING FOR GRANT PAYMENTS.**
 - 13.1 Move funds from Capital Reserves to checking account for recurring grant expenses. Money will ultimately be reimbursed by individual grants. **Discussion/Approval**
14. **LEASE RENEWAL FOR WCSD OFFICE**
 - 14.1 Lease renewal for WCSD office **Discussion/Approval**
15. **LAFCO RESPONSE REGARDING RANCHERIA PIPELINE AND POSSIBLE ADDITIONAL SERVICE EXTENSION'S**
 - 15.1 LAFCO's response to additional service provision beyond proposed Trinidad Rancheria Pipeline extension (Hankin to lead) **Discussion/Approval**
16. **MOTION TO REMOVE PHIPPS AS CHECK SIGNER AND ADD LLANOS.**
 - 16.1 Motion to remove Director Phipps as signer and add Llanos as new signer. **Discussion/Approval**
17. **GOVERNORS DROUGHT ORDER**
 - 17.1 Governor's drought order: currently for Urban Water Suppliers. **Discussion/Approval**
18. **CALIFORNIA'S NEW SHUT OFF PROTOCOLS**
 - 18.1 New protocols from the State of California for water shutoff's. Manager working on bringing district into compliance **Discussion/Approval**
19. **RETURN TO IN PERSON MEETINGS**
 - 19.1 Return to in person meetings **Discussion/Approval**
20. **DISCUSSION OF PHILOSOPHICAL, POLITICAL AND META ISSUE ASPECTS OF THE DISTRICT'S EXISTENCE AND OPERATION**
 - 20.1 Discussion of philosophical, political and meta issue aspects of the District's existence and operation **Discussion/Approval**
21. **ITEMS FROM MEMBERS OF THE BOARD FOR FUTURE MEETINGS**
22. **ADJOURN**

Regular Meetings of the Board occur on the 3rd Wednesday of the month at 6:30 Pm. The next Regular Meeting will be **July 20th, 2022** and will be held via zoom
This agenda is posted pursuant to the provisions of the Government Code commencing at Section 54950.

Posting locations are: 1) WCSD Office; 2) Westhaven Fire Hall and online at the Westhaven CSD website @ westhavencsd.org

The Westhaven CSD will make reasonable effort to accommodate the participation of persons with disabilities.
If you require such accommodation, contact the WCSD office at 677-0798 at least 48 hours prior to the meeting.

WESTHAVEN COMMUNITY SERVICES DISTRICT
RESOLUTION 2022-9

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTHAVEN COMMUNITY SERVICES DISTRICT PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY AB 361 PASSED 9-20-2021 AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE WESTHAVEN COMMUNITY SERVICES DISTRICT FOR THE PERIOD JUNE 15, 2022 to JULY 20, 2022 PURSUANT TO BROWN ACT PROVISIONS.

WHEREAS, the Westhaven Community Services District is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of the Westhaven Community Services District's legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the District's legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District's boundaries, caused by natural, technological, or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, such conditions now exist in the District, specifically as a result of the COVID-19 pandemic, the Governor proclaimed a state of emergency on March 4, 2020, in accordance with the section 8625 of the California Emergency Services Act, and the state of emergency remains in effect, and

WHEREAS as a result of the COVID-19 pandemic, the Humboldt County Health Officer has imposed and has recommended measures to promote social distancing as more particularly set forth in his August 6, 2021, Order, among other prior orders and guidance; and

WHEREAS, the Board of Directors does hereby find that the Covid 19 pandemic, and, social distancing orders has caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District, and desires to proclaim a local emergency and ratify the proclamation of state of emergency by the Governor of the State of California and

WHEREAS, as a consequence of the local emergency, the Board of Directors does hereby find that the legislative bodies of the Westhaven Community Services District shall conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS Meeting agendas are posted at the district office and Fire Hall bulletin boards and online via the districts website www.westhavencsd.org and are open to all via Zoom. .

NOW, THEREFORE, THE BOARD OF DIRECTORS OF WESTHAVEN COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Proclamation of Local Emergency. The Board hereby proclaims that a local emergency now exists throughout the District, and meeting in person pose a high potential of health risk.

Section 3. Ratification of Governor's Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance date of 9-17-2021

Section 4. Remote Teleconference Meetings. The staff and General Manager and legislative bodies of the Westhaven Community Services District are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the 16th of April, 2022 or such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of the Westhaven Community Services District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Westhaven Community Services District, this **15th day of June, 2022**, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

William Verick, President
Westhaven Community Services District

ATTEST:

Roxanne Levang, Secretary
Westhaven Community Services District

WESTHAVEN COMMUNITY SERVICES DISTRICT
Regular Meeting Minutes
May 18, 2022

1. CALL TO ORDER

Board President Verick called the meeting to order at 6:30 PM. In attendance were:
Board Members: Verick, Cline, Swisher & Llanos
Absent: Hankin
Staff: Rosenblatt, Levang, Martin & Whitlow-Hewett
Guests: None

2. PUBLIC COMMENT

None at this time

3. AMEND / APPROVE ORDER OF AGENDA ITEMS

Verick moved to approve the order of agenda items. Seconded by Llanos; all approved.

4. RESOLUTION 2022-6 REGARDING AB361 REMOTE MEETING

4.1 Resolution 2022-6 Regarding Ab361 Remote Meeting Via Zoom

Verick moved to approve Resolution 2022-5 Remote Meeting. Seconded by Cline; all approved.

5. AMEND / APPROVE MINUTES

5.1 April 20, 2022 regular meeting minutes

Verick moved to approve April 20, 2022 regular meeting minutes as written. Seconded by Cline; all approved.

5.2 May 4, 2022 Special Meeting

Correct title to read *Special Meeting Minutes*.

Changes under Item 3, Adoption of Draft 2022-2023 budget are as follows:

- Third line change ~~then~~ to *than*.
- 4th line add international in front of sanctions to read *international sanctions*.
- 7th line change Llanos ~~questioned~~ to Llanos *asked for clarification as to*.
- 8th line change *had not changed* to *was the same as the previous year*.
- 8th line change the sentence that starts with ~~Rosenblatt calculated~~ to *It was agreed that method for projecting gallons sold was to calculate over a five year period, less the COVID year*.
- 2nd to last sentence change rate charge ~~per gallons~~ to rate charge *per 1,000 gallons*.

Verick moved to approve May 4, 2022 special meeting minutes as amended. Seconded by Cline; all approved.

6. FINANCIAL REPORTS, DISCUSSION AND APPROVALS

6.1 Director's Report-monthly billings and collections - discussion

Board packets contained Directors report. Total April, 2022 water sales were \$20,705.03, and total receivables were \$22,286.23. No discussion

6.2 Water Consumption and Sales - Board packets contained Water Consumption and Billings-Commodity Charges Only report. April, 2022 gallons billed 454,630; average gallon per day per meter readings 84; per person 38, average monthly charge per accounts \$34.59 total monthly charges \$6,917; monthly deviation from budget -\$1,426. Rosenblatt reported a leak adjustment of \$642.53 over 2 months and totaling 52,048 gallons.

Rosenblatt thanked Llanos for reviewing and correcting formulas in the Water Consumption and Sales spreadsheet. The corrected spreadsheet more accurately reflects water consumption and sales.

6.3 Income & Expense Report – discussion

Board packets contained an Income & Expense report for April, 2022. Total income \$17,787, total expense \$17,108, with a net operating income of \$680. There was a question clarifying a foot note, otherwise no discussion.

6.4 Finance Officer's Recommendations – No recommendations

6.5 Treasurer's Report and Recommendations – discussion

Board packets contained a copy of the April, 2022. Treasurer's report. Account balances were as follows: Capital Reserves \$231,123.74; Operating Reserves \$52,293.24; DWR Reserve CD \$28,897.25; DWR Loan Savings \$4,426.13; Levang corrected the checking account balance amount. The corrected amount is \$30,073.94 as of 5/13/2022.

There was discussion of expenses in the operating budget that are actually capital expenses. This led to discussion of withdrawing funds from the capital reserve to the checking account. Rosenblatt proposed transferring \$25,000 to \$50,000 from Capital reserve to checking. There was consensus that this was what should be done, Verick requested staff add to next month's agenda for approval.

6.6 April/May Warrants – discussion/approval

Verick asked about check #7037 to the Humboldt County Planning Department. Levang explained that the original payment was lost. A stop payment was issued to check #7010.

Verick moved to approve warrants #'s 7030 through 7053, one Federal payroll tax deposits and one State payroll tax deposits, and two debit card charges, totaling \$16,663.24. Seconded by Cline; all approved.

7. MANAGER'S REPORT

7.1 Water Loss increased from 2.2 GPM in February to 2.7 GPM in April for 24.83% of total production of 604,800 gallons. There were no known system leaks.

Board packets contained a summary table of 13 months water loss history. April 2022 water loss is at 24.8%, average water loss in the last 13 months is 22%. Rosenblatt reported that there is a leak but they have not yet identified where. Verick mentioned the low well production. Rosenblatt said current production is up but down per long term trends. It was noted that the second to the last column was changed to read Monthly Sold Gallons, per Hankins request. Llanos also helped Rosenblatt update this spreadsheet

8. UPDATE ON GRANT APPLICATION FUNDING AND RELATED ACTIVITIES

8.1 The DWR Small Community Drought Grant work is proceeding.

Rosenblatt reported that he is working on various details to get everything ready to start the work. He is working on getting an easement from a third neighbor.

8.2 Update on activities related to well drilling. Site prep is starting tomorrow. Rosenblatt said the white spray paint Verick asked about is marking drainage pipe. All the balls are aligned to get permits renewed and drilling to start in the summer at all well locations.

8.3 City of Trinidad Multi-benefit grant emergency intertie. Rosenblatt has been in discussions with the City of Trinidad regarding who is responsible for what. He has requested a special meeting with the City of Trinidad. Rosenblatt proposed and the board agreed to form a special committee comprised of Rosenblatt, Hankin and Llanos for the purpose of proceeding with the City of Trinidad on negotiations for an MOU. Verick suggested including the approval funding agreement in next month's agenda. Rosenblatt said we may need to call a special meeting to review and improve an MOU before approving the funding agreement.

9. TECHNICAL ASSISTANCE GRANT FROM STATE DIVISION OF FINANCIAL ASSISTANCE (DFA)

9.1 Update on progress of technical assistance grant for water plant from DFA
Rosenblatt reported that he is working with Tom Warnock, PACE Engineer, and the State Division of Financial Assistance to finish up the last details of the plant design and moving forward on attaining funding to build the plant. He is working with the county Planning Department on the septic system design.

10. NORTH COAST RESOURCE PARTNERSHIP TECHNICAL ASSISTANCE GRANT TWO CREEKS CAPP

10.1 Update on technical assistance grant for writing the Conceptual Area Protection Plan (CAPP) for the Two Creeks watershed. The work on this grant will be done with by Mark Andre and Baldwin, Blomstrom, Wikinson & Associates (BBW).
Rosenblatt said he provided Andre with the CAPP MAP that Llanos developed. He reported having a good meeting with Fish and Wildlife. Rosenblatt discussed with Don Allan about hiring him as a consultant. Rosenblatt is putting together a job description and contract.

12. 2022-2023 BUDGET

12.1 Discussion of 2022-2023 budget
No public comment

13. DISCUSSION OF THE PROCESS FOR DETERMINING NEXT FY BUDGET

13.1 Discussion of the process for determining the next FY Budget. Discussion/Approval
Verick initiated a discussion regarding the board having such a short period of time to review and approve the annual budget. He requested in the future for the board to be able to review the budget earlier. The staff has committed to start developing the budget the beginning of February and present to the board at the March board meeting.

14. LEASE RENEWAL FOR WCSD OFFICE

14.1 Lease renewal for WCSD office. Discussion/Approval
The lease has not been agreed to yet. The agreement needs a couple edits. Rosenblatt needs to update the additionally insured and mark #11 in the lease agreement. Hankin asked to but the actual dollar amount in on line #11 in the lease agreement. Verick asked about the point of contention discussed at the last meeting. Rosenblatt said that the WVFD board voted to continue the 5 year renewal in the lease agreement.

15. RETURN TO IN-PERSON MEETINGS

15.1 Return to in-person meetings – discussion

Verick reported that the McKinleyville branch of the Five Counties Bank is temporarily closed because most of the staff is down with Covid. According to New York Times nationally over the last 14 days cases are up roughly 60%. Locally, daily average Covid cases are up to 1 per 100 thousand. The board agreed to continue meeting via Zoom.

16. DISCUSSION OF PHILOSOPHICAL, POLITICAL AND META ISSUE ASPECTS OF THE DISTRICT'S EXISTENCE AND OPERATION.

No discussion

19. ITEMS FROM MEMBERS OF THE BOARD FOR FUTURE MEETINGS

- Transfer funds from the capital reserve to the checking account to cover capital expenditures. Discussion/Approval
- City of Trinidad Multi-benefit grant emergency intertie copy of funding agreement

20. ADJOURN

Verick adjourned the meeting at 7:30 PM.

Respectfully Submitted,

Roxanne Levang
WCSD Secretary

Directors Report

Westhaven CSD

Water Pumped This Month	839,800 Gallons
Water Sold This Month	517,260 Gallons
Water Loss	322,540 Gallons
Water Loss (%)	38.41 %

	Amount (\$)	# Of Accounts
Total Water	21,472.64	232
Total Late Charge	109.26	80
Total Reconnect Fee	52.50	3
Total Adjustments	-594.93	32
Total Current Charges	21,039.47	232
Amount Past Due 1-30 Days	5,323.30	58
Amount Past Due 31-60 Days	1,030.23	11
Amount Past Due Over 60 Days	2,529.68	7
Amount Of Overpayments/Prepayments	-5,249.39	49
Total Receivables	24,673.29	232

Total Receipts On Account	18,652.41	176
Net Change in Memberships	0.00	0
Amount of All Memberships	0.00	

Turned Off Accounts (Amount Owed)	0.00	13
Collection Accounts (Amount Owed)	0.00	13
Number Of Unread (Turned On) Meters		

Average Usage For Active Meters	2,201	235
Average Water Charge For Active Meters	92.55	232

Usage Groups	Gallons	# Of Accounts	Usage	Gallons	% Of Usage	% Of Sales
Over 50,000		0		0	0.00	0.00
40,001-50,000		0		0	0.00	0.00
30,001-40,000		0		0	0.00	0.00
20,001-30,000		0		0	0.00	0.00
10,001-20,000		2	20,700		4.00	2.05
8,001-10,000		2	17,800		3.44	1.84
6,001-8,000		3	19,670		3.80	2.29
4,001-6,000		30	141,530		27.36	18.33
2,001-4,000		73	212,500		41.08	34.91
1-2,000		93	105,060		20.31	32.42
Zero Usage		32		0	0.00	8.17
Total Meters		235	517,260		100.00	100.00

WATER CONSUMPTION AND BILLINGS - COMMODITY CHARGES ONLY

ITEM 6.2

Annual adjustments to the commodity rates involve estimation of anticipated water use.

This report tracks billings as compared to budgeted averages based on all meters showing any use.

It is not weighted to anticipate seasonal variations in water use.

Adjustments for reported customer leaks have **not** been included in the monthly totals.

To compare this year's to last year's trend go to the column on the far right.

DAYS BILLED	GALLONS BILLED	TOTAL NON-ZERO METERS	AVG. GAL/DAY PER METER	AVG. GAL/DAY PER PERSON AT 2.20	AVG. MONTHLY CHARGE PER ACCT.	TOTAL MONTHLY CHARGES	MONTHLY DEVIATION FROM BUDGET	CUMMULATIVE DEVIATION	
2021-2022									
JUNE 28	793,200	205	138	63	\$58.87	\$12,069	\$3,726	\$3,726	
JULY 28	612,060	206	106	48	\$45.22	\$9,314	\$971	\$4,697	
AUG 34	773,350	209	109	49	\$55.99	\$11,702	\$3,359	\$8,056	
SEPT 28	586,540	205	102	46	\$43.29	\$8,874	\$531	\$8,586	
OCT 29	519,020	207	86	39	\$37.90	\$7,846	-\$497	\$8,089	
NOV 33	536,010	207	78	36	\$39.43	\$8,161	-\$182	\$7,907	
DEC 29	446,110	199	77	35	\$33.76	\$6,719	-\$1,624	\$6,283	
JAN 30	529,770	203	87	40	\$39.73	\$8,065	-\$278	\$6,004	
FEB 32	519,060	201	81	37	\$39.14	\$7,866	-\$477	\$5,527	
MAR 30	533,550	201	88	40	\$40.39	\$8,118	-\$225	\$5,302	
APR 27	454,630	200	84	38	\$34.59	\$6,917	-\$1,426	\$3,876	
MAY 30	517,260	200	86	39	\$39.36	\$7,872	-\$472	\$3,405	
AVG. 30	568,380	204	94	43	\$42.38	\$8,627	\$284		
TOTAL	6,820,560					\$103,526		\$3,405	
LEAK ADJ.	181,633					\$1,722			
NET	6,638,927	AFTER LEAK ADJUSTMENTS					\$101,804		\$1,683

BUDGETED COMMODITY PER MONTH \$41.96 \$8,561
 BUDGETED ANNUAL COMMODITY INCOME \$102,729

SOLD TO DATE			TOTAL BILLINGS TO DATE		
2021-2022	6,820,560	= 76%	2021-2022	\$103,526	= 89%
2020-2021	8,939,400	OF 20-21	2020-2021	\$116,326	OF 20-21

2020-2021									
JUN 33	801,120	211	115	52	\$56.53	\$11,928	\$3,584	\$3,584	
JULY 29	785,150	211	128	58	\$54.68	\$11,538	\$3,194	\$6,779	
AUG 28	782,340	213	131	60	\$53.95	\$11,492	\$3,149	\$9,927	
SEP 35	850,140	212	115	52	\$58.75	\$12,455	\$4,111	\$14,038	
OCT 28	747,280	210	127	58	\$45.56	\$9,567	\$1,224	\$15,262	
NOV 28	727,510	210	124	56	\$37.00	\$7,769	-\$574	\$14,688	
DEC 35	914,350	207	126	57	\$45.70	\$9,459	\$1,116	\$15,804	
JAN 28	677,930	205	118	54	\$35.91	\$7,361	-\$982	\$14,822	
FEB 30	513,560	207	83	38	\$37.59	\$7,782	-\$562	\$14,260	
MAR 33	681,830	206	100	46	\$44.32	\$9,129	\$786	\$15,046	
APR 28	669,590	206	116	53	\$38.98	\$8,031	-\$313	\$14,734	
MAY 34	788,600	210	110	50	\$46.74	\$9,815	\$1,471	\$16,205	
AVG. 30	744,950	209	119	54	\$46.38	\$9,694	\$1,350		
TOTAL	8,939,400					\$116,326		\$16,205	
LEAK ADJ.	137,315					\$1,048			
NET	8,802,085	AFTER LEAK ADJUSTMENTS					\$115,278		\$15,157

BUDGETED COMMODITY PER MONTH \$40.63 \$8,288
 BUDGETED ANNUAL COMMODITY INCOME \$99,452

SOLD TO DATE			TOTAL BILLINGS TO DATE		
2020-2021	5,607,890	= 110%	2020-2021	\$74,208	= 104%
2019-2020	5,091,120	OF 19-20	2019-2020	\$71,622	OF 19-20

**Westhaven Community Services District
FY 2020-2021 Income / Expense Report
as of May 2022**

ITEM 6.3

Annual		<u>CURRENT</u>			<u>CUMULATIVE</u>			
<u>OPERATING BUDGET</u>								
<u>Budget</u>	<u>Income</u>	May 2022	Monthly Budget	Over/Under	July 2021 thru May 2022	Jul '21 thru May 2022 Budget	Over/Under	% of Budget
263,647	Water Sales	17,548	21,971	-4,423	197,871 ¹	199,141	-1,270	99.4%
3,319	Water Services	416	277	139	5,177	3,042	2,135	170.2%
0	St COVID Funds	0	0	0	774 ⁵	0	774	0.0%
266,966	Total Income	17,964	22,247	-4,283	203,822	202,184	1,638	100.8%
	<u>Expense</u>							
2,802	Source of Supply	42	234	-192	596	2,569	-1,973	23.2%
10,098	Pumping	1,098	842	257	10,400	9,257	1,144	112.4%
37,521	Water Treatment	4,147 ₄	3,127	1,020	39,465	34,394	5,071	114.7%
11,740	Transmission & Distribution	726 ₃	978	-252	27,203	10,762	16,441	252.8%
9,003	Customer Accounts	454	750	-296	7,648	8,253	-605	92.7%
138,899	Administrative & General	13,227 ₂	11,575	1,652	125,382	127,324	-1,942	98.5%
10,000	Operating Reserves Contrib.	0	0	0	0	9,167	-9,167	0.0%
220,063	Total Expense	19,694	17,505	2,189	210,694	201,724	8,970	104.4%
	Net Operating Income	-1,730	4,742		-6,872			
	<u>Capital/Other Expense</u>							
26,402	DWR Loan	2,200	2,200	0	24,200	24,202	-2	100.0%
20,000	Capital Reserve	1,667	1,667	0	18,337	18,333	4	100.0%
46,402	Total Other Expense	3,867	3,867	0	42,537	42,535	2	100.0%

Income & Expense Report Notes:

- ¹ Changed formula subtracting Capital/Other expenses (\$46,402) from budget total so that the percentage of budget amounts would more accurately reflect actual budget percentages.
- ² Admin & General was over in the month of July, 2021 because the annual Property & Liability Ins., \$3682 was paid and annual Workers comp, \$2936. December 2021 paid varied annual membership fees and assessment taxes. Paid Dec & Jan PGE & Emp medical premiums. May Admin expense is over due to \$2,471.59 paid 2022-23 Workers Comp and office supplies was high because toner was purchased for all three printers.
- * FYI: Under TA Grant, (does not show on Operating Budget Inc/Exp) \$8,000 to PG&E for Engineering advance for the plant project.
- ³ Transmission & Distribution is over in September because GRSundberg was paid \$3549.49 to repair main water line leak and backflow testing of \$2250; and Backflow devise replacement \$254. Dec, 2021 paid Pacific Earthscape \$ 6401.70 and GRSundberg \$2600 for water leaks at 7th Av & 6th Av. Jan. 2022 water leaks GR Sundberg \$2222.43 12/29 6th/Westhaven \$1000 leak on 1/18.
- ⁴ Jan 2022 water treatment is high due to \$620.64 calcite.
- ⁵ SWRCB COVID funds for customer pymts. Total check \$3,116.01. \$2,341 is in water sales income because funds were used to make payments on customer accounts past due balances as of 6/30/2022. \$744.22 was not applied to pymts because those customers paid in full after 6/30/2022. It is my understanding that these funds cannot be used on other past due accounts and will be returned to the State of CA.

WESTHAVEN COMMUNITY SERVICES DISTRICT
Treasurer's Report
May 2022

ITEM #

<u>BALANCE</u>	<u>CURRENT RATE</u>	<u>TYPE LOCATION</u>	<u>F/Y BUDGETED CONTRIBUTION</u>	<u>F/Y CONTRIBUTIONS YET TO BE MADE</u>	<u>F/Y DEPOSITS TO DATE</u>	<u>F/Y WITHDRAWALS TO DATE</u>
\$231,123.74	1.69800	Capital Reserves Hum Co Fund 2600		\$ 20,000 *	\$14,952.35 7/16/21 for hydrant	1/1/2021 \$26,143.05
					Note: The last qrtly report we have received from the County was for quarter ended 9/30/2020	
\$52,293.24	0.24000	Operating Reserve LAIF # 16-12-005		\$ 10,000 **	\$42.58 7/15/21 Interest \$31.78 10/15/21 Interest \$30.06 1/15/2022 Interest \$41.18 3/31/2022 Interest	
\$28,899.94	0.50000	DWR CD Reserve CD Umpqua 2368	Held in reserve for the term of the loan - until 2024		\$144.68 2021 Interest \$ 13.14 2022 Interest to date	
\$6,626.39	0.03000	DWR Loan Savings Saving Umpqua 0648	Accumulates for Semi-Annual payments of \$13,200.95 to Dept of Water Resources	Automatic Monthly deposit from checking of \$2200.23 (annual total \$26,402.76)	\$ 13,200.95 9/2/2021 Semi-Annual pymt \$ 13,200.95 3/1/2022 Semi-Annual pymt	
\$28,762.50		Checking Account Umpqua 5013				Checking Balance as of 6/8/2022

*Capital Reserves Contributions Shall be \$20,000 and should be made unless unforeseen District expenses or unexpected revenue shortfalls prevent making a full contribution (from Financial Procedures Manual) **Reserve contributions historically made at end of fiscal year.**

** Operating Reserves Contribution: Sufficient to maintain a minimum reserve of 25% of the total operating budget; surplus may be contributed to the Capital Reserve Funds (From Financial Procedures Manual)

2021/2022 Operating Budget \$220,064 X 25% = \$55,016

WESTHAVEN COMMUNITY SERVICES DISTRICT

Warrants May 18, 2022 to June 14, 2022

Number	Date	Amount	To Whom	Purpose
7054	5/24/2022	\$ 2,120.82	Blue Shield of CA	June H/C premium \$1783.34/\$337.48
7055	5/26/2022	\$ 55.00	SWRCB-DWOCP	K. Martin Water Treatment Certificate
7056	5/26/2022	\$ -	Void	Void
7057	5/26/2022	\$ 951.97	Cardmember Services	Visa Shovel \$41.69, Toner \$740.87, Dental Ins \$169.41
7058	6/1/2022	\$ 607.44	K. Martin	Payroll 5/16-5/31/22
7059	6/1/2022	\$ 630.02	M. Whitlow-Hewett	Payroll 5/16-5/31/22
7060	6/1/2022	\$ 1,808.36	P. Rosenblatt	Payroll 5/16-5/31/22
7061	6/1/2022	\$ 675.09	R. Levang	Payroll 5/16-5/31/22
7062	6/1/2022	\$ 138.62	AT&T	Plant telephone 5/20-6/19/22
7063	6/1/2022	\$ 236.00	US Postal Service	2 rolls Forever stamps, 3 rolls postcard
7064	6/1/2022	\$ 400.00	WVFD	June office rent
7065	6/1/2022	\$ 179.24	K. Martin	Mileage to Redding for D1 test
EDD	6/2/2022	\$ 278.20	EDD	State P/R Tax Deposit for May 2022
EFTPS	6/2/2022	\$ 1,980.66	EFTPS	Federal P/R Tx Deposit for May 2022
7066	6/1/2022	\$ 1,545.00	R. Levang	Reimburse mileage \$11.42 & Postage \$4.33
7067	6/7/2022	\$ 53.88	B&B Portable Toilets	Rental 5/1-5/28/22
7068	6/7/2022	\$ 10.50	HC Planning Division	Balance on Well permit extension/modification
7069	6/7/2022	\$ 799.80	Mendes Supply	Chemicals
7070	6/7/2022	\$ 639.81	Miller Farms	Water pump \$592.61, Coupler/Adapters \$47.20
7071	6/7/2022	\$ 105.12	Pacific Paper	Copy paper & misc office supplies
7072	6/7/2022	\$ 778.42	PG&E	Plant \$502.87, Well \$195.19, Office \$80.36
7073	6/7/2022	\$ 2,471.59	SDRMA	2022-23 Workers Comp
7074	6/7/2022	\$ 139.14	Suddenlink	June office telephone and Internet
7075	6/7/2022	\$ 12.92	Thomas Home Center	Shovel head handle
7076	6/7/2022	\$ 134.65	Valley Pacific	May fuel

Total \$16,752.25

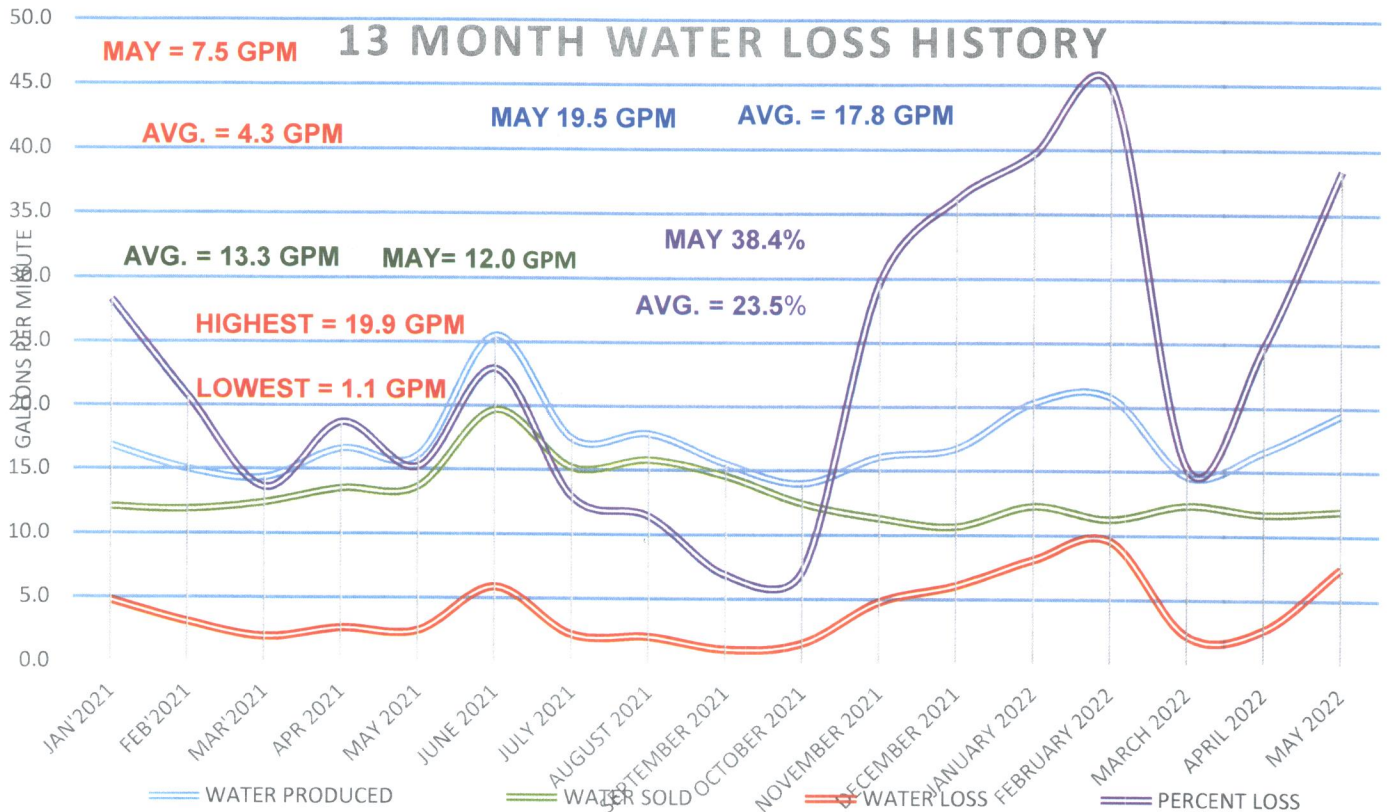
Checking Account Balance as of 6/8/2022
\$28,762.50

WESTHAVEN CSD • MANAGER'S REPORT
JUNE 2022

7.1 Water Loss

Water loss increased from 2.7 gpm in April to 7.5 gpm in May for 38.4% of total production of 840,260 gallons No known system leaks Discussion

<u>FROM JULY 2003</u>	<u>PRODUCED GPM</u>	<u>SOLD GPM</u>	<u>LOST GPM</u>	<u>%LOSS OF WATER PRODUCED</u>	<u>MONTHLY PRODUCTIO GALLONS</u>	<u>MONTHLY SOLD GALLONS</u>	<u>MONTHLY LOSS GALLONS</u>
MAY 2022	19.5	12.0	7.5	38.4	840,260	517,260	323,000
AVG. ALL	21	15	6	28	930,487	597,716	278,064
24 MO AVG.	18	14	4	22	791,577	609,843	181,735
13 MO AVG.	17.8	13.3	4.3	23.5	767790.2	576090.0	191700.2
MINIMUM MONTH EVER	11.2	10.0	1.1	6.8	488,090	446,110	43,080
	DEC 2018	DEC 2018	SEPT 2021	SEPT 2021	APR 2017		SEPT 2021
MAXIMUM MONTH EVER	34.8	27.0	19.9	61.8	1,523,405	850,410	916,340
	JUL 2004	JUL 2003	NOV 2016	NOV 2016	JUL 2004		NOV 2016
PAULS TOTALS	SINCE DECEMBER 2016			20	49,938,803	17,333,760	10,785,359
	13 MONTH TOTALS			23	9,981,272	7,489,170	2,492,102
	<u>SINCE OCTOBER 2021</u>			30	5,958,202	4,055,410	1,902,792



Annual Data

DATE	GPM
WELL FLOW 6/9/16	8.9gpm
Daily Flow 6/17	11.0 gpm
6/9/18	6.5 gpm
6/9/19	7.8 gpm
6/6/20	6.2 gpm
6/6/21	6.0 gpm
6/6/22	5.2 gpm

Stream flow monthly mean gpm average MONTH GPM

MONTH	GPM
6/16	49.5 gpm
6/17	94 gpm
6/18	36 gpm South collector only
6/19	34 gpm South and Tributary on
6/20	32 gpm South collector only
6/21	23 gpm South collector only
6/9/22	36 gpm (Day) all collectors on

**AGREEMENT FOR THE SALE OF POTABLE WATER BY AND BETWEEN
THE CITY OF TRINIDAD AND THE WESTHAVEN COMMUNITY
SERVICES DISTRICT**

This Agreement for the Sale of Potable Water (this "Agreement"), is made and entered on this ____ day of _____, 2022, by and between the City of Trinidad (hereinafter "City") and the Westhaven Community Services District (hereinafter "District").

RECITALS

A. WHEREAS, situations may arise due to pipeline failures or other emergencies where one of the potable water systems for the District or City may require a short term supply of water from the other system; and

B. WHEREAS, City and District wish to work cooperatively for the benefit of the citizens of the City and District in case of emergencies; and

C. WHEREAS, when the City and District have excess water production capacity, City is willing to sell water to District and District is willing to sell water to City during emergency situations under the terms and conditions described herein; and

D. WHEREAS, both the City and the District recognize the need to construct and maintain an interconnection pipeline to effectuate the mutual provision and acceptance of excess water production capacity when necessary for the protection of public health and safety and/or to respond to emergency situations.

E. WHEREAS, the Department of Water Resources has awarded a Small Community Drought Relief Program grant of \$1,816,600 to fund the proposed project....

Commented [BPH1]: The grant agreement should be referenced somewhere in this agreement.

NOW THEREFORE, based on the foregoing recitals of City and District mutually agree as follows:

AGREEMENT

1. For the term stated in Section 15 of this Agreement, below, City may accept potable water from District and District may accept potable water from City through a pipeline, more particularly described below, connecting the distribution systems of the parties which are located on/near Westhaven Drive, Trinidad, California.

2. The total estimated Intertie Project pipeline costs include but are not limited to those costs relating to and arising out of easement acquisition, preparation of engineering and design documents, planning/permitting costs, all construction, construction materials, maintenance, testing and operational costs, which are more particularly described in the estimate recited in Exhibit A, attached hereto and incorporated herein by reference.

Commented [BPH2]: We will use the PACE engineers cost estimate/grant budget.

3. The financial responsibilities of each party to this Agreement shall be as provided in Exhibit B to this Agreement, which exhibit details the cost apportionment and respective payment obligations of the City and District, respectively; Exhibit B and is attached hereto and incorporated by reference herein.

Commented [BPH3]: This should reference the grant agreement and provisions for additional costs.

4. City may accept potable water from District and District may accept potable water from City which is of sufficient quality to meet the standards for potable water for municipal water prescribed by the California Department of Health Services.

5. During an emergency situation (as defined below) and subject to the conditions described herein, City agrees to provide to District, and District agrees to provide to City, with a maximum of fifty (50) acre-feet per year of potable water. The maximum flow rate that City shall provide to District and District shall provide to City shall not exceed one hundred (100) gallons per minute. In no event shall that maximum flow rate exceed 1.6 acre feet (521,362 gallons) per twenty-four (24) hour period.

For purposes of this Agreement, an "emergency situation" includes but is not limited to a pipe break, dangerously low water levels, adverse water chemistry, or any other unexpected condition in which the City or District cannot meet the demand of customers.

Commented [BPH4]: What about fire fighting in pipeline outside of parties' service areas?

6. The standards pursuant to which the City and District will follow with respect to water production and availability are described in ~~The standards pursuant to which both City and District shall be deemed to have excess water production capacity and, therefore, potable water available to provide to the other party shall be those standards described in~~ Exhibit C hereto, attached and incorporated herein by reference. Upon a request by a party hereto to receive potable water pursuant to this Agreement, the other party shall determine whether excess potable water is available according to the standards provided in Exhibit C. The notice of any such request and any determination regarding available water made in response thereof shall be made as described in Section 24 of this Agreement, below, with the City Manager designated as the representative for the City and the General Manager, or designee, for the District.

Commented [RG5]: This sentence is unclear. Do you intend to state: "The standards pursuant to which the City and District will follow with respect to water production and availability are described in Exhibit C ..."

7. Neither City nor District shall be required to accept potable water made available by the other party to this Agreement.

8. Both City and District shall jointly review, comment on and approve, in their respective discretion, the draft design of the pump station and interconnection pipeline to be constructed pursuant to this Agreement.

RESPONSIBILITIES OF CITY/DISTRICT

9. District shall acquire any necessary easements for the pipeline, pump station, valves, and metering devices and shall purchase the materials necessary for the pipeline and pump station project.

10. District shall use its engineers to design the pump station and interconnection pipeline.

11. District shall construct, test, and place the interconnection pipeline and pump station into operation and shall afford District an opportunity to witness and comment upon the testing.

Commented [RG6]: Are the relative costs for these City assumed obligations known? Also, will any easements need to be acquired by eminent domain?

Commented [BPH7R6]: There is a grant budget developed by the District's engineer and reviewed by the City engineer.

RESPONSIBILITIES OF CITY

12. [Describe arrangements for paying the planning and construction costs of the Intertie Project] [Describe how costs are shared after project is completed during the operational phase.] City and WCSD shall share equally (???) in those pipeline costs that are not covered by grant funding. Operation and maintenances costs of the emergency intertie pipeline shall be shared equally (???) between City and WCSD. Exhibit B.

PAYMENT

13. The initial unit price for the purchase of potable water under this Agreement shall be \$_____ per 100 cubic feet, payable by the City or District to the other based upon which entity is the purchaser. This price may be adjusted annually to reflect the increased costs of production incurred by either party in providing potable water as follows: an inflation adjustment shall be determined and applied by multiplying the current rate by the percentage of increase of the prior year's average annual U.S. City Average Consumer Price Index as published by the U.S. Department of Labor, Bureau of Statistics and shall be adjusted for inflation on January 1 of each year commencing on January 1, 2022, during the term of this Agreement. In the event of a negative index, no change in the unit price shall be made.

Commented [BPH8]: A section should be added to address water used for flushing and fire flows.

14. Payment for potable water purchase under this Agreement shall be made monthly as billed by the providing party. Each party shall bill the other only for the volume of water delivered. An accounting of water delivered, billings issued, and payments made shall be maintained by each party hereto and each party's accounting shall be subject to audit by the other party.

Shared responsibility for O&M and cost reconciliation method?

Commented [BPH9]: Arrangements for O & M costs?

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Commented [BPH10]: Engineers- what is the useful life of the project? Also, the term will need to incorporate the grant requirements for maintenance of the project.

TERM

15. Subject to an option to renew as described hereinbelow, the term of this Agreement shall be for a period of twenty-five (25) years beginning on the date first written above, except it may be earlier terminated by either party in the respective discretion of each party unilaterally upon the provision of three (3) years written notice of its intent to so terminate to the other party.

OPTION TO RENEW

16. Subject to the early termination rights stated in Section 15, above, each party is hereby granted the option to renew the term of this Agreement for two successive ten-year periods under the same terms, conditions, and covenants set forth herein. Such an option shall be exercised by either party upon written notice to the other party setting forth their election to exercise the option, delivered to the other party ninety (90) days before the expiration of the initial term of this Agreement.

Commented [BPH11]: Tom Warnock comment: If neither party choses to exercise the option, then it shall continue to exist based upon the terms of the prior year.

LEASE OF DISTRICT PROPERTY BY CITY

17. For the term of this Agreement, and subject to all terms and conditions herein, District agrees to lease to City, for the purposes of the construction, maintenance, and operation of a pump station and interconnection pipeline, that real property identified by Assessor's Parcel Number _____ and more particularly described in Exhibit D, attached hereto and incorporated herein by reference, for a term of twenty-five years for the sum of one dollar (\$1.00), the receipt of which is hereby acknowledged by District.

Commented [BPH12]: Is this applicable? If so, the District should lease the pump station from the City since the pump station will be located at the City's water plant and is to benefit the District.

OWNERSHIP OF PUMP STATION AND INTERCONNECTION PIPELINE

18. _____ will maintain ownership of the pump station and interconnection pipeline through the term of this Agreement. At the conclusion of the term of this Agreement, District shall have the option of removing the pump station from

Commented [BPH13]: This section needs to be negotiated. It not likely that the City will be sole owner.

Commented [BPH14]: TWW – at the end of the agreement, what happens?

the property of City or offering the pump station to City at fair market value. In the event City terminates this Agreement at any time prior to its full term, District shall have the right to determine whether to remove the pump station from the leased premises or allow it to remain. In the event District terminates this Agreement at any time prior to its full term, City shall have the right to determine whether District is to remove the pump station from the leased premises or whether the pump station shall remain.

Commented [BPH15]: The grant funding requires the intertie be operated and maintained for the useful life of the facilities.

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INDEMNIFICATION

19. Each party shall indemnify, defend (with legal counsel acceptable to the indemnified party) and hold the other harmless against all actions, claims, demands, and liabilities and against all losses, damages, costs, expenses, and attorney's fees, arising directly or indirectly out of an actual or alleged injury to a person or property in the same proportion that its own acts and/or omissions are attributed to said claim, demand, liability, loss, damage, cost, expenses, and/or attorney's fees.

ASSIGNMENT

20. Neither party shall assign any interest in this Agreement and shall not transfer any interest in the same without the prior written consent of the other party hereto, except that claims for money due or to become due either party may be assigned to a bank, a trust company, or other financial institution without such approval. Written notice of any such transfer shall be furnished promptly to the other party. Any attempt at assignment of rights under this Agreement except for those specifically consented to by both parties or as stated above shall be void.

MODIFICATION

21. This Agreement may only be modified by a written amendment thereto, executed by both parties.

ATTORNEY'S FEES AND COSTS

22. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled.

JURISDICTION AND VENUE

23. This Agreement shall be construed in accordance with the laws of the State of California and the parties hereto agree that venue of any action or proceeding

regarding this Agreement or performance thereof shall be in Humboldt County, California.

NOTICES

24. All notices that are required to be given by one party to the other under this Agreement shall be in writing and shall be deemed to have been given if delivered personally or enclosed in a properly addressed envelope and deposited with the United States Post Office for delivery by registered or certified mail addressed to the parties at the following addresses, unless such addresses are changed by notice, in writing, to the other party.

City of Trinidad
PO Box 390
409 Trinity Street
Trinidad, CA 95570

Westhaven Community Services District
446 6th Avenue
Trinidad, CA 95570

IN WITNESS HEREOF, this Agreement is duly executed in Humboldt County, California on the day and year first written above.

City of Trinidad

Westhaven Community Services District

Mayor

Board Chair, WCSD

Approved as to Form:

By: _____
Russell S. Gans, City Attorney

**GRANT AGREEMENT BETWEEN THE STATE OF CALIFORNIA
(DEPARTMENT OF WATER RESOURCES) AND
CITY OF TRINIDAD**

AGREEMENT NUMBER 4600014620

URBAN AND MULTIBENEFIT DROUGHT RELIEF GRANT

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

- 1) PURPOSE. The State shall provide funding from the Budget Act of 2021 (Stats. 2021, ch. 240, § 80) to the Grantee to assist in financing the Project. By executing this Agreement, the Grantee certifies that the purpose of the Project is in response to a drought scenario, as defined by Water Code section 13198(a) and is intended to: (1) address immediate impacts on human health and safety; (2) address immediate impacts on fish and wildlife resources; or, (3) provide water to persons or communities that lose or are threatened with the loss or contamination of water supplies.
- 2) TERM OF GRANT AGREEMENT. The term of this Grant Agreement begins on March 19, 2022 and ends three (3) years following the final payment unless otherwise terminated or amended as provided in this Grant Agreement. However, all work shall be completed by March 1, 2025 in accordance with the Schedule as set forth in Exhibit C and no funds may be requested after June 1, 2025.
- 3) GRANT AMOUNT. The maximum amount payable by the State under this Grant Agreement shall not exceed \$2,000,000. Any additional costs are the responsibility of the Grantee.
- 4) BASIC CONDITIONS.
 - A. The State shall have no obligation to disburse money for the Project(s) under this Grant Agreement until the Grantee has satisfied the following conditions (if applicable):
 - i. The Grantee shall demonstrate compliance with all eligibility criteria as set forth of the 2021 Urban and Multibenefit Drought Relief Grant Program Guidelines and Proposal Solicitation Package (2021 Guidelines).
 - ii. For the term of this Agreement, the Grantee shall submit Quarterly Progress Reports which must accompany an invoice and all invoice backup documentation. The Quarterly Progress Report shall be submitted within 60 days following the end of the calendar quarter (i.e., reports due May 30, August 29, November 29, and March 1) and all other deliverables as required by Paragraph 12, "Submission of Reports" and Exhibit A, "Work Plan".
 - iii. Prior to the commencement of construction or implementation activities, if applicable, the Grantee shall submit the following to the State.
 1. Final plans and specifications certified, signed and stamped by a California Registered Civil Engineer (or equivalent registered professional as appropriate) to certify 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) (including final land purchases) shall not proceed under this Grant Agreement until the following actions are performed:
 - a) The Grantee submits to the State all applicable environmental permits, as indicated on the Environmental Information Form to the State,
 - b) Documents that satisfy the CEQA process are received by the State, and

- c) The Grantee receives written notification from the State of concurrence with the Lead Agency's CEQA documents (s) and State's notice of verification of environmental permit submittal.

The State's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to any work (i.e., construction or implementation activities) for which it is required. Once CEQA documentation has been completed, the State will consider the environmental documents and decide whether to continue to fund the project, or to require changes, alterations, or other mitigation. Proceeding with work subject to CEQA prior to the State's concurrence shall constitute a material breach of this Agreement. The Grantee or Local Project Sponsor (LPS) shall also demonstrate that it has complied with all applicable requirements of the National Environmental Policy Act (NEPA) by submitting copies of any environmental documents, including Environmental Impact Statements, Finding of No Significant Impact, mitigation monitoring programs, and environmental permits as may be required prior to beginning construction/ implementation.

iv. A monitoring plan as required by Paragraph 14, "Monitoring Plan Requirements," if applicable.

- 5) DISBURSEMENT OF FUNDS. The State will disburse to the Grantee the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Grant Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations. Any and all money disbursed to the Grantee under this Grant Agreement shall be deposited in a non-interest bearing account and shall be used solely to pay Eligible Project Costs.
- 6) ELIGIBLE PROJECT COST. The Grantee shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Exhibit B, "Budget". Eligible Project Costs include the reasonable costs of studies, engineering, design, land and easement acquisition and associated legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project construction. Reimbursable administrative expenses are the necessary costs incidental but directly related to the Project included in this Agreement. Costs incurred after March 18, 2022 may be eligible for reimbursement.

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

- A. Costs, other than those noted above, incurred prior to the award date of this Grant.
- B. Costs for preparing and filing a grant application.
- C. Operation and maintenance costs, including post construction performance and monitoring costs.
- D. Purchase of equipment that is not an integral part of a project.
- E. Establishing a reserve fund.
- F. Purchase of water supply.
- G. Replacement of existing funding sources for ongoing programs.
- H. Meals, food items, or refreshments.
- I. Payment of any punitive regulatory agency requirement, federal or state taxes.
- 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 acquisition of land by eminent domain.
- K. Overhead and Indirect Costs. "Indirect Costs" means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the funded project (i.e., costs that are not directly related to the funded project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the Grantee or LPSs;

non-project-specific accounting and personnel services performed within the Grantee's or LPS' organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; forums, trainings, and seminars; and, generic overhead or markup. This prohibition applies to the Grantee, LPSs, and any subcontract or sub-agreement for work on the Project that will be reimbursed pursuant to this Agreement.

L. Mitigation for environmental impacts not resulting from implementation of the Project funded by this program.

7) **METHOD OF PAYMENT.** After the disbursement requirements in Paragraph 4, "Basic Conditions" are met, the State will disburse the whole or portions of State funding to the Grantee, following receipt from the Grantee of an electronic invoice certified and transmitted via electronic/digital signature system (e.g., DocuSign) or via US mail or Express mail delivery of a "wet signature" for costs incurred, including Local Cost Share, and timely Quarterly Progress Reports as required by Paragraph 12, "Submission of Reports." Payment will be made no more frequently than monthly, in arrears, upon receipt of an invoice bearing the Grant Agreement number. Quarterly Progress Report must accompany an invoice (\$0 Invoices are acceptable) and shall be submitted within 60 days following the end of the calendar quarter (i.e., invoices due May 30, August 29, November 29, and March 1). The State will notify the Grantee, in a timely manner, whenever, upon review of an invoice, the State determines that any portion or portions of the costs claimed are not eligible costs or is not supported by documentation or receipts acceptable to the State. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to the State to cure such deficiency(ies). If the Grantee fails to submit adequate documentation curing the deficiency(ies), the State will adjust the pending invoice by the amount of ineligible or unapproved costs.

Invoices submitted by the Grantee shall include the following information:

- A. Costs incurred for work performed in implementing the Project during the period identified in the particular invoice.
- B. Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for a project during the period identified in the particular invoice for the implementation of a project.
- C. Invoices shall be submitted on forms provided by the State and shall meet the following format requirements:
 - i. Invoices shall contain the date of the invoice, either the time period covered by the invoice or the invoice date received within the time period covered, and the total amount due.
 - ii. Invoices shall be itemized based on the categories (i.e., tasks) specified in Exhibit B, "Budget." The amount claimed for salaries/wages/consultant fees shall include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).
 - iii. One set of sufficient evidence (i.e., receipts, copies of checks, personnel hours' summary table, time sheets) shall be provided for all costs included in the invoice.
 - iv. Each invoice shall clearly delineate those costs claimed for reimbursement from the State's funding amount, as depicted in Paragraph 3, "Grant Amount".
 - v. Original signature and date of the Grantee's Project Representative. Submit an electronic invoice, certified and transmitted via electronic/digital signature system (e.g., DocuSign), from authorized representative to the Project Manager or the original "wet signature" copy of the invoice form to the Project Manager at the following address: Financial Assistance Branch, DWR, P.O. Box 942836, Sacramento, CA 94236.

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

invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., cost share). Any eligible costs for which the Grantee is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is illegal and constitutes fraud. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements of grant funds and/or termination of this Agreement requiring the repayment of all funds disbursed hereunder plus interest. Additionally, the State may request an audit pursuant to Standard Condition Paragraph D.5 and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability. (Civ. Code, §§ 1572-1573; Pen. Code, §§ 470, 487-489.)

- 8) **ADVANCED PAYMENT.** Water Code section 13198.4(c) authorizes advanced payment by the State for grantees that demonstrate a cash flow issues. A project may receive an advanced payment of twenty-five (25) percent of its grant award; the remaining seventy-five (75) percent of the grant award will be reimbursed in arrears after the advanced funds have been fully expended. Within ninety (90) calendar days of execution of the Grant Agreement, the Grantee may provide the State an Advanced Payment Request. Advanced Payment Requests received ninety-one (91) calendar days after the execution of this Agreement will not be eligible to receive an advanced payment. The Advanced Payment Request shall contain the following:
- A. Documentation demonstrating that each LPS (if different from the Grantee, as listed in Exhibit I) was notified about their eligibility to receive an advanced payment and a response from the LPS stating whether it wishes to receive the advanced payment or not.
 - B. If the Grantee is requesting the advanced payment, the request(s) shall include:
 - i. Descriptive information of each project with an update on project status
 - ii. Description and documentation of the cash flow issues the LPS has that requires funds to be advanced
 - iii. The names of the entities that will receive the funding for each project
 - iv. A detailed Funding Plan which includes how the advanced payment will be expended (in terms of workplan, budget, and schedule) within the timeframe agreed upon by DWR and the Grantee. The Funding Plan must clearly identify the total budget (at Budget Category Level) for each project clearly showing the portion of advanced payment and reimbursement funds.
 - v. Any other information that DWR may deem necessary
 - C. Upon review and approval of the Advanced Payment Request, DWR may authorize payment of the requested amount or a lesser amount for those entities that have requested advanced funds. Based on the project's Funding Plan and other considerations, DWR may develop a "Disbursement Schedule," to disburse funds in installments. This Disbursement Schedule may change based on the project's ongoing compliance with the Advanced Payment requirements and the project's cash flow needs.
 - D. Once DWR authorizes the Advanced Payment Request, the Grantee shall submit Advanced Payment Invoice(s) for the initial amount based on the "Disbursement Schedule" on behalf of the LPS(s), containing the request for each project requesting advanced funds, to the State with signature and date of the Grantee's Project Representative, as indicated in Paragraph 18, "Project Representative." The Grantee shall be responsible for the timely distribution of the advanced funds to the respective LPS(s). The Advanced Payment Invoice(s) shall be submitted on forms provided by the State and shall meet the following format requirements:
 - i. Invoice shall contain the date of the invoice, the time period covered by the invoice, and the total amount due.
 - ii. Invoice shall be itemized based on the budget categories specified in Exhibit B, "Budget."

- iii. The State Project Manager will notify the Grantee, in a timely manner, when, upon review of an Advance Payment Invoice, the State determines that any portion or portions of the costs claimed are not eligible costs. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies). The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies). If costs are not consistent with the tasks in Exhibit A, the State will reject the claim and remove them from the Accountability Report.
 - iv. On a quarterly basis, the Grantee will submit an Accountability Report to the State that demonstrates how actual expenditures compare with the scheduled budget. The Accountability Report shall include the following information:
 1. An itemization of how advanced funds have been spent to-date (Expenditure Report), including documentation that supports the disbursements (e.g., contractor invoices, receipts, personnel hours, etc.). Accountability Reports shall be itemized based on the budget categories (i.e., tasks) specified in Exhibit B.
 2. An updated Accountability Report including an updated Funding Plan that depicts how the remaining advanced funds will be expended and the activities and deliverables associated with the advanced funds within the timeframe agreed upon by DWR and the Grantee when the advanced payment request was approved.
 3. Documentation that the funds were placed in a non-interest bearing account, including the dates of deposits and withdrawals from that account.
 4. Proof of distribution of advanced funds to LPS(s), if applicable.
 - E. Once the Grantee has spent all advanced funds in a budget category, then the method of payment will revert to the reimbursement process for that budget category specified in Paragraph 7, "Method of Payment."
- 9) WITHHOLDING OF DISBURSEMENTS BY THE STATE. If the State determines that a project is not being implemented in accordance with the provisions of this Grant Agreement, or that the Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if the Grantee does not remedy any such failure to the State's satisfaction, the State may withhold from the Grantee all or any portion of the State funding and take any other action that it deems necessary to protect its interests. Where a portion of the State funding has been disbursed to the Grantee and the State notifies the Grantee of its decision not to release funds that have been withheld pursuant to Paragraph 10, "Default Provisions," the portion that has been disbursed shall thereafter be repaid immediately at the time the State notifies the Grantee, as directed by the State. The State may consider the Grantee's refusal to repay the requested disbursed amount a material breach subject to the default provisions in Paragraph 10, "Default Provisions." If the State notifies the Grantee of its decision to withhold the entire funding amount from the Grantee pursuant to this Paragraph, this Grant Agreement shall terminate upon receipt of such notice by the Grantee and the State shall no longer be required to provide funds under this Grant Agreement and the Grant Agreement shall no longer be binding on either party.
- 10) DEFAULT PROVISIONS. The Grantee shall be in default under this Grant Agreement if any of the following occur:
- A. Substantial breaches of this Grant Agreement, or any supplement or amendment to it, or any other agreement between the Grantee and the State evidencing or securing the Grantee's obligations.
 - B. Making any false warranty, representation, or statement with respect to this Grant Agreement or the application filed to obtain this Grant Agreement.
 - C. Failure to operate or maintain the Project in accordance with this Grant Agreement.
 - D. Failure to make any remittance required by this Grant Agreement, including any remittance recommended as the result of an audit conducted pursuant to Standard Condition Paragraph D.5.

- E. Failure to submit quarterly progress reports pursuant to Paragraph 4.
- F. Failure to routinely invoice the State pursuant to Paragraph 7.
- G. Failure to meet any of the requirements set forth in Paragraph 11, "Continuing Eligibility."

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

- H. Declare the funding be immediately repaid.
- I. Terminate any obligation to make future payments to the Grantee.
- J. Terminate the Grant Agreement.
- K. Take any other action that it deems necessary to protect its interests.

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

- 11) **CONTINUING ELIGIBILITY.** The Grantee shall meet the following ongoing requirement(s) and all eligibility criteria outlined in the 2021 Guidelines to remain eligible to receive State funds:
- A. An urban water supplier that receives grant funds pursuant to this Agreement shall maintain compliance with the Urban Water Management Planning Act (UWMP; Wat. Code, § 10610 et seq.) and Sustainable Water Use and Demand Reduction (Wat. Code, § 10608 et seq.) as set forth on page 12 of the 2021 Guidelines and Proposal Solicitation Package.
 - B. An agricultural water supplier receiving grant funds shall comply with Sustainable Water Use and Demand Reduction requirements outlined in Water Code section 10608, et seq. and have their Agricultural Water Management Plan (AWMP) deemed consistent by DWR. To maintain eligibility and continue funding disbursements, an agricultural water supply shall have their 2021 AWMP identified on the State's website. For more information, visit the website listed in the 2021 Guidelines and Proposal Solicitation Package.
 - C. A surface water diverter receiving grant funds shall maintain compliance with diversion reporting requirements as outlined in Water Code section 5100 et. seq.
 - D. If applicable, the Grantee shall demonstrate compliance with the Sustainable Groundwater Management Act (SGMA) as set forth in the 2021 Guidelines and Proposal Solicitation Package.
 - E. If the Grantee has been designated as a monitoring entity under the California Statewide Groundwater Elevation Monitoring (CASGEM) Program, the Grantee shall maintain reporting compliance, as required by Water Code section 10932 and the CASGEM Program. Alternatively, if the Grantee has submitted a Groundwater Sustainability Plan (GSP) or Alternative Plan pursuant to the GSP Regulations (Cal. Code Regs., tit. 23, § 350 et seq.), groundwater level data must be submitted through the SGMA Portal at: <https://sqma.water.ca.gov/portal/>.
 - F. The Grantee shall adhere to the protocols developed pursuant to The Open and Transparent Water Data Act (Wat. Code, § 12406, et seq.) for data sharing, transparency, documentation, and quality control.

- 12) **SUBMISSION OF REPORTS.** The submittal and approval of all reports is a requirement for the successful completion of this Grant Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to the State. All reports shall be submitted to the State's Project Manager and shall be submitted via the DWR "Grant Review and Tracking System" (GRanTS). If requested, the Grantee shall promptly provide any additional information deemed necessary by the State for the approval of reports. Reports shall

be presented in the formats described in the applicable portion of Exhibit F, "Report Formats and Requirements." The timely submittal of reports is a requirement for initial and continued disbursement of State funds. Submittal and subsequent approval by the State of a Project Completion Report is a requirement for the release of any funds retained for such project.

- A. Quarterly Progress Reports: The Grantee shall submit quarterly Progress Reports to meet the State's requirement for disbursement of funds. Progress Reports shall be uploaded via GRanTS, and the State's Project Manager notified of upload. Progress Reports shall, in part, provide a brief description of the work performed, the Grantee's activities, milestones achieved, any accomplishments and any problems encountered in the performance of the work under this Grant Agreement during the reporting period. The first Progress Report must accompany an invoice (\$0 Invoices are acceptable) and shall be submitted within 60 days following the end of the calendar quarter (i.e., invoices due May 30, August 29, November 29, and March 1).
 - B. Accountability Report: The Grantee shall prepare and submit to the State an Accountability Report on a quarterly basis if the Grantee received an advanced payment, consistent with the provisions in Paragraph 8, "Advanced Payment."
 - C. Project Completion Report: The Grantee shall prepare and submit to the State a separate Project Completion Report for each project included in Exhibit A. The Grantee shall submit a Project Completion Report (or a Component Completion Report, if a Project has multiple Components) within ninety (90) calendar days of Project/Component completion as outlined in Exhibit F.
 - D. Grant Completion Report: Upon completion of all the Projects included in Exhibit A, the Grantee shall submit to the State a Grant Completion Report. The Grant Completion Report shall be submitted within ninety (90) calendar days of submitting the Completion Report for the final project to be completed under this Grant Agreement, as outlined in Exhibits A, and F. Retention for any grant administration line items in the Budget of this Grant Agreement will not be disbursed until the Grant Completion Report is approved by the State.
 - E. Post-Performance Reports: The Grantee shall prepare and submit to the State Post-Performance Reports for the applicable project(s). Post-Performance Reports shall be submitted to the State within ninety (90) calendar days after the first operational year of a project has elapsed. This record keeping and reporting process shall be repeated annually for a total of three (3) years after the project begins operation.
- 13) OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects and in consideration of the funding made by the State, the Grantee agrees to ensure or cause to be performed the commencement and continued operation of the project, and shall ensure or cause the project to be operated in an efficient and economical manner; shall ensure all repairs, renewals, and replacements necessary to the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted. The State shall not be liable for any cost of such maintenance, management, or operation. The Grantee or their successors may, with the written approval of the State, transfer this responsibility to use, manage, and maintain the property. For purposes of this Grant Agreement, "useful life" means period during which an asset, property, or activity is expected to be usable for the purpose it was acquired or implemented; "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses, and "maintenance costs" include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal by the Grantee to ensure operation and maintenance of the projects in accordance with this provision may, at the option of the State, be considered a breach of this Grant Agreement and may be treated as default under Paragraph 10, "Default Provisions."
- 14) MONITORING PLAN REQUIREMENTS. A Monitoring Plan shall be submitted to the State prior to disbursement of State funds for construction or monitoring activities. The Monitoring Plan should

incorporate Post-Performance Monitoring Report requirements as defined and listed in Exhibit F, and follow the guidance provided in Exhibit L, "Project Monitoring Plan Guidance."

- 15) NOTIFICATION OF STATE. The Grantee shall promptly notify the 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. The Grantee agrees that no substantial change in the scope of a project will be undertaken until written notice of the proposed change has been provided to the State and the State has given written approval for such change. Substantial changes generally include changes to the scope of work, schedule or term, and budget.
 - 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 the State's representatives. The Grantee shall make such notification at least fourteen (14) calendar days prior to the event.
 - C. Discovery of any potential archaeological or historical resource. Should a potential archaeological or historical resource be discovered during construction, the Grantee agrees that all work in the area of the find shall cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the State has determined what actions should be taken to protect and preserve the resource. The Grantee agrees to implement appropriate actions as directed by the State.
 - D. The initiation of any litigation or the threat of litigation against the Grantee or an LPS regarding the Project or which may affect the Project in any way.
 - E. Applicable to construction projects only: Final inspection of the completed work on a project by a Registered Professional (Civil Engineer, Engineering Geologist, or other State approved certified/licensed Professional), in accordance with Exhibit D. The Grantee shall notify the State's Project Manager of the inspection date at least fourteen (14) calendar days prior to the inspection in order to provide the State the opportunity to participate in the inspection.
- 16) NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Grant Agreement shall be in writing. Notices may be transmitted by any of the following means:
- A. By delivery in person.
 - B. By certified U.S. mail, return receipt requested, postage prepaid.
 - C. By "overnight" delivery service; provided that next-business-day delivery is requested by the sender.
 - D. By electronic means.
 - E. Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U.S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the addresses listed below. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.
- 17) PERFORMANCE EVALUATION. Upon completion of this Grant Agreement, the Grantee's performance will be evaluated by the State and a copy of the evaluation will be placed in the State file and a copy sent to the Grantee.
- 18) PROJECT REPRESENTATIVES. The Project Representatives during the term of this Grant Agreement are as follows:

Department of Water Resources

Arthur Hinojosa
Manager, Division of Regional Assistance
P.O. Box 942836
Sacramento, CA 94236
Phone: (916) 902-6713
Email: Arthur.Hinojosa@water.ca.gov

City of Trinidad

Eli Naffah
City Manager
PO Box 390
Trinidad, CA 95570
Phone: (707) 677-3876
Email: citymanager@trinidad.ca.gov

Direct all inquiries to the Project Manager:

Department of Water Resources

<DWR Project Manager Name>
<Title>
<Mailing address line 1>
<Mailing address line 2>
Phone: (###) ###-####
Email:

City of Trinidad

Becky Price-Hall
Grant Coordinator
PO Box 390
Trinidad, CA 95570
Phone: (707)-499-6454
Email: rpricehall@trinidad.ca.gov

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

19) STANDARD PROVISIONS. This Grant Agreement is complete and is the final Agreement between the parties. The following Exhibits are attached and made a part of this Grant Agreement by this reference:

Exhibit A – Work Plan

Exhibit B – Budget

Exhibit C – Schedule

Exhibit D – Standard Conditions

Exhibit E – Authorizing Resolution

Exhibit F – Report Formats and Requirements

Exhibit G – Requirements for Data Submittal

Exhibit H – State Audit Document Requirements for the Grantee

Exhibit I – Local Project Sponsors and Project Locations

Exhibit J – Appraisal Specifications

Exhibit K – Information Needed for Escrow Processing and Closure

Exhibit L – Project Monitoring Plan Guidance

Exhibit M – Invoice Guidance for Administrative and Overhead Charges

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

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

CITY OF TRINIDAD

Arthur Hinojosa
Manager, Division of Regional Assistance

Eli Naffah
City Manager

Date _____

Date _____

DRAFT

EXHIBIT A WORK PLAN

Grant Administration

IMPLEMENTING AGENCY: City of Trinidad (Grantee)

PROJECT DESCRIPTION: The Grantee will administer these funds and respond to DWR's reporting and compliance requirements associated with the grant administration. The Grantee will act in a coordination role: disseminating grant compliance information to the project managers responsible for implementing the projects contained in this agreement, obtaining and retaining evidence of compliance (e.g., CEQA/NEPA documents, reports, monitoring compliance documents, labor requirements, etc.), obtaining data for progress reports from individual project managers, assembling and submitting progress reports to the State, and coordinating all invoicing and payment of invoices.

Budget Category (a): Project Administration

Task 1: Agreement Management

The Grantee will respond to DWR's reporting and compliance requirements associated with the grant administration and will coordinate with the project managers responsible for implementing the projects contained in this agreement.

Task 2: Invoicing

The Grantee will be responsible for compiling invoices for submittal to DWR. This includes collecting invoice documentation from each of the Local Project Sponsor and compiling the information into a DWR Invoice Packet.

Deliverables:

- Quarterly Invoices and associated backup documentation

Task 3: Reporting

The Grantee will be responsible for compiling progress reports for submittal to DWR. The Grantee will coordinate with Local Project Sponsor staff to retain consultants as needed to prepare and submit progress reports and final project completion reports for each project, as well as the grant completion report.

Reports will meet generally accepted professional standards for technical reporting and the requirements terms of the contract with DWR outlined in Exhibit F of this Agreement.

Deliverables:

- Quarterly Progress Reports
- Grant Completion Report

PROJECT 1: Trinidad-Westhaven Emergency Intertie

IMPLEMENTING AGENCY: Westhaven Community Services District

PROJECT DESCRIPTION: The Project will plan and construct an emergency intertie between the Trinidad Water System and the Westhaven Community Services District Water System. The intertie facilities would include pipes, intertie connections/valves, pump station, and a back-up generator. Water will be pumped from Trinidad to Westhaven because of the difference in elevation. The pump station and pipe design will be designed for a maximum flow of approximately 100 gallons per minute. This Project will increase water supply reliability by providing a temporary alternate water supply.

Budget Category (a): Project Administration

Task 1: Project Management

Manage Grant Agreement including compliance with grant requirements, and preparation and submission of supporting grant documents. Prepare invoices including relevant supporting documentation for submittal to DWR via the Grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Quarterly Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase

Not applicable

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies

Project Feasibility Studies: A brief technical memo was completed as part of the project development process to analyze the feasibility of the Trinidad/WCSD Emergency Intertie Project.

Deliverables:

- Relevant Feasibility Studies

Task 5: CEQA Documentation

Complete environmental review pursuant to CEQA. Prepare all necessary environmental documentation. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting

The following permits are anticipated to be acquired for this project: encroachment permit from Humboldt County and Coastal Development Permit.

Deliverables:

- Permits as required

Task 7: Design

The basis of design will be described in a Basis of Design Report. Plans and specifications will be developed to the 100% level for DWR review prior to being finalized.

The design will include the following components:

- a) Survey project alignment to locate existing constraints and then determine the best location for the proposed intertie pipe, fire hydrants, and pump station.
- b) Determine diameter, pressure rating and type of the pipe.
- c) Determine pump head, flow, efficiency, voltage, phase, and type
- d) Design pump station enclosure and appurtenances
- e) Coordinate project location with land owners and rights-of-way
- f) Design pump station mechanical
- g) Design pump station electrical including emergency power generator and SCADA
- h) Design efforts need to take into account funding requirements such as DBE, prevailing wage rates, etc...

Deliverables:

- Basis of Design Report
- 100% Design Plans and Specifications

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 14 for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

This task must comply with the Standard Condition D.10 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

Deliverables:

- Bid Documents
- Proof of Advertisement

- Award of Contract
- Notice to Proceed

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. A full-time engineering construction observer will be on site for the duration of the project. Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/ updating project schedule, reviewing contractor log submittals and pay requests, forecasting cash flow, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion and record drawings will be provided to DWR.

Deliverables:

- DWR Certificate of Project Completion
- Record Drawings

Task 11: Construction

Construction activities are outlined below.

11(a): Mobilization and Demobilization Mobilization will include traffic control. Demobilization will include final site cleanup, punch list completion and removal of equipment from the site

11(b): Site preparation will include clearing along the road right of way as needed and site clearing as needed for the pump station at the Trinidad Water Treatment Plant.

11(c): Construction implementation will include the installation of 6-inch PVC water main along South Westhaven Drive from the Westhaven CSD to the Trinidad Water Treatment Plant and the construction of a pump station adjacent to the Trinidad Water Treatment Plant. Details of the construction include the following:

- Trenching along travelled way
- Pipe installation, backfill, and compaction
- Excavation of pump station site
- Building footing
- Building structure
- Install mechanical, electrical and instrumentation
- System integration of new facilities
- System functional acceptance testing
- Final acceptance of new facilities

Deliverables:

- Photographic Documentation of Progress

PROJECT 2: Water Storage Resiliency Project

IMPLEMENTING AGENCY: City of Trinidad

PROJECT DESCRIPTION: One of the City's two 150,000 gallon redwood storage tanks will be replaced by constructing a 300,000 gallon steel water storage tank with valving, piping, and a chlorine booster system for the distribution system to meet chlorination requirements and state codes. There will be a net increase of 150,000 gallons in storage capacity to meet water demands during periods of low flow when it takes longer to pump water from the creek. The project will achieve the benefits of water supply reliability and improving operational efficiency by increasing water storage capacity and replacing a vulnerable redwood tank with a steel water storage tank.

Budget Category (a): Project Administration

Task 1: Agreement Management

Manage Grant Agreement including compliance with grant requirements, and preparation and submission of supporting grant documents. Prepare invoices including relevant supporting documentation for submittal to DWR. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Quarterly Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase

Not applicable.

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies

Project Feasibility Studies were not completed as part of the project development process.

Task 5: CEQA Documentation

Complete environmental review pursuant to CEQA. Prepare all necessary environmental documentation. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting

The following permits are anticipated to be acquired for this project: Encroachment permit from Humboldt County and Coastal Development Permit.

Deliverables:

- Permits as required

Task 7: Design

Planning and design will begin when funding is secured. Preliminary Design and Studies: Topographic survey information at the tank site will be collected. A site specific geotechnical report will be completed for the water tank site and select pipeline locations to develop appropriate parameters for design for the tank foundation. The analysis will include a site geotechnical evaluation, in which soil borings will be taken, to determine, soil/geological stability, and soil pore pressure to assure appropriate parameters are used in the design of the new tank foundation. Construction requirements resulting from the geotechnical investigation will be included on the plans and specifications. A geotechnical memorandum will be prepared summarizing the fieldwork, analysis, and recommendations.

Project Plans, Engineering & Specifications: This task consists of all work necessary to develop construction implementation documents including the final design plans, technical specifications, and opinion of probable construction cost.

Deliverables:

- Survey and Geotechnical Memorandum
- 100% Design Plans and Specifications

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 14 for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

Deliverables:

- Bid Documents
- Proof of Advertisement
- Award of Contract
- Notice to Proceed

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. A full-time engineering construction observer will be on site for the duration of the project. Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/ updating project schedule, reviewing contractor log submittals and pay requests, forecasting cash flow, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion and record drawings will be provided to DWR.

Deliverables:

- DWR Certificate of Project Completion
- Record Drawings

Task 11: Construction

Construction activities are outlined below.

11(a): Mobilization will also include set up of temporary signage and traffic control. Demobilization will include final site cleanup, punch list completion and removal of equipment from the site.

11(b): Site preparation will include minor site clearing and grading.

11(c): At the existing water tank site, replace a 150,000 gallon redwood water storage tank with an approximately 300,000 gallon steel water storage tank. Prior to all construction, an erosion and control plan will be in place by the contractor. All clearing and grubbing to occur by the contractor with material disposed of according the project disposal specifications. The existing 150,000 gallon tank will be taken offline and demolished. A new foundation will be prepared for the new tank. The proposed tank shall be installed to the manufacturer's recommendations. The proposed tank shall be disinfected and tested with the installation of cathodic protection. A remote telemetry system will be installed on the tank to provide, but not limited to, such parameters as tank level, chlorine concentration, and temperature. The contractor shall install the necessary site piping to link the second existing tank and the proposed tank together for a single supply system. Additionally, a chlorine booster pump station will be added to the site to ensure disinfection compliance of state requirements through the distribution system.

Deliverables:

- Photographic Documentation of Progress

EXHIBIT B
BUDGET

AGREEMENT BUDGET SUMMARY

	PROJECTS	Grant Amount	All Other Cost	Total Cost
	Grant Administration	\$70,000	\$0	\$70,000
1	Trinidad-Westhaven Emergency Intertie	\$1,856,600	\$0	\$1,856,600
2	Water Storage Resiliency Project	\$73,400	\$1,654,100	\$1,727,500
	GRAND TOTAL	\$2,000,000	\$1,654,100	\$3,654,100

Grant Administration

Implementing Agency: City of Trinidad

	BUDGET CATEGORY	Grant Amount	All Other Cost	Total Cost
(a)	Project Administration	\$70,000	\$0	\$70,000
	TOTAL COSTS	\$70,000	\$0	\$70,000

PROJECT 1: Trinidad-Westhaven Emergency Intertie

Implementing Agency: Westhaven Community Services District

	BUDGET CATEGORY	Grant Amount	All Other Cost*	Total Cost
(a)	Project Administration	\$65,000	\$0	\$65,000
(b)	Land Purchase / Easement	\$0	\$0	\$0
(c)	Planning / Design / Engineering / Environmental Documentation	\$215,000	\$0	\$215,000
(d)	Construction / Implementation	\$1,576,600	\$0	\$1,576,600
	TOTAL COSTS	\$1,856,600	\$0	\$1,856,600

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PROJECT 2: Water Storage Resiliency Project

Implementing Agency: City of Trinidad

	BUDGET CATEGORY	Grant Amount	All Other Cost*	Total Cost
(a)	Project Administration	\$30,000	\$0	\$30,000
(b)	Land Purchase / Easement	\$0	\$0	\$0
(c)	Planning / Design / Engineering / Environmental Documentation	\$15,000	\$210,000	\$225,000
(d)	Construction / Implementation	\$28,400	\$1,444,100	\$1,472,500
	TOTAL COSTS	\$73,400	\$1,654,100	\$1,727,500

*All Other Costs are funded by a DWR Small Community Drought Relief Program Grant Agreement with the City of Trinidad.



**EXHIBIT C
SCHEDULE**

Grant Administration

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	3/19/2022	4/1/2025

PROJECT 1: Trinidad-Westhaven Emergency Intertie

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	3/19/2022	1/1/2025
b	Land Purchase / Easement	10/1/2022	2/1/2023
c	Planning / Design / Engineering / Environmental Documentation	3/19/22	2/1/2023
d	Construction / Implementation	1/1/2023	10/1/2024

PROJECT 2: Water Storage Resiliency Project

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	3/19/2022	1/1/2025
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	5/1/2022	7/1/2023
d	Construction / Implementation	7/1/2023	10/1/2024

EXHIBIT D

STANDARD CONDITIONS

- D.1. ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:
- A. Separate Accounting of Funding Disbursements: 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 and disbursements 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. Disposition of Money Disbursed: All money disbursed pursuant to this Grant agreement shall be deposited in a non-interest bearing account, administered, and accounted for pursuant to the provisions of applicable law.
 - C. Remittance of Unexpended Funds: Grantee shall remit to State any unexpended funds that were disbursed to Grantee under this Grant agreement and were not used to pay Eligible Project Costs within a period of sixty (60) calendar days from the final disbursement from State to Grantee of funds or, within thirty (30) calendar days of the expiration of the Grant agreement, whichever comes first.
- D.2. ACKNOWLEDGEMENT OF CREDIT AND SIGNAGE: Grantee shall include appropriate acknowledgement of credit to the State for its support when promoting the Project or using any data and/or information developed under this Grant agreement. Signage shall be posted in a prominent location at Project site(s) (if applicable) or at the Grantee's headquarters and shall include the Department of Water Resources color logo and the following disclosure statement: "Funding for this project has been provided in full or in part from the Budget Act of 2021 and through an agreement with the State Department of Water Resources." The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.
- D.3. AMENDMENT: This Grant agreement may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any way contrary to applicable law. Requests by the Grantee for amendments must be in writing stating the amendment request and the reason for the request. Requests solely for a time extension must be submitted at least 90 days prior to the work completion date set forth in Paragraph 2. Any other request for an amendment must be submitted at least 180 days prior to the work completion date set forth in Paragraph 2. State shall have no obligation to agree to an amendment.
- D.4. AMERICANS WITH DISABILITIES ACT: By signing this 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 to State's specifications, at Grantee's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant agreement, and State may elect to pursue any remedies provided in Paragraph 10 or take any other action it deems necessary to protect its interests. The Grantee agrees it shall return any audit disallowances to the State.
Pursuant to Government Code section 8546.7, the Grantee shall be subject to the examination and audit by the State for a period of three (3) years after final payment under this Grant agreement with

respect of all matters connected with this Grant agreement, including but not limited to, the cost of administering this Grant agreement. All records of Grantee or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after receipt of the final disbursement under this Agreement.

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

- D.11. COMPUTER SOFTWARE: Grantee certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Grant agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.
- D.12. CONFLICT OF INTEREST: All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code section 1090 and Public Contract Code sections 10410 and 10411, for State conflict of interest requirements.
- A. Current State Employees: No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
 - B. Former State Employees: For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.
 - C. Employees of the Grantee: Employees of the Grantee shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act. (Gov. Code, § 87100 et seq.)
 - D. Employees and Consultants to the Grantee: Individuals working on behalf of a Grantee may be required by the Department to file a Statement of Economic Interests (Fair Political Practices Commission Form 700) if it is determined that an individual is a consultant for Political Reform Act purposes.
- D.13. DELIVERY OF INFORMATION, REPORTS, AND DATA: Grantee agrees to expeditiously provide throughout the term of this Grant agreement, such reports, data, information, and certifications as may be reasonably required by State.
- D.14. DISPOSITION OF EQUIPMENT: Grantee shall provide to State, not less than thirty (30) calendar days prior to submission of the final invoice, an itemized inventory of equipment purchased with funds provided by State. The inventory shall include all items with a current estimated fair market value of more than \$5,000.00 per item. Within sixty (60) calendar 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.15. 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 (Gov. Code, § 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:
- A. Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section 8355.

- B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355 to inform employees, contractors, or subcontractors about all of the following:
 - i. The dangers of drug abuse in the workplace,
 - ii. Grantee's policy of maintaining a drug-free workplace,
 - iii. Any available counseling, rehabilitation, and employee assistance programs, and
 - iv. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
 - C. Provide, as required by Government Code section 8355, that every employee, contractor, and/or subcontractor who works under this Grant agreement:
 - i. Will receive a copy of Grantee's drug-free policy statement, and
 - ii. Will agree to abide by terms of Grantee's condition of employment, contract or subcontract.
- D.16. EASEMENTS: Where the Grantee acquires property in fee title or funds improvements to real property already owned in fee by the Grantee using State funds provided through this Grant agreement, an appropriate easement or other title restriction providing for floodplain preservation and agricultural and/or wildlife habitat conservation for the subject property in perpetuity, approved by the State, shall be conveyed to a regulatory or trustee agency or conservation group acceptable to the State. The easement or other title restriction must be in first position ahead of any recorded mortgage or lien on the property unless this requirement is waived by the State. Where the Grantee acquires an easement under this Agreement, the Grantee agrees to monitor and enforce the terms of the easement, unless the easement is subsequently transferred to another land management or conservation organization or entity with State permission, at which time monitoring and enforcement responsibilities will transfer to the new easement owner. Failure to provide an easement acceptable to the State may result in termination of this Agreement.
- D.17. FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED PROFESSIONAL: Upon completion of the Project, Grantee shall provide for a final inspection and certification by a California Registered Professional (i.e., Professional Civil Engineer, Engineering Geologist), that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Grant Agreement.
- D.18. GOVERNING LAW: This Grant agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
- D.19. GRANTEE'S RESPONSIBILITIES: Grantee and its representatives shall:
- A. Faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A and in accordance with Exhibits B and C.
 - B. Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Grant agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Grantee in the application, documents, amendments, and communications filed in support of its request for funding.
 - C. Comply with all applicable California, federal, and local laws and regulations.
 - D. Implement the Project in accordance with applicable provisions of the law.
 - E. Fulfill its obligations under the Grant agreement and be responsible for the performance of the Project.
 - F. Obtain any and all permits, licenses, and approvals required for performing any work under this Grant agreement, including those necessary to perform design, construction, or operation and maintenance of the Project. Grantee shall provide copies of permits and approvals to State.
 - G. Be solely responsible for design, construction, and operation and maintenance of projects within the work plan. Review or approval of plans, specifications, bid documents, or other construction documents by State is solely for the purpose of proper administration of funds by State and shall not be deemed to relieve or restrict responsibilities of Grantee under this Agreement.
 - H. Be solely responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of

services. The Grantee shall be responsible for any and all disputes arising out of its contracts for work on the Project, including but not limited to payment disputes with contractors and subcontractors. The State will not mediate disputes between the Grantee and any other entity concerning responsibility for performance of work.

- D.20. INDEMNIFICATION: Grantee shall indemnify and hold and save the State, its officers, agents, and employees, free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Project and this Agreement, including, but not limited to any claims or damages arising from planning, design, construction, maintenance and/or operation of levee rehabilitation measures for this Project and any breach of this Agreement. Grantee shall require its contractors or subcontractors to name the State, its officers, agents and employees as additional insureds on their liability insurance for activities undertaken pursuant to this Agreement.
- D.21. INDEPENDENT CAPACITY: Grantee, and the agents and employees of Grantees, in the performance of the Grant agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.
- D.22. INSPECTION OF BOOKS, RECORDS, AND REPORTS: During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Grant agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Grant agreement. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant agreement, and State may withhold disbursements to Grantee or take any other action it deems necessary to protect its interests.
- D.23. INSPECTIONS OF PROJECT BY STATE: State shall have the right to inspect the work being performed at any and all reasonable times during the term of the Grant agreement. This right shall extend to any subcontracts, and Grantee shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Grant agreement with State.
- D.24. LABOR CODE COMPLIANCE: The Grantee agrees to be bound by all the provisions of the Labor Code regarding prevailing wages and shall monitor all contracts subject to reimbursement from this Agreement to assure that the prevailing wage provisions of the Labor Code are being met. Current Department of Industrial Relations (DIR) requirements may be found at: <http://www.dir.ca.gov/lcp.asp>. For more information, please refer to DIR's *Public Works Manual* at: <https://www.dir.ca.gov/dlse/PWManualCombined.pdf>. The Grantee affirms that it is aware of the provisions of section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance, and the Grantee affirms that it will comply with such provisions before commencing the performance of the work under this Agreement and will make its contractors and subcontractors aware of this provision.
- D.25. MODIFICATION OF OVERALL WORK PLAN: At the request of the Grantee, the State may at its sole discretion approve non-material changes to the portions of Exhibits A, B, and C which concern the budget and schedule without formally amending this Grant agreement. Non-material changes with respect to the budget are changes that only result in reallocation of the budget and will not result in an increase in the amount of the State Grant agreement. Non-material changes with respect to the Project schedule are changes that will not extend the term of this Grant agreement. Requests for non-material changes to the budget and schedule must be submitted by the Grantee to the State in writing and are not effective unless and until specifically approved by the State's Program Manager in writing.
- D.26. NONDISCRIMINATION: During the performance of this Grant agreement, Grantee and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, gender identity, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical

disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital/domestic partner status, and denial of medical and family care leave or pregnancy disability leave. Grantee and its contractors or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and its contractors or subcontractors shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code, § 12990.) and the applicable regulations promulgated there under (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Fair Employment and Housing are incorporated into this Agreement by reference. Grantee and its contractors or subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Grant agreement.

- D.27. OPINIONS AND DETERMINATIONS: Where the terms of this Grant agreement provide for action to be based upon, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.
- D.28. PERFORMANCE BOND: Where contractors are used, the Grantee shall not authorize construction to begin until each contractor has furnished a performance bond in favor of the Grantee in the following amounts: faithful performance (100%) of contract value, and labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than \$25,000.00. Any bond issued pursuant to this paragraph must be issued by a California-admitted surety. (Pub. Contract Code, § 7103; Code Civ. Proc., § 995.311.)
- D.29. PRIORITY HIRING CONSIDERATIONS: If this Grant agreement includes services in excess of \$200,000, the Grantee shall give priority consideration in filling vacancies in positions funded by the Grant agreement to qualified recipients of aid under Welfare and Institutions Code section 11200 in accordance with Public Contract Code section 10353.
- D.30. PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION: The Grantee shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Project, or with Grantee's service of water, without prior permission of State. Grantee shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of Grantee meet its obligations under this Grant agreement, without prior written permission of State. State may require that the proceeds from the disposition of any real or personal property be remitted to State.
- D.31. PROJECT ACCESS: The Grantee shall ensure that the State, the Governor of the State, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of this Agreement.
- D.32. REMAINING BALANCE: In the event the Grantee does not submit invoices requesting all of the funds encumbered under this Grant Agreement, any remaining funds revert to the State. The State will notify the Grantee stating that the Project file is closed and any remaining balance will be disencumbered and unavailable for further use under this Grant Agreement.
- D.33. REMEDIES NOT EXCLUSIVE: The use by either party of any remedy specified herein for the enforcement of this Grant agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.
- D.34. RETENTION: The State shall withhold ten percent (10%) of the funds, for each project, until the project is complete, and a Final Project Report is approved and accepted by DWR. If a project has multiple

Components (within a project), at the State's discretion and upon a written request by the Grantee, any retained amount attributable to a single component may be released when that component is complete and the Final Component Completion Report is approved. Upon approval of the Final Project Report and/or Final Component Completion Report, any retained amounts due to the Grantee will be promptly disbursed to the Grantee, without interest.

- D.35. RIGHTS IN DATA: Grantee agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes and other written or graphic work produced in the performance of this Grant agreement shall be made available to the State and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act. (Gov. Code, § 6250 et seq.) Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Grant agreement, subject to appropriate acknowledgement of credit to State for financial support. Grantee shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so. The State shall have the right to use any data described in this paragraph for any public purpose.
- D.36. SEVERABILITY: Should any portion of this Grant agreement be determined to be void or unenforceable, such shall be severed from the whole and the Grant agreement shall continue as modified.
- D.37. SUSPENSION OF PAYMENTS: This Grant agreement may be subject to suspension of payments or termination, or both if the State determines that:
A. Grantee, its contractors, or subcontractors have made a false certification, or
B. Grantee, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Grant agreement.
- D.38. SUCCESSORS AND ASSIGNS: This Grant agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Grant agreement or any part thereof, rights hereunder, or interest herein by the Grantee shall be valid unless and until it is approved by State and made subject to such reasonable terms and conditions as State may impose.
- D.39. TERMINATION BY GRANTEE: Subject to State approval which may be reasonably withheld, Grantee may terminate this Agreement and be relieved of contractual obligations. In doing so, Grantee must provide a reason(s) for termination. Grantee must submit all progress reports summarizing accomplishments up until termination date.
- D.40. TERMINATION FOR CAUSE: Subject to the right to cure under Paragraph 10, "Default Provisions," the State may terminate this Grant agreement and be relieved of any payments should Grantee fail to perform the requirements of this Grant agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 10, "Default Provisions."
- D.41. TERMINATION WITHOUT CAUSE: The State may terminate this Agreement without cause on 30 days' advance written notice. The Grantee shall be reimbursed for all reasonable expenses incurred up to the date of termination.
- D.42. THIRD PARTY BENEFICIARIES: The parties to this Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or any duty, covenant, obligation or understanding established herein.
- D.43. TIMELINESS: Time is of the essence in this Grant Agreement.
- D.44. TRAVEL : Only ground transportation and lodging are eligible for grant reimbursement. Per diem costs will not be eligible for grant reimbursement. Any reimbursement for necessary travel shall be at rates not to exceed those set by the California Department of Human Resources. These rates may be found

at: <http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx>. Reimbursement will be at the State travel amounts that are current as of the date costs are incurred. No travel outside of the project sponsor's service area shall be reimbursed unless prior written authorization is obtained from the State.

- D.45. **UNION ORGANIZING:** Grantee, by signing this Grant agreement, hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Grant Agreement. Furthermore, Grantee, by signing this Grant Agreement, hereby certifies that:
- A. No State funds disbursed by this Grant agreement will be used to assist, promote, or deter union organizing.
 - B. Grantee shall account for State funds disbursed for a specific expenditure by this Grant agreement to show those funds were allocated to that expenditure.
 - C. Grantee shall, where State funds are not designated as described in (b) above, allocate, on a pro rata basis, all disbursements that support the program.
 - D. If Grantee makes expenditures to assist, promote, or deter union organizing, Grantee will maintain records sufficient to show that no State funds were used for those expenditures and that Grantee shall provide those records to the Attorney General upon request.
- D.46. **VENUE:** The State and the Grantee hereby agree that any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Agreement.
- D.47. **WAIVER OF RIGHTS:** None of the provisions of this Grant Agreement shall be deemed waived unless expressly waived in writing. It is the intention of the parties here to that from time to time either party may waive any of its rights under this Grant agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Grant agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.

EXHIBIT E
AUTHORIZING RESOLUTION

Trinidad City Hall
P.O. Box 390
409 Trinity Street
Trinidad, CA 95570
707-677-0223

Steve Ladwig, Mayor
Gabriel Adams, City Clerk



RESOLUTION 2021-13

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TRINIDAD
AUTHORIZING THE GRANT APPLICATION, ACCEPTANCE, AND EXECUTION
FOR THE TRINIDAD MULTI-BENEFIT WATER RESILIENCE PROJECT

WHEREAS, the City of Trinidad proposes to implement the Trinidad Multi-benefit Water Resilience Project;

WHEREAS, City of Trinidad has the legal authority and is authorized to enter into a funding agreement with the State of California; and

WHEREAS, City of Trinidad intends to apply for grant funding from the California Department of Water Resources for the Trinidad Multi-benefit Water Resilience Project;

THEREFORE, BE IT RESOLVED by the City Council of the City of Trinidad as follows:

1. That pursuant and subject to all of the terms and provisions of Budget Act of 2021 (Stats. 2021, ch. 240, § 80), the City of Trinidad City Manager, or designee is hereby authorized and directed to prepare and file an application for funding with the Department of Water Resources, and take such other actions as necessary or appropriate to obtain grant funding.
2. The City of Trinidad City Manager, or designee is hereby authorized and directed to execute the funding agreement with the Department of Water Resources and any amendments thereto.
3. The City of Trinidad City Manager, or designee is hereby authorized and directed to submit any required documents, invoices, and reports required to obtain grant funding.

CERTIFICATION: PASSED AND ADOPTED on the 09th day of November, 2021 by the following vote:

AYES: Ladwig, West, Grover, Davies
NAYS: None
ABSENT: None
ABSTAIN: None

ATTEST:

Handwritten signature of Gabriel Adams in blue ink.

Gabriel Adams
Trinidad City Clerk

Handwritten signature of Steve Ladwig in blue ink.

Steve Ladwig
Mayor

EXHIBIT F

REPORT FORMATS AND REQUIREMENTS

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

PROGRESS REPORTS

Progress reports shall generally use the following format. This format may be modified as necessary to effectively communicate information. For each project, discuss the following at the task level, as organized in Exhibit A:

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

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

- Work anticipated for the next reporting period.
- Photo documentation, as appropriate.
- Budget projections for grant share for the next two quarters
- Any schedule or budget modifications approved by DWR during the reporting period.

PROJECT COMPLETION REPORT

The Project Completion Report (or a Component Completion Report, if a Project has multiple Components) shall generally use the following format provided below for each project after completion.

Executive Summary

The Executive Summary should include a brief summary of project information and include the following items:

- Brief description of work proposed to be done in the original Grant application.
- List any official amendments to this Grant Agreement, with a short description of the amendment.

Reports and/or Products

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

- A copy of any final technical report or study, produced for or utilized in this Project as described in the Exhibit A
- Electronic copies of any data collected, not previously submitted
- Discussion of problems that occurred during the work and how those problems were resolved
- Final project schedule showing actual progress versus planned progress as shown in Exhibit C

Additional information that may be applicable for implementation projects includes the following:

- Record drawings
- Final geodetic survey information
- Project photos

Cost & Disposition of Funds

A list showing:

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

Additional Information

- Benefits derived from the Project, with quantification of such benefits provided.
- If applicable, Certification from a California Registered Professional (Civil Engineer or Geologist, as appropriate), consistent with Exhibit D, that the project was conducted in accordance with the approved Work Plan in Exhibit A and any approved amendments thereto.
- Submittal schedule for the Post-Performance Report.

GRANT COMPLETION REPORT

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

- Executive Summary: consisting of a maximum of ten (10) pages summarizing information for the grant as well as the individual projects.
- Brief discussion whether the level, type, or magnitude of benefits of each project are comparable to the original project proposal; any remaining work to be completed and mechanism for their implementation; and a summary of final funds disbursement for each project.

Additional Information: Summary of the submittal schedule for the Post-Performance Reports applicable for the projects in this Grant Agreement.

POST-PERFORMANCE REPORT

The Post-Performance Report (PPR) should be concise and focus on how each project is performing compared to its expected performance; whether the project is being operated and maintained and providing intended benefits as proposed. A PPR template may be provided by the assigned DWR Grant Manager upon request. The PPR should follow the general format of the template and provide requested information as applicable. The following information, at a minimum, shall be provided:

Reports and/or products

- Header including the following:
 - Grantee Name
 - Implementing Agency (if different from Grantee)
 - Grant Agreement Number
 - Project Name
 - Funding grant source
 - Report number

- Post-Performance Report schedule
- Time period of the annual report (e.g., January 2018 through December 2018)

- Project Description Summary
- Discussion of the project benefits
- An assessment of any differences between the expected versus actual project benefits as stated in the original application. Where applicable, the reporting should include quantitative metrics (e.g., new acre-feet of water produced that year, etc.).
- Summary of any additional costs and/or benefits deriving from the project since its completion, if applicable.
- Any additional information relevant to or generated by the continued operation of the project.

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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.

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

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

Groundwater Level Data

For each project that collects groundwater level data, the 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 F, "Report Formats and Requirements." Information regarding the WDL and in what format to submit data in can be found at: <http://www.water.ca.gov/waterdatalibrary/>.

EXHIBIT H

STATE AUDIT DOCUMENT REQUIREMENTS FOR THE GRANTEE

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

State Audit Document Requirements

Internal Controls

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

State Funding:

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

Contracts:

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

Invoices:

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

Cash Documents:

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

Accounting Records:

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

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

Personnel:

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

Project Files:

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

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EXHIBIT I

LOCAL PROJECT SPONSORS AND PROJECT LOCATIONS

The Grantee has assigned, for each project, a Local Project Sponsor (LPS). LPSs may act on behalf of the Grantee for the purposes of individual project management, oversight, compliance, and operations and maintenance. LPSs are identified for each sponsored Project below:

Local Project Sponsor Agency Designation

Sponsored Project: Trinidad-Westhaven Emergency Intertie

Sponsor Agency: Westhaven Community Services District

Agency Address: 309 Trinity Street

Project Location: Town/City, California (41.040474000000003, -124.109153)

Local Project Sponsor Agency Designation

Sponsored Project: Water Storage Resiliency Project

Sponsor Agency: City of Trinidad

Agency Address: 309 Trinity Street

Project Location: Town/City, California (41.057549999999999, -124.121949)

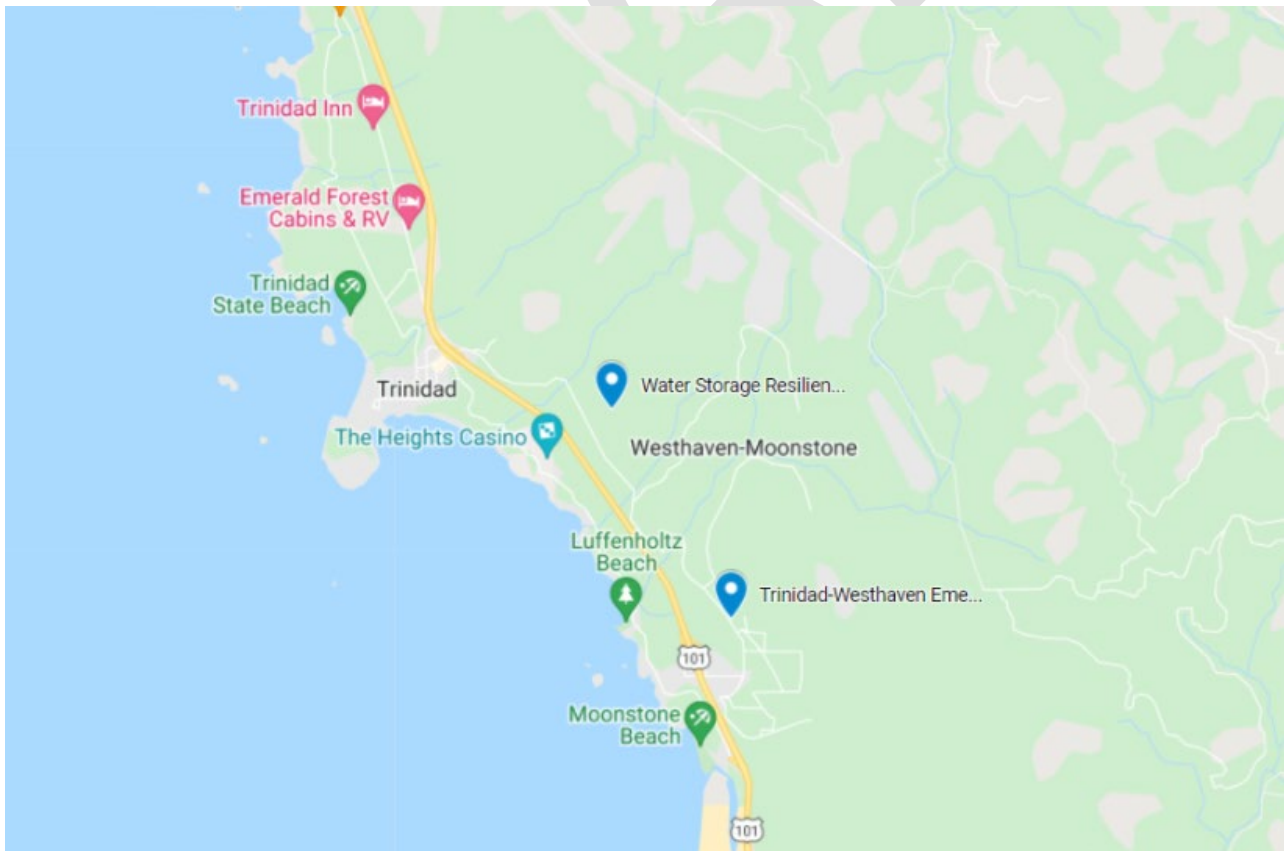


EXHIBIT J

APPRAISAL SPECIFICATIONS

For property acquisitions funded by this Grant Agreement, the Grantee shall submit an appraisal for review and approval by the Department of General Services or DWR's Real Estate Branch prior to reimbursement or depositing State funds into an escrow account. This information should be submitted at least 90 days prior to a reimbursement request to account for review time. All appraisal reports, regardless of report format, shall include all applicable Appraisal Specifications below. Appraisals for a total compensation of \$150,000 or more shall be reported as a Self-Contained Appraisal Report. Appraisals for a total compensation of less than \$150,000 may be reported as a Summary Appraisal Report, which includes all information necessary to arrive at the appraiser's conclusion. Appraisal Specifications 14, 16, 21, 23-25, and 28 shall be a narrative analysis regardless of the reporting format.

1. Title page with sufficient identification of appraisal assignment.
2. Letter of transmittal summarizing important assumptions and conclusions, value estimate, date of value and date of report.
3. Table of contents.
4. Assumptions and Limiting Conditions, Extraordinary Assumptions, and Hypothetical Conditions as needed.
5. Description of the scope of work, including the extent of data collection and limitations, if any, in obtaining relevant data.
6. Definition of Fair Market Value, as defined by California Code of Civil Procedure, § 1263.320.
7. Photographs of subject property and comparable data, including significant physical features and the interior of structural improvements, if applicable.
8. Copies of Tax Assessor's plat map with the subject marked along with all contiguous assessor's parcels that depict the ownership.
9. A legal description of the subject property, if available.
10. For large, remote or inaccessible parcels, provide aerial photographs or topographical maps depicting the subject boundaries.
11. Three (3) year subject property history, including sales, listings, leases, options, zoning, applications for permits, or other documents or facts that might indicate or affect use or value.
12. Discussion of any current Agreement of Sale, option, or listing of subject property. This issue required increased diligence since state agencies often utilize non-profit organizations to quickly acquire sensitive habitat parcels using Option Agreements. However, due to confidentiality clauses, the terms of the Option are often not disclosed to the State. If the appraiser discovers evidence of an Option or the possible existence of an Option, and the terms cannot be disclosed due to a confidentiality clause, then the appraiser is to cease work and contact the client.
13. Regional, area, and neighborhood analyses. This information may be presented in a summary format.
14. Market conditions and trends including identification of the relevant market area, a discussion of supply and demand within the relevant market area, and a discussion of the relevant market factors impacting demand for site acquisition and leasing within the relevant market area. This information may be presented in a summary format.
15. Discussion of subject land/site characteristics (size, topography, current use, elevations, zoning and land use issues, development entitlements, General Plan designation, utilities, offsite improvements, access, land features such as levees and creeks, offsite improvements, easements and encumbrances,

covenants, conditions and restrictions, flood and earthquake information, toxic hazards, water rights, mineral rights, toxic hazards, taxes and assessments, etc.).

16. Description of subject improvements including all structures, square footage, physical age, type of construction, quality of construction, condition of improvements and/or identification of any permanent plantings. Discussion of construction cost methodology, costs included and excluded, accrued depreciation from all causes, remaining economic life, items of deferred maintenance and cost to cure, and incurable items. Construction cost data shall include cost data source, date of estimate or date of publication of cost manual, section and page reference of cost manual, copies of cost estimate if provided from another source, replacement or reproduction cost method used, and supporting calculations including worksheets or spreadsheets.
17. Subject property leasing and operating cost history, including all items of income and expense.
18. Analysis and conclusion of the larger parcel for partial taking appraisals. For partial taking appraisals, Appraisal Specifications generally apply to the larger parcel rather than an ownership where the larger parcel is not the entire ownership.
19. Include a copy of a recent preliminary title report (within the past year) as an appraisal exhibit. Discuss the title exceptions and analyze the effect of title exceptions on fair market value.
20. For appraisals of partial takings or easements, a detailed description of the taking or easement area including surface features and topography, easements, encumbrances or improvements including levees within the subject partial take or easement, and whether the take area is characteristic of the larger parcel. Any characteristics of the taking area, including existing pre-project levees that render the take area different from the larger parcel shall be addressed in the valuation.
21. Opinion of highest and best use for the subject property, based on an in-depth analysis supporting the concluded use which includes the detail required by the complexity of the analysis. Such support typically requires a discussion of the four criteria of tests utilized to determine the highest and best use of a property. If alternative feasible uses exist, explain and support market, development, cash flow, and risk factors leading to an ultimate highest and best use decision.
22. All approaches to market value applicable to the property type and in the subject market. Explain and support the exclusion of any usual approaches to value.
23. Map(s) showing all comparable properties in relation to the subject property.
24. Photographs and plat maps of comparable properties.
25. In-depth discussion of comparable properties, similarities and differences compared to the subject property, adjustments to the comparable data, and discussion of the reliability and credibility of the data as it relates to the indicated subject property value. Improved comparable sales which are used to compare to vacant land subject properties shall include an allocation between land and improvements, using methodology similar to methodology used in item 16 above to estimate improvement value when possible, with an explanation of the methodology used.
26. Comparable data sheets.
 - a. For sales, include information on grantor/Grantee, sale/recordation dates, listed or asking price as of the date of sale, highest and best use, financing, conditions of sale, buyer motivation, sufficient location information (street address, post mile, and/or distance from local landmarks such as bridges, road intersections, structures, etc.), land/site characteristics, improvements, source of any allocation of sale price between land and improvements, and confirming source.
 - b. For listings, also include marketing time from list date to effective date of the appraisal, original list price, changes in list price, broker feedback, if available.

- c. For leases, include significant information such as lessor/lessee, lease date and term, type of lease, rent and escalation, expenses, size of space leased, tenant improvement allowance, concessions, use restrictions, options, and confirming source. When comparing improved sales to a vacant land subject, the contributory value of the improvements shall be segregated from the land value.
27. For appraisals of easements, a before and after analysis of the burden of the easement on the fee, with attention to how the easement affects highest and best use in the after condition. An Easement Valuation Matrix or generalized easement valuation references may be used ONLY as a reference for a secondary basis of value.
28. For partial taking and easement appraisals, valuation of the remainder in the after condition and analysis and identification of any change in highest and best use or other characteristics in the after condition, to establish severance damages to the remainder in the after condition, and a discussion of special and general benefits, and cost to cure damages or construction contract work.
29. There are occasions where properties involve water rights, minerals, or salable timber that require separate valuations. If an appraisal assignment includes water rights, minerals, or merchantable timber that requires separate valuation, the valuation of the water rights, minerals, or merchantable timber shall be completed by a credentialed subject matter specialist.
30. For partial taking and easement appraisals, presentation of the valuation in California partial taking acquisition required format.
31. Implied dedication statement.
32. Reconciliation and final value estimate. Include analysis and comparison of the comparable sales to the subject, and explain and support conclusions reached.
33. Discussion of any departures taken in the development of the appraisal.
34. Signed Certification consistent with the language found in Uniform Standards of Professional Appraisal Practice.
35. If applicable, in addition to the above, appraisals of telecommunication sites shall also provide:
 - a. A discussion of market conditions and trends including identification of the relevant market, a discussion of supply and demand within the relevant market area and a discussion of the relevant market factors impacting demand for site acquisition and leasing within the relevant market area.
 - b. An analysis of other leases comparable to subject property. Factors to be discussed in the analysis include the latitude, longitude, type of tower, tower height, number of rack spaces, number of racks occupied, placement of racks, power source and adequacy, back-up power, vault and site improvements description and location on site, other utilities; access, and road maintenance costs.

EXHIBIT K

INFORMATION NEEDED FOR ESCROW PROCESSING AND CLOSURE

The Grantee shall provide the following documents to the State Project Representative during the escrow process. Property acquisition escrow documents shall be submitted within the term of this Grant Agreement and after a qualified appraisal has been approved.

- Name and Address of Title Company Handling the Escrow
- Escrow Number
- Name of Escrow Officer
- Escrow Officer's Phone Number
- Dollar Amount Needed to Close Escrow
- Legal Description of Property Being Acquired
- Assessor's Parcel Number(s) of Property Being Acquired
- Copy of Title Insurance Report
- Entity Taking Title as Named Insured on Title Insurance Policy
- Copy of Escrow Instructions in Draft Form Prior to Recording for Review Purposes
- Copy of Final Escrow Instructions
- Verification that all Encumbrances (i.e., Liens, Back Taxes, and Similar Obligations) have been Cleared Prior to Recording the Deed to Transfer Title
- Copy of Deed for Review Purposes Prior to Recording
- Copy of Deed as Recorded in County Recorder's Office
- Copy of Escrow Closure Notice

EXHIBIT L

PROJECT MONITORING PLAN GUIDANCE

Introduction

For each project contained in Exhibit A, please include a brief description of the project (maximum ~150 words) including project location, implementation elements, need for the project (what problem will the project address) and responds to the requirements listed below.

Project Monitoring Plan Requirements

The Project Monitoring Plan shall contain responses to the following questions:

- What are the anticipated project physical benefits?
- What are the corresponding numeric targets for each project benefit?
- How will proposed numeric targets be measured?
- What are baseline conditions?
- When will the targets be met (e.g., upon project completion, five years after completion)?
- How often will monitoring be undertaken (e.g., monthly, yearly)?
- Where are monitoring point locations (e.g., meter located at..., at stream mile...)? Include relevant maps.
- How will the project be maintained (e.g., irrigation, pest management, weed abatement)?
- What will be the frequency and duration of maintenance proposed activities?
- Are there any special environmental considerations (e.g., resource agency requirements, permit requirements, CEQA/NEPA mitigation measures)?
- Who is responsible for collecting the samples (i.e., who is conducting monitoring and/or maintenance)?
- How, and to whom, will monitoring results be reported (e.g., paper reports, online databases, public meetings)?
- What adaptive management strategies will be employed if problems are encountered during routine monitoring or maintenance?
- What is the anticipated life of the project?

EXHIBIT M

INVOICE GUIDANCE FOR ADMINISTRATIVE AND OVERHEAD CHARGES

The funds provided pursuant to this Agreement may only be used for costs that are directly related to the funded Project. The following provides a list of typical requirements for invoicing, specifically providing guidance on the appropriate methods for invoicing administrative and direct overhead charges.

Administration Charges

Indirect and General Overhead (i.e., indirect overhead) charges are not an allowable expense for reimbursement. However, administrative expenses that are apportioned directly to the project are eligible for reimbursement. Cost such as rent, office supplies, fringe benefits, etc. can be "Direct Costs" and are eligible expenses as long as:

- There is a consistent, articulated method for how the costs are allocated that is submitted and approved by the Grant Manager. The allocation method must be fully documented for auditors.
- A "fully-burdened labor rate" can be used to capture allowable administrative costs.
- The administrative/overhead costs can never include:
 - Non-project specific personnel and accounting services performed within the Grantee or an LPS' organization
 - Generic markup
 - Tuition
 - Conference fees
 - Building and equipment depreciation or use allowances
- Using a general overhead percentage is never allowed

Labor Rates

The Grantee must provide DWR with supporting documentation for personnel hours (see personnel billing rates letter in example invoice packet). The personnel rate letter should be submitted to the DWR Grant Manager prior to submittal of the first invoice. The supporting documentation must include, at a minimum, employee classifications that will be reimbursed by grant funds and the corresponding hourly rate range. These rates should be "burdened"; the burdened rate must be consistent with the Grantee's/Local Project Sponsors standardized allocation methodology. The supporting documentation should also provide an explanation of what costs make up the burdened rate and how those costs were determined. This information will be used to compare against personnel hours summary table invoice back up documentation. Periodic updates may be needed during the life of the grant which would be handled through a revised billing rate letter.

WESTHAVEN COMMUNITY SERVICES DISTRICT (#260)		JUNE 2022			
ANNUAL OPERATING BUDGET 1st Approval 5/4/2022		2021-2022	2022-2023	INCREASE (DECREASE)	
					Revenue from monthly bills
					Commodity rate expenses (variable operating costs)
					Base rate expenses (fixed operating costs)
					Expenses part commodity, part base
OPERATING REVENUES					
411.00	WATER SALES	263,647	285,721	22,074	NOTES
	Base Rate Residential	159,029	169,582	10,553	
	Commodity Rate Residential	101,839	113,170	11,331	Estimated residential income is linked to estimated average bill
411.10	Total Residential	260,869	282,752	21,883	229 residential
	Base Rate Business	1,389	1,481	92	
	Commodity Rate Business	889	988	99	
411.20	Total Business	2,278	2,469	191	2 Business (+ WVFD - no charge)
411.70	Other water sales	500	500	0	Emergency no deliveries last 2 fiscal years
421.00	WATER SERVICES	3,319	3,366	47	
421.10	Fire prevention	694	741	47	Merryman's fire system - pays base rate only
421.30	Backflow valve testing charges	2,625	2,625	0	Equals Backflow Program Expense - Not part of water rates
421.40	Water Service charges				Water service repair / relocation
421.50	Other water services	3,000	2,400	(600)	Charges for late payment, returned checks, reconnection, etc.
	TOTAL OPERATING REVENUES	266,466	288,587	22,121	Interest Revenue moved to Capital Budget Total does not include 411.70 & 421.50
	REVENUE PAID TO CAPITAL EXPENSES	46,402	46,402	0	
	TOTAL OP. REV. AFTER CAP. EXPENSE	220,064	242,185	22,121	
OPERATING EXPENSES		COLA 1.2%	2.0%	0.8%	COLA = 10 yr. running avg. of avg. of COLA & CPI
			<i>equals</i>	\$0.00	40.00 Mg/Op - Hrs/Wk- 22-23 Base Wage = Annual Average 29.28/hr
	REGULAR OPERATING EXPENSES		<i>per cust.per mo.</i>		26.00 Op - hours / week - 2022-23 Base Wage = Annual Average 21.15/hr.
	SOURCE OF SUPPLY				12.00 Relief Op- hours/week combined - 2022-23 Annual Average 21.15
					15.00 S/B - hours / week - 2022-23 Base Wage = 23.44/hr.
511.10	Wages - Operator/GM	1,236	536	(700)	1% Mg/Op -apox % of time
511.20	Wages - 2nd & 3rd Operators	1,367	350	(1,017)	1% Op - apox % of time
511.00	Total wages	2,602	886	(1,717)	
512.00	Maintenance, structure, & improvements	200	200	0	Historically \$0 spent. Last year \$340 on an isolated repair
513.00	Purchased water				
	TOTAL SOURCE OF SUPPLY	2,802	1,086	(1,716)	Cost lower dueto change of Mgmt. Operators tracking time differently
PUMPING					
521.10	Wages - Operator/GM	1,236	536	(700)	1% Mg/Op -apox % of time
521.20	Wages - 2nd & 3rd Operators	1,822	2,000	178	6% Op -apox % of time
521.00	Total wages	3,058	2,536	(522)	
522.00	Maint, structure, & improvements	240	800	560	Per income/expense report
523.10	Fuel or power used for pumping - booster	3,900	6,000	2,100	Includes tank fan and shop storage room dehumidifier
523.20	Fuel or power used for pumping - well	2,900	2,200	(700)	Per income/expense report
	TOTAL PUMPING	10,098	11,536	1,438	
WATER TREATMENT					
531.10	Wages - Operator/GM	6,178	6,540	362	14% Mg/Op -apox % of time
531.20	Wages - 2nd & 3rd Operators	20,044	26,930	6,886	74% Op -apox % of time
531.00	Total wages	26,221	33,470	7,249	
532.00	Maint, structure & improvements	800	800	0	Per expense reports (sand filter expense excluded???)
533.10	Chemical	3,900	7,000	3,100	Chlorine & Calcite - may increase with new well(s)
533.20	Outside lab expense	5,400	5,000	(400)	North Coast Labs - increased sampling requirements
533.30	Water testing supplies - WCSD	1,200	3,000	1,800	Reagents and Instrument maintenance.
	TOTAL WATER TREATMENT	37,521	49,270	11,749	
TRANSMISSION & DISTRIBUTION					
541.10	Wages - Operator/GM	2,471	2,100	(371)	5% Mg/Op -apox % of time
541.20	Wages - 2nd & 3rd Operators	3,644	5,000	1,356	14% Op - apox % of time
541.00	Total wages	6,115	7,100	985	
542.00	Maint, structure, & improvements	1,000	2,000	1,000	Per income/expense report
543.00	District Vehicle O&M	2,000	2,000	0	Insurance, fuel, maintenance, etc.
544.00	Backflow Program Expense	2,625	2,625	0	Not part of regular rate calculations - program is self- supporting
	TOTAL TRANSMISSION & DISTRIBUTION	11,740	13,725	1,985	

WESTHAVEN COMMUNITY SERVICES DISTRICT (#260)		JUNE 2022			
ANNUAL OPERATING BUDGET 1st Approval 5/4/2022		2021-2022	2022-2023	INCREASE (DECREASE)	
					Revenue from monthly bills
					Commodity rate expenses (variable operating costs)
					Base rate expenses (fixed operating costs)
					Expenses part commodity, part base
CUSTOMER ACCOUNTS					
551.10	Wages - billing	1,510	2,413	903	15% S/B - apox % of time
551.20	Wages - cash receipts	2,471	2,680	209	2 Mg/Op -Changed to hrs per week to match formulas
551.30	Wages - meter reading - Operator/GM	0	536	536	1% Mg/Op -aprox % of time
551.40	Wages - meter reading - 2nd/3rd Operator	1,822	2,500	678	6% Op -aprox % of time
551.00	Total wages	5,803	8,129	2,326	
551.50	Billing Supplies	1,200	1,200	0	Per income/expense report
552.00	Uncollectible accounts	0	0	0	
553.00	Customer Leak Adjustments	2,000	2,000	0	Based on 10 year average
	TOTAL CUSTOMER ACCOUNTS	9,003	11,329	2,326	
ADMINISTRATIVE & GENERAL					
561.10	Wages - Manager	33,359	37,450	4,091	29 71% of time in budget for admin, 6% paid for by Grants. 71%=29 Hrs/week
561.20	Wages - Clerical	14,597	13,676	(921)	85% S/B -apox % of time
561.00	Total wages	47,956	51,126	3,170	
562.10	Office supplies	1,600	1,600	0	Per income/expense report
562.20	Office equipment	750	750	0	Average over several years.
562.30	Office utilities (phone / electric / internet)	3,600	3,000	(600)	Per income/expense report
562.40	Postage	1,900	1,900	0	Per income/expense report
562.50	Employee / director education	100	350	250	Staff need CPR certification
562.60	Operator certification	120	300	180	Estimate 3 new certifications and 1 renewal
562.70	Employee / director mileage reimbursement	100	100	0	Per income/expense report - current rate 0.56 per mile
563.10	Accountant	7,735	8,380	645	Annual St Financial Tran Rep & Yr end consulting \$880. Est 1/2 of upcoming audt \$7,500.
563.20	Legal	500	500	0	Default-Historical range from \$0 to \$7,657/yr (93-94) 20-21 lowered to \$1000 from \$1500
563.30	Consultants, Engineering etc.	350	350	0	Does not include project expenses
564.00	Property and liability insurance	4,081	5,000	919	SDRMA estimates \$4990 to \$5073
565.10	Wages - Compensated Absences - all employees	11,255	14,517	3,262	Vacation,holiday,sick,etc.
565.20	Payroll Tax Expenses	7,954	9,850	1,896	Current rates
565.30	Workers' Comp. Insurance	3,360	4,240	880	Estimate Per SDRMA
565.40	Employee medical benefits	20,728	23,148	2,420	Manager, 9% increase
565.50	Employee retirement benefits	7,210	8,468	1,258	7% contribution to employee SEP IRA
567.00	Rents & leases	4,800	5,400	600	Per rental agreement, 7/1/22 increases from \$400 to \$450 per month
568.00	Maintenance-general plant	8,000	1,000	(7,000)	Per income/expense report (does not include for new for roof)
569.00	Other admin & general expenses	6,800	6,000	(800)	Per income/expense report -
	TOTAL ADMINISTRATIVE & GENERAL	138,899	145,979	7,080	
	TOTAL REGULAR OPERATING EXPENSE	210,064	232,925	22,861	
OTHER OPERATING EXPENSES					
573.00	Contribution to Operating Reserves	10,000	10,000	0	Operating Reserves currently ≈ \$ 52,091 - target is \$58,231
	TOTAL OPERATING EXPENSES	220,064	242,925	22,861	10.39% Total annual operating revenue required
	OPERATING SURPLUS (DEFICIT)	1	-741	(742)	
	TOTAL FIXED OPERATING EXPENSE	114,711	126,142	11,431	9.97% Expense independent of actual water use
	TOTAL BASE RATE EXPENSE	161,113	172,544	11,431	7.10% Fixed operating expense + DWR debt (increases by 2,690 re DBP loan)
	TOTAL COMMODITY RATE EXPENSE	102,729	114,158	11,429	11.13% Variable operating expense = Commodity Rate expense
	TOTAL EXPENSE TO CUSTOMERS	263,847	286,702	22,855	8.66% Equals Total Operating Expense
	MONTHLY BASE RATE	57.87	61.71	\$3.84	6.64% Total Base Rate expense per month per customer
	COMMODITY RATE CHARGE PER K GAL.	\$15.23	\$15.99	\$0.76	5.02%
	AVG. MONTHLY COMMODITY EXPENSE	41.96	46.41	\$4.44	10.58% Total Commodity Rate exp per mo. per cust (233 active meters only)
	AVERAGE MONTHLY BILL	99.84	108.12	\$8.28	8.29% AVERAGE OF ACTIVE ACCOUNTS ONLY
	PROJECTED ANNUAL GALLONS SOLD	6,747,200	7,137,300	390,100	5.78%

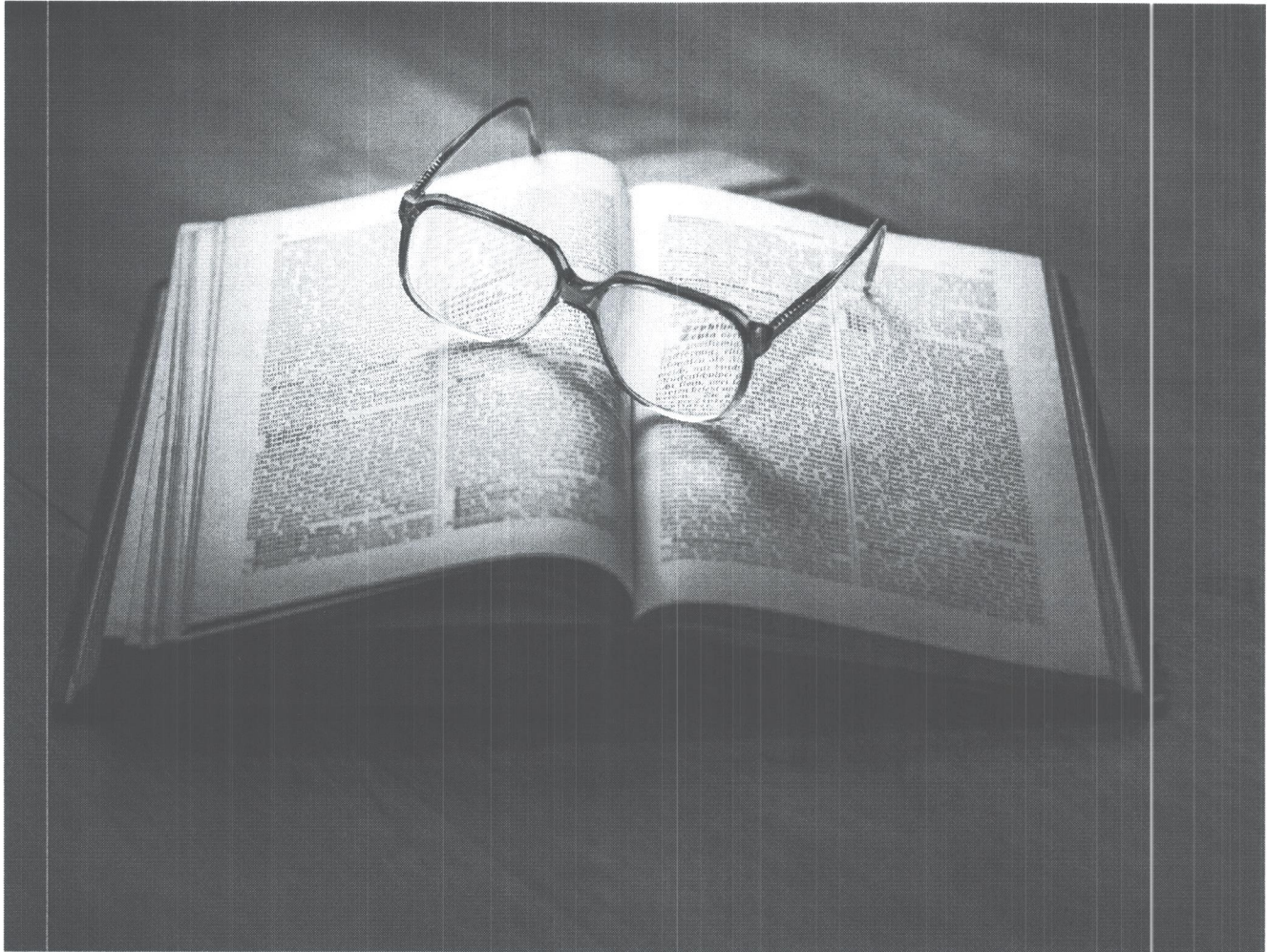
	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
1					TOTAL	Butterworth	Madison	K. Martin		R. Levang		P. Rosenblatt					
2					CHANGE	Operator 1	Operator 1	Operator 2	Operator 2	Secretary/Bookkeeper		General Manager			GM		
3							T,2					Operator T2, D2			Totals		
4			21-22	22-23		21-22	22-23	21-22	22-23	21-22	22-23	21-22	22-23	22-23	22-23		
5	Annual cost-of-living-adjustment (COLA)		1.20%	2.00%	0.80%								7/1-12/31	1/1-6 /31	Totals		
6	No change to General Managers budgeted operator hours						**		**								
7	Employee's Base Wage/Hour					19.91	21.15	18.54	21.15	22.98	23.44	27.00	28.56	30.00	29.28		
8	Budgeted hours per week					18.00	26.00	6.00	12.00	18.00	15.00	40.00	40.00	40.00			
9	Total Paid Annual Hours (52 wk)					936.00	1,352.00	312.00	624.00	936.00	780.00	2,080.00	1,040.00	1,040.00			
10																	
11	Total Annual Base Wages	*	103,010.64	120,977.98	17,967.34	18,635.76	28,594.80	5,784.48	13,197.60	21,509.28	18,283.20	56,160.00	29,702.40	31,200.00	60,902.38		In the Operating Budget 6% of the GM wages are removed and will be charged to grant funds
12																	
13	Social Security Tax		6.20%	6.20%	0.00%	1,155.42	1,772.88	358.64	818.25	1,333.58	1,133.56	3,481.92	1,841.55	1,934.40			
14	Medicare Hospital Tax		1.45%	1.45%	0.00%	270.22	414.62	83.87	191.37	311.88	265.11	814.32	430.68	452.40			
15	Unemployment Insurance EDD (First \$7,000)		1.60%	1.60%	0.00%	112.00	112.00	112.00	112.00	112.00	112.00	112.00	112.00	112.00			
16	CA Employment Training Tax (First \$7,000)		0.10%	0.10%	0.00%	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00			
17	Base payroll tax expense		4,523.98	4,578.31	54.33												
18	Commodity payroll tax expense		3,761.86	5,271.51	747.52												
19																	
20	Total annual payroll tax expense	*	8,387.57	9,849.82	1,462.25	1,544.64	2,306.50	561.51	1,128.62	1,764.46	1,517.66	4,415.24	2,391.23	2,505.80	4,897.03		
21						-273.56								481.79			
22	Worker's Comp Water		5.19%	5.19%	0.00%	754.41	1,157.57	234.17	534.27			2,273.47	1,202.41	1,263.04	2,465.45		
23																	
24	Worker's Comp Clerical		0.58%	0.58%	0.00%					97.31	82.71						
25																	
26	Total annual Workers Comp. Expense		3,363.52	4,240.00	876.48	754.41	1,157.57	234.17	534.27	97.31	82.71	2,273.47	1,202.41	1,263.04	2,465.45		
27																	
28	Total Annual Wage expense to WCSD		114,761.73	135,067.82	20,306.09	20,934.81	32,058.88	6,580.16	14,860.48	23,371.05	19,883.58	62,848.71	33,296.05	34,968.84	68,264.88		
29																	
30	Total Annual Increase to WCSD					-3,277.80	11,124.07		8,280.32		-3,487.47			5,416.18	5,416.18		
31																	
32	*Medical Benefits		20,728	23,148	2,420.00							3,500.00	4,770.00				
33	Retirement		7,210.74	8,468.46	1,257.72	1,304.50	2,001.64		923.83	1,505.65	1,279.82	3,931.20	2,079.17	2,184.00	4,263.17		
34	Annual expense including benefits		142,700.47	166,684.28	23,983.81	22,239.31	34,060.51	6,580.16	15,784.31	24,876.70		70,279.91	40,145.21	37,152.84			
35																	
36	Weekly base wage expense					358.38	549.90	111.24	253.80	413.64		1,080.00	571.20	600.00			
37																	
38	Annual base wage / 1hr / wk (46.0 OP, 46.4 SEC, 45.4 MG)					903.91	960.21	852.84	960.21	1,066.27		1,198.80	1,296.62	1,362.00			
39	(for wage exp. w/o comp. absences)																
40																	
41	Base Rate Ratio									1.00		0.625	0.625	0.625			
42	Commodity Rate Ratio					1.00	1.00	1.00	1.00			0.375	0.375	0.375			
43																	
44	Weekly wage expense to WCSD					402.59	616.52	126.54	285.78	449.44		1,208.63	640.31	672.48			
45																	
46	1 hr per week annual expense					1,163.04	1,233.03	1,096.69	1,238.37	1,298.39		1,571.22	1,664.80	1,748.44			
47																	
48	1 hr per week annual expense incl. benefits					1,235.52	1,310.02	1,096.69	1,315.36	1,382.04		1,757.00	2,007.26	1,857.64			
49																	
50	Hourly Wage expense to WCSD					22.37	23.71	21.09	23.81	24.97		30.22	32.02	33.62			
51																	
52	Hourly expense including benefits					23.76	25.19	21.09	25.30	26.58		33.79	38.60	35.72			
53																	
54	Base Wage expense per customer per month		37.00	43.45	6.45												
55																	
56	Total employee expense increase		51.26	59.87	8.61		4.00		2.97		-1.25				1.95		
57	per customer per month																
58		*	Columns do not total 21-22 budget currently because of so many changes in employment during that fy														
59		**	Operator wages start the year at \$20.40/hr. Each gets a \$1 increase after upgrading certifications. Increase estimated 10/1/22.														
60			13 weeks @ \$20.40 / 39 weeks @ \$21.40. Annual average hourly rate = \$21.15														

THE WATER SHUTOFF PROTECTION ACT – SB 998 (<https://calruralwater.org/the-water-shutoff-protection-act-sb-998/>)

173M. 18-1

📅 Post Date: February 20, 2020

👤 Posted By: Channing Vang



By James Ciampa, Lagerlof, Senecal, Gosney & Kruse, LLP

Last year, the California Legislature passed, and Governor Brown signed into law, SB 998 – the **Water Shutoff Protection Act (the “Act”)**, found at **Health and Safety Code Sections 116900 et seq.** SB 998 changes the requirements and procedures for the discontinuation (i.e., termination) of water service to a residence. Those new requirements and procedures are summarized below.

APPLICATION OF THE ACT

There are three aspects of the Act that are important regarding how it applies. First, the Act

applies only to the newly defined “urban and community water systems.” The Act defines “urban and community water system” as a public water system that supplies water to more than 200 service connections. Thus, the Act does not apply to water systems with less than 200 connections.

Secondly, the Act applies only to the termination of residential water service. Thus, a water supplier may have different service termination procedures for a commercial or non-residential service. Lastly, the Act applies only to termination of service for non-payment and does not apply to terminations for other reasons, such as unauthorized water use or for violation of a supplier’s rules and regulations. Thus, a service disconnection that is not related to non-payment need not comply with the Act’s requirements.

COMPLIANCE DATES

The Act distinguishes between water suppliers regulated by the Public Utilities Commission and non-PUC entities with respect to when compliance with its requirements starts. For urban water suppliers (i.e., those who serve more than 3,000 service connections) and any PUC-regulated systems, they must comply with the Act on and after February 1, 2020. Urban and community water systems not regulated by the PUC, and with less than 3,000 service connections, must comply with the Act on and after April 1, 2020.

SERVICE DISCONTINUATION POLICY

The Act requires every urban and community water system to have a written policy on discontinuation of residential water service for non-payment. That policy must be available on the water supplier’s website or, if the supplier does not have a website, must be provided to customers on request. The policy must be in the five languages, in addition to English, listed in Civil Code Section 1632 (Spanish, Chinese, Korean, Vietnamese and Tagalog), and in any other language spoken by at least 10% of the people residing the system’s service area. The policy must include the following components:

(1) a plan for deferred or reduced payments; (2) alternative payment schedules; (3) a formal mechanism for a customer to contest or appeal a bill; and (4) a telephone number for a customer to discuss options to avoid discontinuation of service due to non-payment.

However, the policy should include additional details regarding implementation of the Act, including when an account is due (e.g., on issuance of the bill), which will start the 60-day clock for the termination of service, a detailed description of the supplier’s alternative payment arrangements, a formal appeals or bill review process, and the manner in which the water supplier will provide the required notices.

DISCONTINUATION PROCESS – NOTICE

The most significant change the Act makes is imposing a 60-day waiting period before an urban and community water system can discontinue water service. The Act provides that residential water service cannot be discontinued for non-payment until the account has been delinquent for at least 60 days. The Act does not specify when that delinquency period begins to run, so that is an issue a water supplier should address in its service termination policy.

The Act requires notice of the potential termination of service be given to the customer named on the account at least seven (7) business days before the possible termination of service. The notice can be given by telephone or in writing. If the notice is given by telephone, the water supplier must: (a) offer to provide the customer the supplier's written policy on discontinuation of water service; and (b) offer to discuss options to avoid discontinuing water service, including alternative payment schedules, deferred payments, minimum payments, amortization and bill review and appeal.

If the notice is given in writing, the notice must be mailed to the customer at the residence's address, but if the customer's address is not the address of the property to which the service is provided, the notice must also be sent to the property's address, addressed to "Occupant." The notice must include the following:

- 1. Customer's name and address;*
- 2. Amount of delinquency;*
- 3. Date by which payment or arrangement for payment is required to avoid discontinuation of service;*
- 4. Description of the process to apply for an extension of time to pay the amount owing;*
- 5. Description of the procedure to petition for review and appeal of the bill in giving rise to the delinquency; and*
- 6. Description of the procedure by which the customer can request a deferred, amortized, reduced or alternative payment schedule.*

PROHIBITIONS ON DISCONTINUATION OF SERVICE

There are two scenarios that would prohibit the discontinuation of service for non-payment. First, if the customer appeals its water bill to the water supplier or to any other administrative or legal body, the supplier cannot discontinue service while that appeal is pending. Secondly, the water supplier cannot discontinue residential water service if all of the following conditions are met:

- 1. Health Conditions – the customer or tenant of the customer submits certification of a primary care provider that discontinuation of water service would, to any resident at the property, (i) be life threatening, or (ii) pose a serious threat to a resident's health and safety.*

2. Financial Inability – the customer demonstrates he or she is financially unable to pay for water service within the water system's normal billing cycle. The customer is deemed "financially unable to pay" if any member of the customer's household is: (i) a current recipient of the following benefits: CalWORKS, CalFresh, general assistance, Medi-Cal, SSI/State Supplementary Payment Program or California Special Supplemental Nutrition Program for Women, Infants and Children; or (ii) the customer declares the household's annual income is less than 200% of the federal poverty level. The Act does not require the customer to show any proof relating to that income declaration!

3. Alternative Payment Arrangements – the customer is willing to enter into an alternative payment arrangement consistent with the water supplier's policy (see the next section).

ALTERNATIVE PAYMENT ARRANGEMENTS

An urban and community water system must offer a customer one of the following alternative payment arrangements: (i) amortization of the unpaid balance; (ii) participation in an alternative payment schedule; (iii) partial or full reduction of the unpaid balance, without additional charges to other ratepayers; or (iv) temporary deferral of payment. The Act does not provide any detail on what those arrangements must include, so that is another area that should be addressed in the supplier's service termination policy.

It is important for water suppliers to understand that they will select which of the alternative payment arrangements is to be used and they will set the parameters of that option. The Act states that ordinarily the payment option to be offered should result in full payment within 12 months, but the water supplier may allow a longer repayment period to avoid undue hardship to the customer.

If the customer has entered into an alternative payment arrangement and then fails to abide by that agreed upon arrangement or fails to keep its account current, the water supplier may discontinue service no sooner than 5 business days after the supplier posts a final notice of intent to discontinue service in a prominent place at the customer's property if either of the following has occurred: (i) the customer fails to comply with the agreed upon payment arrangement for 60 days or more; or (ii) while undertaking an agreed upon payment arrangement, the customer does not pay his or her current service charges for 60 days or more.

LOW INCOME CUSTOMERS – CAP ON RECONNECTION FEES; INTEREST WAIVER

Customers are deemed to have a household income below 200% of the federal poverty line if: (i) any member of the household is a current recipient of the following benefits: CalWORKS, CalFresh, general assistance, Medi-Cal, SSI/State Supplementary Payment Program or

California Special Supplemental Nutrition Program for Women, Infants and Children; or (ii) the customer declares the household's annual income is less than 200% of the federal poverty level. If a customer demonstrates either of those circumstances, then the urban and community water system must do both of the following:

*A. **Reconnection Fees** – reconnection fees during normal operating hours cannot exceed \$50, and reconnection fees during non-operational hours cannot exceed \$150. Those fees cannot exceed the actual cost of reconnection if that cost is less than the statutory caps. Those caps may be adjusted annually for changes in the CPI beginning January 1, 2021. There is no cap on reconnection fees for customers who are not low income under the tests listed above.*

*B. **Interest Waiver** – the water system must waive interest charges on delinquent bills once every 12 months.*

LANDLORD-TENANT SCENARIO

The Act uses the same concepts as were enacted in 2009 in SB 120 with respect to terminating water service to tenants. In a situation where the property is a rental property of some sort and the owner pays the water bill, if the account becomes delinquent, before service can be discontinued particular notices must be provided to the tenants at that property. For the sake of efficiency, a water supplier may want to include the required tenant language on its general service termination notice discussed above.

The Act requires that at least 10 days (but only 7 days if the property is a detached single-family dwelling) (note this notice requirement refers to calendar days and not business days as with the notices described above) prior to the possible termination of water service, the urban and community water system must make every good faith effort to inform the occupants by written notice that the water service will be terminated. The written notice must also inform the tenants that they have the right to become customers to whom the service will be billed without having to pay any of the delinquent amounts.

In order for a tenant or occupant to take over the water service account, each tenant/occupant must agree to the terms and conditions for service and meet the water supplier's requirements and rules. However, if (a) one or more of the tenants/occupants assumes responsibility for subsequent charges to the account to the water supplier's satisfaction, or (b) there is a physical means to selectively terminate service to those tenants/occupants who have not met the system's requirements, then the system may make service available only to those tenants/occupants who have met the requirements.

REPORTING

An urban and community water system must report annually on its website and to the State Water Resources Control Board the number of service discontinuations for inability to pay. The Act does not provide any details regarding the timing for that reporting. The State Water Resources Control Board must post that information on its website.

ENFORCEMENT

The Act has three prongs for enforcement. First, the State Water Resources Control Board is given the same power to enforce the Act as it has for other provisions in the California Safe Drinking Water Act. Thus, the State Water Board may issue a citation that can include penalties of up to \$1,000 per day, may issue a compliance order and may recover its enforcement costs and any litigation costs. In addition to the State Water Board taking action, the California Attorney General, at the request of the State Water Board or on its own, may file a civil lawsuit to seek a temporary or permanent injunction to restrain any acts or practices that are unlawful under the Act. Lastly, the Act also provides for private citizens' suits for violation of the Act, which could include monetary damages resulting from the wrongful termination of service and injunctive relief to require that water service is promptly restored.

CONCLUSION

*The Act imposes significant new requirements on those water suppliers in California who provide water service to more than 200 service connections. The Act will require those water suppliers to adopt new policies, revise their service termination notices and procedures, and potentially revise their billing systems to ensure compliance with the new notice timing requirements. As the compliance dates of **February 1, 2020** and **April 1, 2020** are rapidly approaching, water suppliers to whom the Act applies should begin making the necessary changes to ensure timely compliance with the Act.*



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