County of Santa Cruz

FLOOD CONTROL AND WATER CONSERVATION DISTRICT

701 OCEAN STREET, ROOM 410, SANTA CRUZ, CA 95060-4070
(831) 454-2160 FAX (831) 454-2385 TDD (831) 454-2123

THOMAS L. BOLICH
DISTRICT ENGINEER

AGENDA: FEBRUARY 12,2008

January 31,2008

BOARD OF DIRECTORS
SANTA CRUZ COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT
701 Ocean Street
Santa Cruz, CA 95060

SUBJECT: PAJARO RIVER BENCH EXCAVATION PROJECT

Members of the Board:

` On March 21, 2007, staff reported to your Board that the joint partnership of the Santa Cruz County Flood Control and Water Conservation District (SCCFCWCD) and the Monterey County Water Resources Agency (MCWRA) was selected to receive grant funding through the Proposition 50 Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 for the Pajaro River Bench Excavation Project. The amount of the grant is $6,209,031. The project aims to excavate up to 322,000 cubic yards of bench material from the Pajaro River channel to improve the levee's flood carrying capacity.

As the lead agency in the regional group of agencies who were awarded a combined total of some $25 million in Proposition 50 grants, the Pajaro Valley Water Management Agency (PVWMA) is the administrator of this grant. Attached for your approval is a project sponsor agreement that ratifies the grant agreement between PVWMA and the joint partnership of the SCCFCWCD and the MCWRA and allows the two agencies to receive grant funding for the project.

The project sponsor agreement designates the SCCFCWCD and the MCWRA as joint agencies responsible for receipt of grant funding and completion of the excavation work. To facilitate efficient processing of administrative duties, both sponsors agree that the SCCFCWCD will act as the lead agency for the processing of invoices, disbursement of funds, and submission of monthly project reports. All other sponsor responsibilities will be equally shared between the sponsoring agencies. We will return at a later date with a memorandum of understanding with MCWRA for your Board's consideration that specifically describes those responsibilities.

It is therefore recommended that the Board of Directors take the following actions:

1. Approve the attached Project Sponsor Agreement with the Pajaro Valley Water Management Agency to jointly receive up to $6,209,031 in grant funds from the State's Proposition 50 grant program for the Pajaro River Bench Excavation Project.

2. Authorize the Chairperson of the Board to sign the agreement on behalf of the District.

3. Direct the Clerk of the Board to return the signed document to Public Works for further processing.

Yours truly,

THOMAS L. BOLICH
District Engineer

TLB:DJH:mh

Attachments

RECOMMENDED FOR APPROVAL:

County Administrative Officer

copy to: Monterey County Water Resources Agency (w/a)
Santa Cruz County Flood Control
and Water Conservation District Zone 7
Public Works

PROPOSITION 50 IMPLEMENTATION AGREEMENT

PAJARO VALLEY WATER MANAGEMENT AGENCY

AND THE JOINT PARTNERSHIP OF

SANTA CRUZ COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

AND THE

MONTEREY COUNTY WATER RESOURCES AGENCY

WATER SECURITY, CLEAN DRINKING WATER, COASTAL AND BEACH PROTECTION ACT OF 2002 (Water Code Section 79500 et seq.)

THIS AGREEMENT, entered into by and between Pajaro Valley Water Management Agency, herein referred to as the "Agency" and the joint partnership of the Santa Cruz County Flood Control and Water Conservation District, a government agency in the County of Santa Cruz, State of California, and the Monterey County Water Resources Agency, a government agency in the County of Monterey, State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Project Sponsors", and the Santa Cruz County Flood Control and Water Conservation District is designated as the lead agency for administrative duties, referred to as the "Lead Project Sponsor" for those administrative duties specified separately herein, which parties do hereby agree as follows:

1. PURPOSE OF GRANT: A Grant has been made by the State of California, Department of Water Resources ("DWR") to assist in financing projects associated with the Pajaro River Watershed Integrated Regional Water Management Plan pursuant to Chapter 8 (commencing with Section 79560) of Division 26.5 of the California Water Code, hereinafter collectively referred to as "IRWM Program." Agency has been designated "Grantee" in the Grant Agreement between the Agency and DWR (the "Agency-DWR Agreement"), and is responsible for administering the Grant funds to designated recipients, including the Project Sponsors, for various components of the IRWM Program. Project Sponsors are undertaking certain components of the IRWM Program (the "Project") as detailed in Exhibit A, Work Plan, of the Agency-DWR Agreement. This Agreement sets forth the rights and responsibility of Agency and Project Sponsors with respect to Grant funds for the Project.

2. TERM OF AGREEMENT: The term of this Agreement begins on January 16, 2008, and terminates when all of Project Sponsors' obligations under this Agreement have been fully satisfied.

3. SCHEDULE: Project Sponsors shall diligently perform or cause to be performed all Project work as described in Exhibit A, Work Plan, in accordance with Exhibit B, Schedule.

4. GRANT AMOUNT: The maximum amount payable by State under this Agreement shall not exceed $6,209,031.

5. PROJECT SPONSORS' COST: The reasonable total costs of the Project are estimated to be $10,458,483 which are summarized in Exhibit C, Budget. Project Sponsors agree to fund or ensure funding of the difference, if any, between the estimate of Project costs and grant amount as specified in Exhibit C of the Agency-DWR Agreement. Project Sponsors' cost share is estimated to be $4,249,452.

6. ELIGIBLE COST: Project Sponsors shall apply State Grant funds received only to Eligible Costs. Eligible Costs are the reasonable and necessary costs of engineering, design, legal fees, land and easement acquisition, preparation of environmental documentation, environmental mitigation, and project implementation. Only work performed after the effective date of the Agency-DWR Grant Agreement shall be eligible for reimbursement (January 18, 2007). Costs incurred after November 5, 2002, and prior to the effective date of the Agency-DWR grant agreement are not eligible for reimbursement. However, such costs may be considered, at State's discretion, as part of Project Sponsors' funding match, if such costs were otherwise reimbursable. Costs that are not reimbursable with grant funds or eligible for funding match include, but may not be limited to, the following:

   A, Costs incurred prior to November 5, 2002.
   B. All travel, per diem and mileage costs.
   C. Allocable costs.
   D. Operation and maintenance costs, including post construction performance and monitoring costs.
   E. Purchase of equipment not an integral part of a project.
   F. Establishing a reserve fund.
   G. Purchase of water supply.
   H. Replacement of existing funding sources for ongoing programs.
   I. Support of existing agency requirements and mandates.
   J. Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a project, as set forth and detailed by engineering and feasibility studies, or land purchased prior to the effective date of this Grant Agreement.
   K. Payment of principal or interest of existing indebtedness or any interest payments unless the debt is incurred after execution of this Grant Agreement, the State agrees in writing to the eligibility of the costs for reimbursement before the debt is incurred, and the purposes for which the debt is incurred are otherwise eligible costs.
   L. Overhead not directly related to Program costs.

7. PROJECT SPONSOR RESPONSIBILITY: Project Sponsors shall be responsible for work and for persons or entities engaged in work, including, but not limited to, subcontractors, suppliers, and providers of services. Project Sponsors shall provide regular inspections of any construction work in progress. Project Sponsors shall fulfill their obligations under the Agreement, and shall be responsible to keep all work under control.

   Project Sponsors shall be responsible for any and all disputes arising out of their contracts for work on the Project, including but not limited to bid disputes and payment disputes with Project Sponsors' representatives, contractors and subcontractors.

8. RELATIONSHIP OF PARTIES: Project Sponsors are solely responsible for design, construction, and operation and maintenance of their Project. Review or approval of plans, specifications, bid documents, or other construction documents by Agency is solely for the

65

purpose of proper administration of grant reimbursement requests by Agency and shall not be deemed to relieve or restrict responsibilities of Project Sponsors under this Agreement.

9. PROJECT SPONSOR REPRESENTATIONS: Project Sponsors accept and agree to comply with all terms, provisions, conditions, and commitments of this Agreement and the Agency-DWR Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Project Sponsors in the documents, amendments, and communications filed in support of its request for California Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 financing.

10. PROJECT PERFORMANCE AND ASSURANCES: Project Sponsors agree to faithfully and expeditiously perform or cause to be performed all Project work as described in the final plans and specifications under this Agreement and implement the Project in accordance with applicable provisions of the law. In the event Agency finds it necessary to enforce this provision of this Agreement in the manner provided by law, Project Sponsors agree to pay all costs incurred by Agency including, but not limited to, reasonable attorneys' fees, legal expenses, and costs. In the event State initiates any action to enforce the Agency-DWR Agreement that arises out of Project Sponsors' failure to comply with any of their obligations as specified therein or in this Grant Agreement, Project Sponsors agree to pay all costs incurred by State or Agency in connection with such action including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

11. REQUIREMENTS FOR DISBURSEMENT: Project Sponsors shall, by December 30, 2008, meet all conditions precedent to the disbursement of money under this Agreement, including Basic Conditions, paragraph 12. Failure by Project Sponsors to comply by this date may result in termination of the Agreement under Exhibit D, Standard Conditions.

12. BASIC CONDITIONS: State or Agency shall have no obligation to disburse money under this Agreement unless and until Project Sponsors have satisfied the State's requirements for disbursement in accordance with the California Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 which include:

    A. Adoption of an Integrated Regional Water Management Plan.
    B. Project Sponsors demonstrate the availability of sufficient funds to complete, operate and maintain the project.
    C. Project Sponsors demonstrate that they have complied with all applicable requirements of the California Environmental Quality Act and the National Environmental Policy Act by submitting copies of any environmental documents, including environmental impact reports, environmental impact statements, negative declarations, mitigation agreements, and environmental permits as may be required prior to beginning construction/implementation.
    D. For the term of this Agreement, Lead Project Sponsor submits timely periodic progress reports as required by Submission of Reports, paragraph 21.

13. CONDITIONS FOR DISBURSEMENT: Prior to disbursement of funds by State, Lead Project Sponsor shall submit to State:

    A. Final plans and specifications certified by a California Registered Civil Engineer as to compliance with the approved project as defined in paragraph 1, if required.

B. A written statement that all necessary permits, easements, rights-of-way, and approvals as may be required by other State, federal, and/or local agencies as specified in paragraph 24 have been obtained.

14. METHOD OF PAYMENT: Under the terms of the Agency-DWR Agreement, after the disbursement requirements in paragraph 12 are met, State will disburse the whole or portions of the Grant commitment to Agency, following receipt from Agency of an invoice for costs incurred, and timely progress reports as required by paragraph 21. Invoices submitted by Lead Project Sponsor, in support of reimbursement request by Agency, shall include the following information:

A. Costs incurred for work performed in implementing the Project contracts during the period identified in the particular invoice.
B. Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for the Project during the period identified in the particular invoice.
C. Any appropriate receipts and reports for costs incurred.
D. Invoices shall be submitted on forms provided by Agency and shall meet the following format requirements:
   i. Invoices must contain the date of the invoice, the time period covered by the invoice, and the total amount due.
   ii. Invoices must be itemized based on the categories specified in the Budget, Exhibit C. The amount claimed for salaries/wages/consultant fees must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).
   iii. Each invoice shall clearly delineate those costs claimed for reimbursement from the State's grant amount, paragraph 4 and those costs that represent Project Sponsors' costs, as applicable, paragraph 5.
   iv. Invoices received by the 20th of each month shall be considered for inclusion in the request for reimbursement by the Agency at the end of that month.
   v. Original signature and date (in ink) of Lead Project Sponsor's Project Manager. Submit the original and one (I) copy of the invoice form to the following address:
   Pajaro Valley Water Management Agency
   36 Brennan Street
   Watsonville, CA 95076
   vi. Submit the State forms electronically to Mary Bannister at bannister@pvwma.dst.ca.us.

16. DISBURSEMENT: Following the review of each invoice, State will disburse to Agency the amount approved, subject to the availability of funds through normal State processes. For each project, funds will be disbursed by State in response to each approved invoice, once required cost match has been met on a per-task basis, and in accordance with the relative payment obligations of paragraphs 4 and 5. Any and all money disbursed to Lead Project Sponsor under this Agreement and any and all interest earned by Project Sponsors on such money shall be used solely to pay Eligible Costs. Provided that Project Sponsors have met all requirements for disbursement, as determined by Agency, disbursement by Agency will be made to Lead Project Sponsor within two weeks of receipt of payment from the state.

17. WITHHOLDING OF GRANT DISBURSEMENT BY STATE: If State or Agency determines that a project is not being constructed substantially in accordance with the provisions of this

Agreement or the Agency-DWR Agreement, or that Project Sponsors have failed in any other respect to comply with the provisions of either agreement, and if Project Sponsors do not remedy any such failure to State's or Agency's satisfaction, State or Agency may withhold from Lead Project Sponsor all or any portion of the Grant and take any other action that it deems necessary to protect its interests.

18. WITHHOLDING THE BALANCE OF GRANT AMOUNT: Where a portion of the Grant amount has been disbursed to Lead Project Sponsor and State notifies Agency or Lead Project Sponsor of its decision to withhold the balance of the Grant Commitment pursuant to paragraph 17, the portion that has been disbursed shall thereafter be repaid immediately with interest by Project Sponsors, as directed by State or Agency. Refusal of Project Sponsors to repay may, at the option of the Agency, be considered a breach of contract and may be treated as default under paragraph 20.

19. WITHHOLDING THE ENTIRE GRANT AMOUNT: If State notifies Agency or Lead Project Sponsor of its decision to withhold the entire grant amount from Project Sponsors pursuant to paragraph 17, this Agreement shall terminate upon receipt of such notice by Lead Project Sponsor and, except for Project Sponsors' repayment obligations as set forth in the previous paragraph, shall no longer be binding on either party.

20. DEFAULT PROVISIONS AND REMEDIES: The Agency may determine that Project Sponsors are in default under this Agreement for any of the following:

    A. Breach of this Agreement, or any supplement or amendment to it, or any other agreement between Project Sponsors and Agency evidencing or securing Project Sponsors' obligations;
    B. Making any false warranty, representation, or statement with respect to this Agreement;
    C. Failure to operate or maintain Project in accordance with this Agreement; or
    D. Failure to make any remittance required by this Agreement.

    Should an event of default occur, Agency may:
    i. Declare that the Grant be immediately repaid, with interest, by Project Sponsors, which shall be equal to State of California general obligation bond interest rate in effect at the time of the default;
    ii. Terminate any obligation to make future payments to Lead Project Sponsor;
    iii. Terminate the Agreement; and
    iv. Take any other action the Agency deems necessary to protect its interests.

21. SUBMISSION OF REPORTS: The submittal and approval of all reports is a requirement for the successful completion of this 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 Agency for State review. All reports shall be submitted by Lead Project Sponsor to the Agency's Project Manager, and shall be submitted in both electronic and hard copy forms. If requested, Project Sponsors shall promptly provide any additional information deemed necessary by Agency. Reports shall be presented in the formats described in Exhibit E, Report Format. The submittal and approval of reports is a requirement for initial and continued disbursement of funds. Submittal of a Project Completion Report is a requirement for the release of any funds retained.

    A. Quarterly Reports: Beginning April 15, 2009, and for the duration of the Agreement, Lead Project Sponsor shall submit to Agency a quarterly report which explains the

status of the project described in the Work Plan, Exhibit A. Reports shall be submitted by the 15th day of January, April, July, and October for the preceding quarter. Progress reports shall summarize the work completed for each project during the reporting period. Quarterly reports shall include a statement of progress compared to the schedule contained in Exhibit B, Schedule, and a comparison of actual costs to date to the budget contained in Exhibit C, Budget.

B. Project Completion Reports: Lead Project Sponsor shall prepare and submit to Agency a Project Completion Report. Lead Project Sponsor shall submit a Project Completion Report within seventy (70) calendar days of completion of all tasks associated with the project. The Project Completion Report shall include a description of actual work done, a final schedule showing actual progress versus planned progress, and copies of any final documents or reports generated or utilized during the project. The Project Completion Report shall also include, if applicable, certification of final project by a registered civil engineer, consistent with Standard Condition D-14 of this Agreement.

C. Post Performance Reports: Lead Project Sponsor shall submit a Post Performance Report. The Post Performance Reports shall be submitted to Agency within seventy (70) calendar days after the first operational year of a project has elapsed. In subsequent operational years, Post Performance Reports shall be submitted no later than March 30 of each year. This record keeping and reporting process shall be repeated annually for a total of 10 years after the completed project begins operation.

22. MONITORING REQUIREMENTS: Project Sponsors shall ensure that all groundwater projects and projects that include groundwater monitoring requirements are consistent with the Groundwater Quality Monitoring Act of 2001 (Part 2.76 (commencing with Section 10780) of Division 6 of the Water Code) and, where applicable, that projects that affect water quality shall include a monitoring component that allows the integration of data into statewide monitoring efforts, including where applicable, the surface water ambient monitoring program carried out by the State Water Resources Control Board. Exhibit F, Statewide Monitoring, provides guidance on such monitoring requirements.

23. OPERATION AND MAINTENANCE OF PROJECT: For the useful life of the project and in consideration of the Grant made by State, Project Sponsors agree 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 Project Sponsors shall assume all operations and maintenance costs of the facilities and structures for the Project. State or Agency shall not be liable for any cost of such maintenance, management, or operation. Project Sponsors may be excused from operations and maintenance only upon the written approval of the State's Project Manager. For purposes of this Agreement, "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses. "Maintenance costs" include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal of Project Sponsors to ensure operation and maintenance of the Project in accordance with this provision may, at the option of State or Agency, be considered a breach of this Agreement and may be treated as default under paragraph 20.

24. PERMITS, LICENSES, APPROVALS, AND LEGAL OBLIGATIONS: Project Sponsors shall be responsible for obtaining any and all permits, licenses, and approvals required for performing their obligations under this Agreement, and shall comply with the California Environmental Quality Act (California Public Resources Code Section 21000 *et seq.)* and other applicable federal, State and local laws, rules, and regulations, guidelines, and requirements described in Exhibit A, Work Plan, prior to disbursement of funds under this Agreement.

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

25. NOTIFICATION TO AGENCY: Lead Project Sponsor shall promptly notify Agency, in writing, of the following items:

    A. Events or proposed changes that could affect the scope, budget, or work performed under this Agreement, Project Sponsors agree that no substantial change in the scope of the Project will be undertaken until written notice of the proposed change has been provided to State and State has given written approval for such change.
    B. Any public or media event publicizing the accomplishments and/or results of this Agreement and provide the opportunity for attendance and participation by Agency's and State's representatives. Lead Project Sponsor shall make such notification at least fourteen (14) calendar days prior to the event.
    C. Completion of work on a project.
    D. Final inspection of a project by a Registered Civil Engineer, as determined and required by State, and in accordance with Standard Condition D-14, and provide State and Agency the opportunity to participate in the inspection. Lead Project Sponsor shall make such notification at least fourteen (14) calendar days prior to the final inspection.

26. PROJECT MANAGERS: Either party may change its Project Manager(s) upon written notice to the other party.

    A. Agency's Project Manager: Agency's Project Manager shall be the Technical Division Manager. Agency's Project Manager shall be Agency's representative and shall have the authority to make determinations and findings with respect to each controversy arising under or in connection with the interpretation, performance, or payment for work performed under the Agreement.
    B. Project Sponsors' Project Managers: Project Sponsors' Project Managers shall be the District Engineer for the Santa Cruz County Flood Control and Water Conservation District, and the General Manager for the Monterey County Water Resources Agency. Project Sponsors' Project Managers shall be the Project Sponsors' representatives for the administration of the Agreement and shall have full authority to act on behalf of the Project Sponsors, including authority to execute all payment requests.

27. NOTICES: Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Agreement shall be in writing. Notices may be sent by any of the following means:

    (i) by delivery in person;
    (ii) by certified U.S. mail, return receipt requested, postage prepaid;

(iii) by "overnight" delivery service; provided that next-business-day delivery is requested by the sender; or
(iv) by facsimile transmission, followed by submittal of a hard copy.

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 seven (7) 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 by facsimile will be effective on the date of successful transmission, which is documented in writing. Notices shall be sent to the following addresses. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below:

Pajaro Valley Water Management Agency
Attention: Technical Division Manager
36 Brennan Street
Watsonville, California 95076
Facsimile: 831.722.3139

Santa Cruz County Flood Control and Water Conservation District
Attention: District Engineer
701 Ocean Street, Room 410
Santa Cruz, CA 95060
Facsimile: 831.454.2385

Monterey County Water Resources Agency
Attention: General Manager
893 Blanco Circle
Salinas, CA 93901
Facsimile: 831.424-7935

28. INCORPORATION OF STANDARD CONDITIONS AND PROJECT SPONSOR COMMITMENTS: The following exhibits are attached and made a part of this Agreement by this reference:

Exhibit A – Work Plan
Exhibit B – Schedule
Exhibit C – Budget
Exhibit D – Standard Conditions
Exhibit E – Report Format
Exhibit F – Statewide Monitoring

29. PROJECT SPONSORS

The Santa Cruz County Flood Control and Water Conservation District and the Monterey County Water Resources Agency may, if needed, enter into a separate agreement further establishing and allocating all responsibilities and obligations incurred by this agreement.

65

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates below.

Chair Santa Cruz County Flood Control and Water Conservation District	Date
Chair Monterey County Water Resources Agency	Date
Technical Division Manager Pajaro Valley Water Management Agency	Date

Approved as to form:

County Counsel Santa Cruz County Flood Control and Water Conservation District	2-5-08 Date
County Counsel Monterey County Water Resources Agency	Date

EXHIBIT A
WORK PLAN

The Pajaro River has suffered several major floods over the past few decades due to inadequate capacity of the existing levee system and the maintenance management of the channel. As the population living and working near the river increases and the economic impacts of floods grow, finding solutions to the capacity and maintenance challenges becomes even more pressing. Until the Levee Reconstruction Project is completed, the Lower Pajaro River area will be alarmingly under-protected. The present levee capacity is estimated to be just 22,000 cfs. The current design capacity is 19,000 cfs. The fully implemented Levee Reconstruction Project will provide flood conveyance of the 100-year flood that is 44,400 cfs.

The problem of inadequate flood conveyance capacity within the Pajaro River levee system is documented in the U.S. Army Corps of Engineers, San Francisco District report: Pajaro River at Watsonville, CA; Preconstruction Engineering and Design Phase General Reevaluation Report Pre-conference Materials for F3 Milestone feasibility Scoping Meeting (November 2000).

The threat of significant flooding is the primary problem that has been identified in the study area. The City of Watsonville, the unincorporated town of Pajaro, and surrounding agricultural areas in Monterey and Santa Cruz Counties are subject to flooding from the Pajaro River and its tributaries. Total expected annual damage results from the HEC-FDA risk based-analysis for the without project condition are estimated at $63.6 million. The expected annual exceedance probabilities (probability weighted averages incorporating uncertainties associated with hydrologic, hydraulic, and levee failure in all of the model simulations) are estimated to be 6.5 to 7.8 percent (15- to 13-year events) on the Pajaro River Main stem (in the 12 mile long leveed portion of the river below Murphy Road Crossing).

The March 1995 flood on the Pajaro River, with peak flows of 21,500 cfs, caused approximately $95 million of damage. $67 million was due to damage to the agricultural fields. The Town of Pajaro suffered $28 million of non-agricultural damage (Alternative Formulation Briefing Document, ACOE 2004, Page 22).

Completion of the Levee Reconstruction Project will qualify the area to potentially be mapped out of the FEMA 100-year flood plain and the requirement for the National Flood Insurance Program (Alternative Formulation Briefing Document, April 2004, Page 46). This is especially important to the area due to its low economic status. The project was first federally authorized by the Flood Control Act of 1966, and the Water Resources Development Act (WRDA) of 1990, with WRDA 1986 cost sharing ratios. Recently, the project's planning has made great progress towards a local consensus for set-back levees and attention to natural river geomorphology.

A financing plan for the Levee Reconstruction Project has already been defined. The share split for the entire project is approximately 75% federal and 25% local. The local sponsors will pay for land easements, rights of way, relocations, and disposals (LERRDs) that are estimated to be $30 million. The local sponsors will also pay for 5% of construction that is estimated to be $10 million. The total local share for the project is estimated to be $50 million dollars. The total federal share is estimated to be $150 million, with a total project cost of $200 million.

On September 20, 2006, Governor Schwarzenegger signed California State Assembly Bill (AB 2348) that authorizes the state to cost-share in the Pajaro River Levee Reconstruction Project. This would reduce the local share by 50%, from approximately $50 million to about $25 million. Assemblyman John Laird (27th District) introduced the bill because of the flood threat to essential farmland and the

communities of Watsonville and Pajaro. The appropriated money will be applied to the match required for federal cost sharing and likely used for the LERRDs. It therefore does not impact funding or match considerations for this grant.

The Levee Reconstruction Project is linked to another project, the Soap Lake Floodplain Preservation Project. The Levee Reconstruction Project assumes a design flow that is based on generally current watershed characteristics. Work completed by the Pajaro River Watershed Flood Prevention Authority has shown that change in land use in the Soap Lake region could drastically impact downstream peak flows through the levee system, rendering the levee project incapable of conveying the 100-year flood (Soap Lake Floodplain Preservation Project Final Initial Study and Negative Declaration, Pajaro River Watershed Flood Prevention Authority 2005). Without implementation of both projects, the Lower Pajaro River will be subject to severe and frequent flooding.

The Levee Reconstruction Project is critical to this region and includes many different parts. To help clarify the timing and facilitate applications for grants, the project sponsors have split the Levee Reconstruction Project into two phases. Work items for the two phases include:

PHASE 1

- Levee Reconstruction Planning
- Environmental Documentation
- Levee Reconstruction Engineering and Design
- Adaptive Management Strategy Development
- Bench Excavation Phase 1
  - Design
  - Permitting
  - Construction

PHASE 2

- Land Acquisition
- Permitting
- Construction

Phase 1 of the Levee Reconstruction Project does not require any land acquisition. The excavated benches will be constructed within the existing levee right-of-way. Phase 2 of the Levee Reconstruction Project will require land acquisition and easements in order to create new set-back levees. Since there are already existing levees in place, the additional area will likely be acquired as extensions of the existing easements. Additional detail on the acquisition process will be available as Phase 2 approaches. This grant is being applied to Phase 1 only.

To successfully implement the Levee Reconstruction Project, Phase 1, the project sponsors have laid out the following tasks:

- Task 1 Project Administration
- Task 2 Planning/Engineering/Design
  - Subtask 2.1 Adaptive Management Strategy Development
  - Subtask 2.2 Bench Excavation Planning, Engineering and Design
- Task 3 Environmental and Permitting
  - Subtask 3.1 CEQA
  - Subtask 3.2 Permitting

- Task 4 Construction Implementation
  - Subtask 4.1 Construction
  - Subtask 4.2 Construction Management
  - Subtask 4.3 Environmental Monitoring during Construction
  - Subtask 4.4 Engineering Services during Construction
- Task 5 Other Tasks- PAEP Preparation

This project will be jointly administered by MCWRA and SCCFCWCD, who are the local sponsors for the overall Levee Reconstruction Project. Revenue for the sponsors' funds comes from MCWRA and SCCFCWCD. The table below summarizes the funding for the project.

Table: Funding Sources

Funding Element	Funding Estimate
MCWRA and SCCFCWCD Levee Funds	$1,328,346
Proposition 50, Chapter 8 Funding	$6,209,032
Total Funding	$7,537,377

The scope of work includes five primary work items. The project and funding status is summarized in the table below and is further described in the workplan.

Task	In Progress	Funding Requested
Task 1 Project Administration	Yes	No
Task 2 Planning/Engineering/Design	Yes	No
Task 3 Environmental and Permitting	Yes	No
Task 4 Construction/Implementation	Begins May 1, 2009	Yes
[Task 5 Other Tasks- PAEP Preparation	Yes	No

Workplan

Task 1 Project Administration

The purpose of this task is to keep the project budget and schedule on track and to communicate project progress with sponsoring agencies and to develop, negotiate, and secure all contracts necessary for project implementation. SCCFCWCD is the lead project sponsor for this grant and will be responsible for project administration and reporting to PVWMA. SCCFCWCD shall prepare quarterly grant reports that describe the progress and accomplishments for the quarter, including an assessment of project schedule and budget, and updated schedules and budgets, if appropriate. Following project

close-out, SCCFCWCD shall prepare a Final Report summarizing the project implementation, demonstrating completion of all task items, and documenting the project costs and grant distributions. The quarterly reports and final reports shall be prepared consistent with State grant guidelines. As required, SCCFCWCD will demonstrate consistency with labor compliance requirements.

SCCFCWCD and MCWRA will be responsible for development, negotiation and securing all contracts, including construction contractors, construction managers, and environmental monitoring consultants.

Deliverables:

• Project Baseline Schedule and Updates	On going
• Project Budget and Updates	On going
• Grant Agreement	February 2008
• Quarterly Reports	On going
• Final Report	June 30, 2011

Task 2 Planning/Engineering/Design

Subtask 2.1 Adaptive Management Strategy

Historically, sediment removal was comprised of excavation of sandbars from the channel bottom. This occurred on an as-needed basis from year to year, varying on need and availability of permits. More recently, the sponsors have considered a departure from sediment removal work in the channel bottom after being advised by permitting agencies and hydraulic consultants to move sediment removal operations to the benches. Sediment removal on the benches does much more to improve flood conveyance capacity and floodplain function, and to preserve biological habitat in the channel bottom.

SCCFCWCD and MCWRA are now in the process of adopting a draft adaptive management strategy for channel maintenance. The plan is based on performing annual surveys of the channel cross section and comparing changes to historical cross sections. This is done in order to determine the extent to which vegetation removal is necessary from year to year. In this way, the agencies present an actual need for vegetation thinning and/or removal on a year-to year basis. Determination of the need to work in the channel is based on surveys and modeling work that demonstrates how much maintenance work is necessary each year. Implementation of the Strategy provides more in-depth monitoring and analysis than has been done historically.

Establishing a workable maintenance plan for the new project plays a major role in developing a locally acceptable design. Under an agreement with the ACOE, SCCFCWCD and MCWRA are responsible for levee system maintenance. The goal is to complete a Draft Adaptive Management Strategy that will lead to securing permits including a Section 1600 Permit from the CA Department of Fish & Game, and Section 401 Water Quality Permit from the Regional Water Quality Control Board.

Sediment removal from the benches to increase flood conveyance capacity will alter the historical/baseline cross-section of the river from Highway 1 to Murphy's crossing. As such, the new maintenance plan will need to establish a revised baseline against which to measure future channel maintenance needs and performance. The Draft Adaptive Management Strategy will identify monitoring protocol for measuring sediment deposition and erosion within the modified channel and analyze the potential effects of habitat density and location on sedimentation and erosion as well as bank and levee stability.

The Draft Adaptive Management Strategy is an important part of both implementing the Levee Reconstruction Project and maintaining the benefits of the project long after construction has ended.

SCCFCWCD and MCWRA must have a maintenance and management plan in place for them to fulfill existing agreements with the ACOE. The Draft Adaptive Management Strategy will also help to facilitate securing a Section 1600 Permit from the CA Department of Fish & Game and a Section 401 Water Quality Permit from the Regional Water Quality Control Board when the channel needs to be maintained. The Draft Adaptive Management Strategy will also allow greater sensitivity when maintaining the channel. By applying principles and techniques to be described in the strategy, habitat will be minimally impacted and the most critical reaches will be identified and maintained. This more selective management is anticipated to save the local partners money by not spending time and resources on maintaining parts of the channel that still function safely and appropriately. Implementation of the strategy will serve as post-construction monitoring. The strategy will act as a tool to determine how successful this project is at achieving its goals.

Work items for this task include:

- Development of monitoring protocol for sediment deposition and erosion (i.e. identifying cross section locations), vegetation growth or loss, and levee wear;
- Identification of environmentally friendly methods of sediment removal from the benches and bench armoring if necessary; and
- Identification of levee maintenance and repair techniques.

Deliverables:

- Adaptive Management Strategy (Initial Adoption) June 30, 2011
- Adaptive Management Strategy (Subsequent Adoptions) Annually as needed

Subtask 2.2 Bench Excavation Planning, Engineerina and Design

A first phase of planning, engineering, and design has been completed for bench excavation. The Army Corps has determined the amount of excavation necessary for the entire levee setback project. This includes bench excavation within the existing levees, as well as excavation of bench sediments outside the existing levee that are within the new set-back footprint for the project. Studies undertaken by the local sponsors have determined that approximately 322,000 cubic yards of sediment can be excavated from within the existing levee channel. This would be done as Phase 1 of bench excavation work.

Phase 2 of bench excavation work removes the remaining portion of the bench within the new setback area. This Prop 50 grant project addresses the Phase 1 portion of bench excavation work for the project.

While initial phases of planning, engineering and design have been completed, the work must be put into final format in a General Re-evaluation Report (GRR) produced by the Army Corps. The GRR finalizes planning, engineering and design and contains initial environmental documentation for the project's mitigation requirements. The GRR document is paired with the project's EIR/EIS document, and leads directly to production of the EIR/EIS that the bench excavation work depends upon. The Bench Excavation Project must be considered in the levee project EIR/EIS to ensure adequate consideration of the baseline (pre-project) conditions and to ensure that the cost of the bench excavation is counted towards the local match of the levee reconstruction project costs.

Due to inadequate Corps funding, the GRR was at risk of being delayed which would have caused a delay in the completion of the EIR/EIS and the implementation of the Bench Excavation Project. To avoid these delays, the project sponsors and the City of Watsonville contributed $600,000 to support the Corps efforts towards completion of the GRR. The Army Corps matched those funds with federal

funding of an additional $500,000. This new $1.1 million completes the funding necessary to produce the final GRR document. This will allow the ensuing document, the EIR/EIS to also be completed sooner by the Army Corps. In this way, the local sponsors' $600,000 accelerates completion of the EIR/EIS and ensures timely implementation of the Bench Excavation Project.

With the GRR and EIR/EIS work expedited, it is possible that the EIR/EIS can be completed by Spring 2010. Accordingly, it is planned that Phase 1 of the Bench Excavation Project will break ground in Summer 2010. Phase 1 of the bench excavation project involves excavation of excess sediment from select locations along the upper terrace benches inside the existing Pajaro River levees will, among other benefits, improve the flood carrying capacity of the levee system. This project creates a 2.5 year floodplain to re-establish flow levels at bank-full capacity. This is expected to be a more self-maintaining scenario, returning the river to its natural ability to effectively move sediment from the river channel system by natural geomorphic processes. This project creates more lateral room for the river to meander over a wider floodplain area within the levee channel. By creating a 2.5 year floodplain, this project enhances the environmental characteristics of the stream, restores the stream to a more naturally functioning ecosystem and provides an immediate improvement for flood conveyance capacity.

Modeling results have determined that a volume up to 322,000 cubic yards can be excavated from eleven locations along 7.5 miles of the levee benches in order to widen the two-year floodplain (Pajaro River Bench Excavation Analysis, Santa Cruz County, October 20, 2004, Pages 4-5). Based on current analyses, 322,000 cubic yards of sediment is roughly equivalent to sixty years of sediment accumulation. Several models were created to ensure appropriate design of the new benches. These considered location, erosion potential, impacts to established trees, and sediment trapping ability.

This sediment excavation project is specifically designed to relieve the magnitude and severity of potential future flooding of the Pajaro River levees. This project will help protect property and resources from levee failure by "de-stressing" the existing levee system until the levee reconstruction project is implemented. Model results indicate that the 100-year flood stage will be reduced by approximately 0.4 feet once the benches are constructed (Pajaro River Bench Excavation Analysis, October 2004, Page 3). Two urban communities, the City of Watsonville in Santa Cruz County and the town of Pajaro in Monterey County, have an urgent need for improved flood carrying capacity of the existing levee system.

This project benefits fish and wildlife by decreasing velocity in the channel, and creating velocity refuge in the widened floodplain. This project creates overbank resting areas and still water areas. Steelhead trout use this section of the River's main stem as a migration corridor to the tributaries of Corralitos and Salsipuedes Creeks for spawning (Biological Assessment – Pajaro River Channel Maintenance Program ACOE. Monterey County Water Resources Agency, 2003. Page 3-5).

The benches also allow more efficient and less intrusive sediment management techniques. Model results indicate that benches allow sediment to be collected outside of the main channel and closer to the banks (Sediment Transport Characteristics of Reach 4 of the Pajaro River Flood Plan. Pajaro River Watershed Flood Prevention Authority, June 2005, Page 23). Reducing the need for channel maintenance in addition to the adaptive management plan will lead to less environmental impact. Sediment removal equipment will also not necessarily need to be operated deep in the waterway since the benches will move the removal areas closer to the levees.

Flood stage reduction through bench excavation has been identified as a key concern of the agencies and local population since it decreases the likelihood of flooding until the final setback levees are

completed. There are also cost savings recognized through the smaller size of the new setback levees. The design is considered to be approximately 60% complete. Work already completed includes:

- Sediment and hydraulic capacity studies were used to study channel variations and associated capacity, roughness sensitivity, sediment deposition and erosion potential and patterns, sediment trapping capability;
- Multiple arborist and environmental reports to document tree inventory, to develop a preservation plan, and identify mitigation ratios and planting locations;
- Channel capacity mitigation analysis;
- Analysis of shear stress at river bends and determination whether or not staked willows would be necessary to stabilize the bank; and
- Species (flora and fauna) identification especially including listed and endangered species;
- Identification of potential fill locations for the removed spoils; and
- 60% plan drawings and specifications that lay out where and how much to excavate.

To finalize the design, work tasks that need to be completed before construction are:

- Completion of CEQA and permits.
- Final plans and specifications.
- Bidding process.

Deliverables

• General Reevaluation Report	December 2008
• Pajaro River Bench Excavation Analysis	October 20, 2004
• Final Plans and Specifications	April 2009

Task 3 Environmental and Permitting

Subtask 3.1 CEQA

The Army Corps of Engineers, along with the project proponents, are currently developing the environmental documentation (EIR/EIS) for the levee reconstruction project as part of the GRR process. The EIR/EIS must include consideration of the bench excavation project to ensure adequate consideration of the baseline (pre-project) conditions and to ensure that the cost of the bench excavation is counted towards the local match of the levee reconstruction project costs. The completion of the GRR and EIR/EIS for the levee reconstruction project are necessary for the implementation of the Bench Excavation Project. Therefore, these tasks are included in the scope of work, budget and schedule for the Bench Excavation Project. Through the development of the GRR, the following types of studies will be completed for consideration in the EIR/EIS:

- Geologic Investigations

- Habitat and Special Status Species Investigations
- Cultural Resources Evaluation
- Geomorphology Analysis

Deliverables:

- Environmental Studies (GRR) December 2008
- Final EIR/EIS April 2010

Subtask 3.2 Permitting

Bench Excavation Phase 1 has a number of permits required for project implementation. Permits include:

- Department of Fish and Game (CDFG) 1601 Streambed Alteration Agreement;
- Regional Water Quality Control Board (RWQCB) 401 Water Quality Certification; and
- Monterey County Grading Permit.

The following table summarizes when the permitting is expected to be complete.

Table: Bench Excavation Permit Dates

Permit	Draft Submittal Date	Acceptance Date
CDFG 1601	11/29/05	4/10
RWQCB 401	8/1/06	4/10
Monterey County Grading	2/1/07	1/09

A project exemption was granted in March 2005 by Santa Cruz County from their Grading Ordinance (Ch 16.20) and the Riparian and Wetlands Protection Ordinance (Ch 16.30). The Army Corps of Engineers 404 permit for open-cut construction in waterways is not required for the Levee Reconstruction Project, Phase 1 since all of the work is above the normal high water level.

Deliverables:

- Santa Cruz County Grading and Riparian Exemption March 2005
- CDFG 1601 Streambed Alteration Agreement April 2010
- RWQCB 401 Water Quality Certification April 2010
- Monterey County Grading Permit January 2009

Task 4 Construction/Implementation

This task involves just the Bench Excavation Phase 1, excavation of 60 years of sediment from the select locations along the benches.

Subtask 4.1 Construction

The construction contract will be awarded to a general contractor based on a low-bid process. Work shall consist of excavation of approximately 322,000 cubic yards of bank material as shown by the final design documents. It shall also include disposal of excavated material to a predetermined location. Mitigation will also be required for trees damaged or removed during construction. Other miscellaneous items such as irrigation and access will be defined as the project design is completed and is included in this construction work item. Construction will commence after receipt of the grant award.

Construction sequencing, such as the order of the sites to be excavated, shall be at the discretion of the contractor. Construction shall include the following steps:

- **Bidding** – Bids for this project will be solicited in April 2010. Award of contract will occur in May 2010. Insurance and contract details will be finalized prior to the notice to proceed (NTP) which is scheduled for May 2010. The NTP is required before the other construction steps are possible.

- **Staking and Surveying** – The 19 separate excavation sites will be surveyed and staked to match the design documents. The work will be performed by qualified surveyors.

- **Submittals and Mobilization** – Project set-up will include submittal submission and review by the project engineer. It will also include mobilization. Submittals shall include the Storm Water Pollution Prevention Plan (SWPPP) and a health and safety plan. The location and equipment to be mobilized at project startup will be determined by the general contractor. The contractor, with review by the owner or owner's agent, is responsible for determining the most efficient way to complete the project whether that be working on one site at a time or multiple sites at the same time. It is anticipated that at least one site per bank will be excavated at a time.

- **SWPPP Implementation** – SWPPP best management practices (BMPs) will be implemented immediately following mobilization of any equipment. These BMPs will reduce or eliminate any loose soil or other pollutants being inadvertently washed into the Pajaro River.

- **Excavation** – Excavation will be performed in accordance with all applicable industry standards and regulations. These shall include but not be limited to City and County, ASTM, ANSI, and OSHA standards. Inspection reporting requirements, compaction requirements, injury and illness prevention program requirements, state-approved BMPs, and all permit language will be strictly followed.

  The excavation work itself will be guided by the final design drawings and specifications. The locations of the excavation are defined in the 60% drawings as shown on sheets 2 through 18. The site work is summarized in the table below.

Site	Volume (cy)	Area (acres)	Average Depth (ft)
1R	29,000	2.6	7.0
2R	35,000	3.4	6.4
3R	15,400	2.4	4.0
4R	54,400	5.8	5.8
5R	35,600	4.4	5.0
5.5R	11,000	1.0	7.0
6R	70,300	9.9	4.4
7R	10,200	1.4	4.7

Site	Volume (cy)	Area (acres)	Average Depth (ft)
8R	17,700	3.5	3.1
8.5R	1,500	0.3	2.8
9R	700	0.1	4.8
1L	4,300	0.3	8.2
2L	4,000	1.0	2.4

Site	Volume (cy)	Area (acres)	Average Depth (ft)
13L	9.000	0.8	7.4
4L	3,700	1.1	2.0
4.5L	13.000	1.5	5.5
15L	1,000	0.3	1.9
5.25L	2,500	0.6	2.6
6L	3,600	0.5	4.3

Access to the sites is possible using local roads, after completing a traffic control plan, and the maintenance roads built into the existing levees.

- Spoils Management – Excavated soil will be off-hauled from the project site in a manner to be defined in the CEQA document and allowed by the permits. The default assumption is that the contractor will be responsible for finding a site for the soils. The project proponents will work to identify one or more sites that would benefit from the fill. Some ideas currently being considered are on the outer toe of the existing levees (to reinforce and rebuild them), on adjacent farm properties (to raise roads or the level of crop lands), on commercial or residential properties (to improve drainage), or as a landfill cover. Soils may be temporarily stockpiled at Watsonville Wastewater Treatment Plant and on farmland adjacent to the existing levee with the owner's consent. (Potential Fill Sites for the Bench Excavation Project. Santa Cruz County).

- Revegetation – Mitigation for lost trees and undergrowth will occur during the revegetation phase of construction. The sites of tree plantings and erosion control measures as well as the species to be planted will be determined by the owner prior to the start of excavation.

- Demobilization – Demobilization will occur when all of the above project phases are complete. Care will be taken to not damage the revegetated benches, existing habitat, or other facilities.

Deliverables:

- Notice to Proceed — May 2010
- Notice of Completion — June 2012

Subtask **4.2** Construction Manasement

Construction Management will occur for the duration o the construction period. A construction manager will be selected by SCCFCWCD and MCWRA for their respective banks. The construction managers will be responsible for:

- Providing assistance during the bid period;

- Provide on-site representation for the owner;
- Perform quality assurance and control practices on the work performed; and
- Analyze and provide recommendations on contractor claims.

Deliverables:

- Monthly Construction Reports including requests for information, clarifications, change orders, budget status, schedule updates — Ongoing during Construction

Subtask 4.3 Environmental Monitoring during Construction

Environmental monitoring will be contracted as a single contract for both sides of the river and administered jointly between SCCFCWCD and MCWRA. Environmental monitoring services shall include:

- Review of contractors BMPs to minimize sediment and other discharges to the river during construction;
- Inspections of the construction area;
- Notification of the owner or owner's representative of potential discharges to the river;
- Notification of the owner or owner's representative of damage to trees not intended to be impacted; and
- Notification of the owner or owner's representative of mitigation and minimization measures identified in the project CEQA documentation that are not being implemented appropriately.

Deliverables:

- Environmental Inspection Reports and Notifications — Ongoing during Construction

Subtask 4.4 Engineering Services During Construction

Engineering services will be contracted as a single contract for both sides of the river and administered jointly between SCCFCWCD and MCWRA. The engineer will be responsible for:

- Performing submittal review;
- Responding to contractor requests for information;
- Issuing clarifications;
- Recommending change orders to the owner; and
- Creating as-built records for the project based on construction documentation.

Deliverables:

- As-Built Record Drawings — June 2012

<u>Task 5 Other Tasks- PAEP Preparation</u>

The sponsors will prepare a PAEP and will submit a final version to the State prior to seeking grant funding reimbursement. PAEP preparation will begin with review of the project goals and desired outcomes included in the PAEP. The project PAEP will detail the responsibilities and contributions of the sponsors to the monitoring efforts.

Milestones:

- Performance Assessment and Evaluation Plan — June 2008

Submittals to the State

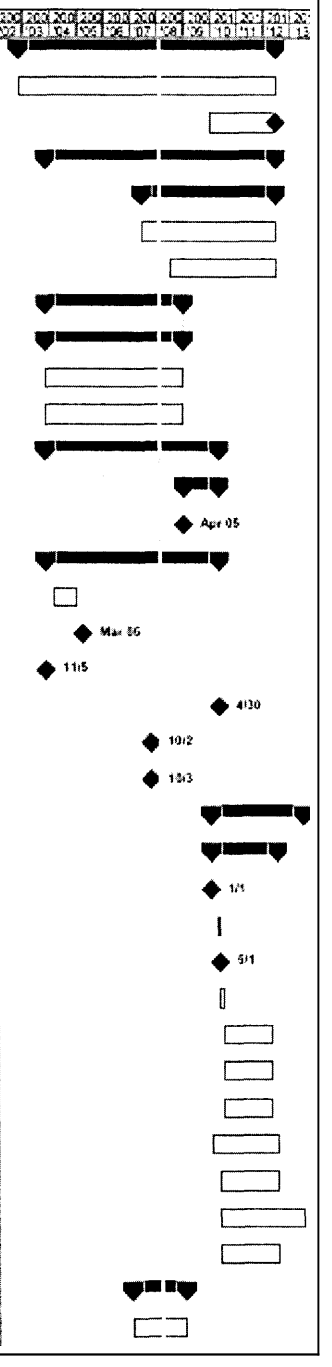
Work Item	Deliverable	Estimated Submittal Date
Project Administration	Project Baseline Schedule and Updates	Ongoing
	Project Budget and Updates, Quarterly Reports	Ongoing
	Agreement	January 2008
	Quarterly Reports	Ongoing
	Final Report	June 2011
Task 2 Planning, Engineering and Design	Adaptive Management Strategy	June 2011
	Amended Adaptive Management Strategy	Annually as needed
	General Reevaluation Report	December 2008
	Pajaro River Bench Excavation Analysis	October 2004
	Final Plans and Specifications	April 2009
Task 3 Environmental and Permitting	Final EIRIEIS	April 2010
	Santa Cruz County Grading and Riparian Exemption	March2005
	CDFG 1601 Streambed Alteration Agreement	April 2010
	RWQCB 401 Water Quality Certification	April 2010
	Monterey County Grading Permit	January 2009
Task 4 Construction/ Implementation	Notice to Proceed	May 2010
	Notice of Completion	June 2012
	Monthly Construction Reports	Ongoing
	Environmental Inspection Reports	Ongoing
	As-Built Record Drawings	June 2012
Task 5 Other Tasks	PAEP	June 2008

EXHIBIT B
SCHEDULE

Monterey & Santa Cruz County
Pajaro River Levee Reconstruction Project, Phase 1

Pajaro River Watershed

ID	Task Name	Start	Finish
1	**Task 1 Project Administration**	**Wed 11/13/02**	**Sat 6/30/12**
2	Project and Contract Administration	Wed 11/13/02	Sat 6/30/12
3	Final Task Report	Wed 12/30/09	Sat 6/30/12
4	**Task 2 Planning, Engineering, Design (PED)**	**Tue 11/11/03**	**Sat 6/30/12**
5	**2.1 Adaptive Management Strategy**	**Mon 6/11/07**	**Sat 6/30/12**
6	Channel Cross Section Surveys- Before & After Excavation	Mon 6/11/07	Sat 6/30/12
7	Delivery of Adaptive Management Strategy	Tue 7/8/08	Sat 6/30/12
8	**2.2 Bench Excavation Phase 1**	**Tue 11/11/03**	**Tue 12/30/08**
9	**General Re-evaluation Report- Army Corps.**	**Tue 11/11/03**	**Tue 12/30/08**
10	Bench Excavation Design Work Phases 1 & 2- Army Corps	Tue 11/11/03	Tue 12/30/08
11	Bench Excavation Design Work Phase 1- MHC Inc	Tue 11/11/03	Tue 12/30/08
12	**Task 3 Environmental & Permitting**	**Wed 11/5/03**	**Fri 4/30/10**
13	**3.1 Environmental Documentation**	**Thu 1/1/09**	**Fri 4/30/10**
14	EIR/EIS- Army Corps	Thu 1/1/09	Fri 4/30/10
15	**3.2 Permitting**	**Wed 11/5/03**	**Fri 4/30/10**
16	Determination From NOAA Fisheries	Fri 3/5/04	Thu 12/23/04
17	Santa Cruz County Grading and Riparian Permits Exemption	Fri 3/25/05	Fri 3/25/05
18	CDFG 1601 Permit - Draft Agreement Signed by Applicant	Wed 11/5/03	Tue 11/25/05
19	CDFG 1601 Permit - Final Agreement Signed by CDFG	Fri 4/30/10	Fri 4/30/10
20	RWQCB 401 Waiver	Tue 10/2/07	Fri 4/30/10
21	Monterey County Grading Permit	Wed 10/3/07	Fri 1/30/09
22	**Task 4 Construction Implementation**	**Fri 1/1/10**	**Fri 6/28/13**
23	**4.1 Bench Excavation Phase 1 Construction**	**Fri 1/1/10**	**Sat 6/30/12**
24	Plans & Specifications - Project Bidding Package	Fri 1/1/10	Mon 3/1/10
25	Bidding	Thu 4/1/10	Fri 4/30/10
26	Notice to Proceed	Sat 5/1/10	Sat 5/1/10
27	Staking and Surveying	Sun 5/2/10	Mon 6/28/10
28	Excavation	Fri 7/2/10	Fri 3/30/12
29	Spoils Management	Fri 7/2/10	Fri 3/30/12
30	Revegetation	Fri 7/2/10	Fri 3/30/12
31	Notice of Completion	Mon 1/4/10	Sat 6/30/12
32	**4.2 Construction Management**	Sun 5/2/10	Wed 6/27/12
33	**4.3 Environmental Monitoring**	Fri 5/7/10	Fri 6/28/13
34	**4.4 County Staff Engineering Services During Construction**	Thu 5/6/10	Fri 6/29/12
35	**Task 5 Other Tasks**	**Mon 1/1/07**	**Tue 12/30/08**
36	PAER Preparation	Mon 1/1/07	Tue 12/30/08



65

EXHIBIT C
BUDGET

Task	Budget Category	Local Cost Share	Grant Share	Total	Required Cost Share
Task 1	**Project Administration**	**$325,683**	**$0**	**$325,683**	**$0**
Task 2	**Planning/Design/Engineering**	**$1,368,379**	**$578,094**	**$1,946,473**	**$868,379**
	Subtask 2.1 Adaptive Management Strategy	$415,735	$0	$415,735	$415,735
	Subtask 2.2 Planning, Engineering, and Design	$952,644	$578,094	$1,530,738	$452,644
Task 3	**Environmental and Permitting**	**$2,401,390**	**$0**	**$2,401,390**	**$0**
	Subtask 3.1 CEQA	$2,400,000	$0	$2,400,000	$0
	Subtask 3.2 Permitting	$1,390	$0	$1,390	$0
Task 4	**Construction/Implementation**	**$150,000**	**$5,630,937**	**$5,780,937**	**$0**
	Subtask 4.1 Construction	$0	$5,130,937	$5,130,937	$0
	Subtask 4.2 Construction Management	$0	$500,000	$500,000	$0
	Subtask 4.3 Environmental Monitoring	$50,000	$0	$50,000	$0
	Subtask 4.4 Engineering Services during Const.	$100,000	$0	$100,000	$0
Task 5	**Other Tasks**	**$4,000**	**$0**	**$4,000**	**$0**
	Total	**$4,249,452**	**$6,209,031**	**$10,458,483**	**$868,379**

0477

EXHIBIT D
STANDARD CONDITIONS

D.1 ACCOUNTING AND DEPOSIT OF GRANT DISBURSEMENT: SEPARATE ACCOUNTING OF GRANT DISBURSEMENT AND INTEREST RECORDS: Project Sponsor shall account for the money disbursed pursuant to this Agreement separately from all other Project Sponsor funds. Project Sponsor shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Project Sponsor shall keep complete and accurate records of all receipts, disbursements, and interest earned on expenditures of such funds. Project Sponsor 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 and/or Agency at any and all reasonable times.

FISCAL MANAGEMENT SYSTEMS AND ACCOUNTING STANDARDS: The Project Sponsor agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracing of grant funds to a level of expenditure adequate to establish that such funds have not been used in violation of state law or this Agreement.

REMITTANCE OF UNEXPENDED FUNDS: Project Sponsor, within a period of sixty (60) calendar days from the final disbursement of grant funds, shall remit to State any unexpended funds that were disbursed to Project Sponsor under this Agreement and were not needed to pay Eligible Project Costs.

D.2 ACKNOWLEDGEMENT OF CREDIT: Project Sponsor shall include appropriate acknowledgement of credit to the State and Agency and to all cost-sharing partners for their support when promoting the grant funded project or using any data and/or information developed under this Agreement. During construction or implementation of project, Project Sponsor shall install a sign at a prominent location which shall include a statement that the project is financed under California Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002, administered by State of California, Department of Water Resources. Project Sponsor shall notify Agency and State as each sign has been erected by providing them with a site map with the sign location noted and a photograph of each sign.

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

D.4 AMERICANS WITH DISABILITIES ACT: By signing this Agreement, Project Sponsor assures Agency 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 or Agency shall have the right to conduct an audit at any time between the execution of this Agreement and the completion of the Project, with the costs of such audit borne by State. After completion of the Project, State or Agency may require Project Sponsor to conduct a final audit, at Project Sponsor's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by Project Sponsor to comply with this provision shall be considered a breach of this Agreement.

Project Sponsor agrees that the Agency, awarding department, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Project Sponsor agrees to maintain such records for a possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Project Sponsor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Project Sponsor agrees to include a similar right of the State to audit records and interview staff in any contract related to performance of this Agreement.

D.6 BUDGET CONTINGENCY: Project Sponsor acknowledges that if the Budget Act of any year covered under this Agreement does not appropriate sufficient funds for the Project, this 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 Agreement. In this event, State or Agency shall have no liability to pay any funds whatsoever to Project Sponsor or to furnish any other consideration under this Agreement and Project Sponsor shall not be obligated to perform any provisions of this Agreement. Nothing in this Agreement shall be construed to provide Project Sponsor with a right of priority for payment over any other Project Sponsor. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the Agency shall have the option to either cancel this Agreement with no liability occurring to State or Agency, or offer an Agreement amendment to Project Sponsor to reflect the reduced amount.

D.7 COMPETITIVE BIDDING AND PROCUREMENTS: Project Sponsor shall comply with all applicable laws and regulations regarding securing competitive bids and undertaking competitive negotiations in Project Sponsor's contracts with other entities for acquisition of goods and services and construction of public works with funds provided by State under this Agreement.

D.8 COMPUTER SOFTWARE: Project Sponsor certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.

D.9 CONFLICT OF INTEREST: 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.

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.

D.10 DELIVERY OF INFORMATION, REPORTS, AND DATA: Project Sponsor agrees to expeditiously provide, during work on the project and throughout the term of this Agreement, such reports, data, information, and certifications as may be reasonably required by State and/or Agency.

D.11 DISPOSITION OF EQUIPMENT: Project Sponsor shall provide to Agency, not less than 30 days prior to submission of the final project invoice, a final inventory list of equipment purchased with grant funds provided by State. Project Sponsor shall consult with Agency on the scope of the inventory not less than 60 days prior to the submission of the final project invoice. The inventory shall include all items with a current estimated fair market value of more than $500 per item. Within 90 days of receipt of such inventory, Agency shall provide Project Sponsor with a list of the items on the inventory that State will take title to. All other items shall become the property of Project Sponsor. State shall arrange for delivery from Project Sponsor of items that it takes title to. Cost of transportation, if any, shall be borne by State.

D.12 DISPUTES: In the event of an invoice dispute, payment will not be made until the dispute is resolved and a corrected invoice submitted. Failure to use the address exactly as provided may result in return of the invoice to the Project Sponsor. Payment shall be deemed complete upon deposit of the payment, properly addressed, postage prepaid, in the United States mail.

Any claim that Project Sponsor may have regarding the performance of this Agreement including, but not limited to claims for additional compensation or extension of time, shall be submitted to the Director, Department of Water Resources, within thirty (30) calendar days of Project Sponsor's knowledge of the claim. State and Project Sponsor shall then attempt to negotiate a resolution of such claim and process an amendment to the Grant Agreement to implement the terms of any such resolution.

D.13 DRUG-FREE WORKPLACE REQUIREMENTS: Project Sponsor and its contractors or subcontractors will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code 8350 *et seq.*) and have or will provide a drug-free workplace by taking the following actions:

a) Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code Section 8355(a).

b) Establish a Drug-Free Awareness Program, as required by Government Code Section 8355(b) to inform employees, contractors, or subcontractors about all of the following:

1. The dangers of drug abuse in the workplace,
2. Project Sponsor's policy of maintaining a drug-free workplace,
3. Any available counseling, rehabilitation, and employee assistance programs, and
4. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.

c) Provide as required by Government Code Sections 8355(c), that every employee, contractor, and/or subcontractor who works under this Agreement:

1. Will receive a copy of Project Sponsor's drug-free policy statement, and
2. Will agree to abide by terms of Project Sponsor's condition of employment, contract or subcontract.

D.14 FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED CIVIL ENGINEER: Upon completion of a construction project and as determined by State, Project Sponsor shall provide for a final inspection and certification by a California Registered Civil Engineer that the project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Agreement.

D.15 GOVERNING LAW: This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

D.16 INCOME RESTRICTIONS: Project Sponsor agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by Project Sponsor under this Agreement shall be paid by Project Sponsor to State, to the extent that they are properly allocable to costs for which Project Sponsor has been reimbursed by State under this Agreement.

D.17 INDEMNIFICATION: Project Sponsor agrees to indemnify and defend State and Agency and their respective officers, agents, and employees against and to hold the same free and harmless from any and all claims, demands, damages, losses, costs, expenses, or liability due or incident to, either in whole or in part, and whether directly or indirectly, arising out of the Project.

D.18 INDEPENDENT CAPACITY: Project Sponsor, and the agents and employees of Project Sponsor, if any, in the performance of the Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State and/or Agency.

D.19 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 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 Agreement. Failure or refusal by Project Sponsor

to comply with this provision shall be considered a breach of this Agreement, and State may withhold disbursements to Project Sponsor or take any other action it deems necessary to protect its interests, as provided in paragraph 20.

D.20 INSPECTIONS OF PROJECTS BY STATE AND/OR AGENCY: State or Agency shall have the right to inspect the work being performed at any and all reasonable times, providing a minimum of a 24-hour notice, during the term of the Agreement. This right shall extend to any subcontracts, and Project Sponsor shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Agreement with State and/or Agency.

D.21 NONDISCRIMINATION: During the performance of this Agreement, Project Sponsor and their contractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Project Sponsor and their contractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Project Sponsor and their contractors shall comply with the provisionsof the Fair Employment and Housing Act (Government Code Section 12990 (a-f) *et seq.)* and the applicable regulations promulgated there under (California Code of Regulations, Title 2, Section 7285 *et seq.).* The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Grant Agreement by reference and made a part hereof as if set forth in full. Project Sponsor and their contractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. Project Sponsor shall include the nondiscrimination and compliance provisions of this clause in all contracts to perform work under the Grant Agreement.

D.22 OPINIONS AND DETERMINATIONS: The parties agree that review or approval of any project applications, documents, permits, plans and specifications or other program information by the State and/or Agency is for administrative purposes only and does not relieve the Project Sponsor of its responsibility to properly plan, design, construct, operate, maintain, implement, or otherwise carry out the project.

D.23 PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION: Project Sponsor 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 without prior permission of State. Project Sponsor shall not take any action concerning the performance of this Agreement, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of Project Sponsor to meet its obligations under this Agreement, without prior written permission of State. State may require that the proceeds from the disposition of any real or personal property acquired through this Agreement be remitted to State.

D.24 REMEDIES, COSTS, AND ATTORNEY FEES: Project Sponsor agrees that any remedy provided in this Agreement is in addition to and not in derogation of any other legal or equitable remedy available as a result of breach of this Agreement, whether such breach occurs

before or after completion of the project, and exercise of any remedy provided by this Agreement shall not preclude either party from pursuing any legal remedy or right which would otherwise be available. In the event of litigation between the parties hereto arising from this Agreement, it is agreed that the prevailing party shall be entitled to such reasonable costs and/or attorney fees as may be ordered by the court entertaining such litigation.

D. 25 RETENTION: State shall, for each project, withhold ten percent (10.0%) of the funds requested by Project Sponsor for reimbursement of Eligible Costs until the project is completed and Project Sponsor has met requirements of paragraph 21, Submissions of Reports.

D.26 RIGHTS IN DATA: Project Sponsor 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 Agreement shall be in the public domain. Project Sponsor may disclose, disseminate and use in whole or in part, any final form data and information received, collected, and developed under this Agreement, subject to appropriate acknowledgement of credit to State for financial support. Project Sponsor shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so.

D.27 SEVERABILITY OF UNENFORCEABLE PROVISION: If any provision of this Agreement is held invalid or unenforceable by a court of final jurisdiction, all other provisions of this Agreement shall be construed to remain fully valid, enforceable, and binding on the parties.

D.28 SUCCESSORS AND ASSIGNS: This Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. NO assignment or transfer of this Agreement or any part thereof, rights hereunder, or interest herein by Project Sponsor shall be valid unless and until it is approved by Agency and State and made subject to such reasonable terms and conditions as Agency or State may impose.

D.29 TERMINATION, IMMEDIATE REPAYMENT, INTEREST: This Agreement may be terminated by written notice at any time prior to completion of the project, upon violation by Project Sponsor of any material provision after such violation has been called to the attention of Project Sponsor and after failure of Project Sponsor to bring itself into compliance with the provisions of this Agreement within a reasonable time as established by Agency or State. In the event of such termination, Project Sponsor agrees, upon demand, to immediately repay all grant funds disbursed to Project Sponsor prior to such termination. In the event of termination, interest shall accrue on all amounts due at the highest legal rate of interest from the date that notice of termination is mailed to Project Sponsor to the date of full repayment by Project Sponsor.

D.30 TIMELINESS: Time is of the essence in this Agreement.

D.31 TRAVEL: Project Sponsor agrees that travel and per diem costs shall NOT be eligible for reimbursement with State funds, and shall NOT be eligible for computing Project Sponsor cost match. Travel includes the costs of transportation, subsistence, and other associated costs incurred by personnel during the term of this Agreement.

D.32 WAIVER OF RIGHTS: None of the provisions of this 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 Agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.

EXHIBIT E
REPORT FORMAT

QUARTERLY REPORT

Quarterly Reports shall generally use the following format. This format may be modified as necessary to effectively communicate information on the project. The quarterly report should reflect the status of the project identified in the Agreement.

PROJECT STATUS

Describe the work performed during the quarter including:

PROJECT I NFORMATION

- Legal matters;
- Engineering matters;
- Environmental matters;
- Status of permits, easements, rights-of-way, and approvals as may be required by other State, federal, and/or local agencies;
- Major accomplishments during the quarter (i.e. tasks completed, milestones met, meetings held or attended, press releases, etc.);
- Issues/concerns that have, will, or could affect the schedule or budget, with a recommendation on how to correct the matter; and
- Describe differences between the work performed and the work outlined in the project workplan.

COST INFORMATION

- Listing showing costs incurred during the quarter by the Project Sponsor and each contractor working on the project. Listing should include hours per task worked on during the quarter for above personnel;
- A discussion on how the actual budget is progressing in comparison to the project budget included in the Work Plan; and
- A revised budget, by task, if changed from latest budget in Work Plan.

SCHEDULE INFORMATION

- A schedule showing actual progress verse planned progress as shown in Exhibit B;
- A discussion on how the actual schedule is progressing in comparison to the schedule in Exhibit B; and
- A revised schedule, by task, if changed from latest schedule in Exhibit B.

ANTICIPATED ACTIVITIES NEXT QUARTER

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

PROJECT COMPLETION REPORT

Project Completion Reports shall generally use the following format. This format may be modified as necessary to effectively communicate information on the various projects contained in the IRWM Program. A Project Completion Report is required for each project identified in the Work Plan, Exhibit A.

EXECUTIVE SUMMARY

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

- Brief description of work proposed to be done in the original Water Security, Clean Drinking Water, Coastal And Beach Protection Act Of 2002 IRWM Implementation Grant application;
- Description of actual work completed and any deviations from the work plan identified in the Grant Agreement;
- Describe the mechanism or process that allows for continued performance monitoring of the projects in meeting the objectives of the IRWM Plan;
- Identify if as result of the project implementation, updates or changes the IRWM Plan are necessary. If updates or changes anticipated, summarize the necessary updates or changes and anticipated time frame when it will be accomplished; and
- Describe how the implemented projects will meet the regional priority identified in the IRWM Plan and how the project contributes to regional integration.

REPORTS AND/OR PRODUCTS

- Provide a copy of the final technical report or study;
- Provide a map and shapefile(s) showing the location of the completed project. A description of the geographic projection and datum used for the shapefile must be submitted with the shapefile (a NAD '27 datum and either a UTM 10 or UTM 11 projection, dependent on the project's location in the state, should be utilized);
- If any wells were constructed as part of the project, provide the following information: well logs; borehole geophysical logs; state well number; site information to include horizontal (NAD '27) and vertical (NAVD '88) datum to be determined within 0.5 feet;
- Provide an electronic copy of any as-built plans (media: CD-ROM; PDF format);
- Provide copies of any data collected along with location maps;
- If applicable, describe the findings of any study and whether the study determined the engineering, hydrologic, hydrogeologic, environmental, economic and financial feasibility of the project.

COST & DISPOSITION OF FUNDS INFORMATION

- A list of invoices showing:
  - The date each invoice was submitted to State;
  - The amount of the invoice;
  - The date the check was received; and
  - The amount of the check. (If a check has not been received for the final invoice, then state this in this section.)
- A summary of final funds disbursement including:
  - Labor cost of personnel of agency/ major consultant /sub-consultants. (Indicate personnel, hours, rates, type of profession and reason for consultant, i.e., design, CEQA work, etc.);

- Construction cost information, shown by material, equipment, labor costs, and change orders;
- Any other incurred cost detail; and
- A statement verifying separate accounting of grant disbursements.

- Summary of project cost including:
  - Accounting of the cost of project expenditure;
  - Include all internal and external costs not previously disclosed;
  - A discussion of factors that positively or negatively affected the project cost and any deviation from the original project cost estimate.

ADDITIONAL INFORMATION

- A final project schedule showing actual progress verse planned progress;
- Certification that the project was conducted in accordance with the approved work plan and any approved modifications thereto; and
- Submittal schedule for Post Performance Report and outline of the reporting format.

POST PERFORMANCE REPORT

The Post Performance Report shall generally use the following format. This format may be modified as necessary to effectively communicate information on the operation of the project.

REPORTS AND/OR PRODUCTS

- Summary of the operations of the project;
- Brief discussion of the project benefits to water quality, water supply, and the environment;
- Brief comparison and any explanations for any differences between the expected versus actual project success in meeting IRWM priorities as stated in the original IRWM Implementation Grant application;
- Summary of any additional costs and/or benefits deriving from the project; and
- Any additional information relevant to or generated by the continued operation of the project.

Exhibit F
Statewide Monitoring

REQUIREMENTS FOR STATEWIDE MONITORING AND DATA SUBMITTAL

Ambient surface water and groundwater quality monitoring data (may include chemical, physical, or biological data) shall be submitted to the State as described below, with a narrative description of data submittal activities included in project reports, as described in Exhibit E.

Surface water quality monitoring data shall be submitted to the Surface Water Ambient Monitoring Program (SWAMP), which is administered by the State Water Resources Control Board (SWRCB). If a project work plan contains a surface water monitoring element, the Grantee shall also prepare, maintain, and implement a Quality Assurance Project Plan (QAPP) in accordance with:

- The SWAMP QAPP and data reporting requirements.
- The USEPA's *EPA Requirements for Quality Assurance Project Plans* (Publication EPA AQ/R-5, 2001).

The QAPP shall be submitted to the State for review and a decision regarding approval. Any costs related to monitoring data collected prior to and not supported by the approved QAPP may not be reimbursed. Guidance for preparing the QAPP is available at:

http://www.waterboards.ca.gov/swamp/qapp.html

SWAMP comparable electronic format shall be followed. SWAMP data formats and templates can be accessed at:

http://mpsl.mlml.calstate.edu/swdbcompare.html

After the Grantee has followed the proper quality assurance and quality control (QA/QC) procedures and prepared the data for submittal to SWAMP, the data shall be uploaded, using the methodology established by SWAMP, to the California Environmental Data Exchange Network (CEDEN) database at the following link:

http://bdat.ca.gov

Groundwater quality monitoring data shall be submitted to the State through the SWRCB Groundwater Ambient Monitoring and Assessment (GAMA) Program. If a project work plan contains a groundwater ambient monitoring element, the Grantee shall contact the SWRCB GAMA Program for guidance on the submittal of ambient groundwater data. Information on the SWRCB GAMA Program can be obtained at:

http://www.waterboards.ca.gov/gama/index.html

Prior to the Grantee implementing any sampling or monitoring activities, State must be notified in writing as the planned procedure for submittal of groundwater data to GAMA. Any costs related to monitoring data collected prior to submittal of planned procedures may not be reimbursed.

REQUIREMENTS FOR PROJECT ASSESSMENT AND EVALUATION PLAN (PAEP) SUBMITTAL:

Project Assessment and Evaluation Plans (PAEPs) shall be prepared for each project receiving grant funding. For each project, a PAEP shall be submitted to State prior to project construction or monitoring, and as deemed appropriate by State. For information about preparing PAEPs and the recommended content, relevant documentation may be found at the following web site:

http://www.waterboards.ca.gov/funding/paep.html