

BIG BEAR AREA REGIONAL WASTEWATER AGENCY

Regular Board Meeting Agenda

May 26, 2021 at 5:00 p.m.

121 Palomino Drive, Big Bear City, California

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. APPROVAL OF AGENDA

4. PUBLIC FORUM

Public testimony is permitted at this time only on consent calendar items and other matters not listed on the posted agenda that are within the subject matter jurisdiction of the Agency. State law prohibits the Agency from taking action on any items not listed on the posted agenda. Public comment on items listed on the posted agenda will be taken at the time each item is called for discussion.

5. PRESENTATION AND INTRODUCTION

5.A. Nikki Crumpler 20-year recognition

5.B. Kim Booth 10-year recognition

5.C. Sam Essex 5-year recognition

5.D. John Shimmin 1-year recognition

5.E. Tyler Westplat 1-year recognition

6. INFORMATION/COMMITTEE REPORTS

6.A. General Manager's Report

7. CONSENT CALENDAR

All matters listed on the Consent Calendar will be enacted by one motion at the appropriate time. There will be no separate discussion of these items. If a detailed discussion is necessary, any Governing Board Member may request that an item be removed from the Consent Calendar and considered separately.

7.A. Approval of the Meeting Minutes from the April 28, 2021 Regular Meeting

7.B. Monthly Disbursements Report - Informational

7.C. Investment Report Identifying Agency Investments and Reporting Interest Income - Informational

7.D. Operations Flow Characteristics and Connections Report – Informational

- 7.E. Third Quarter Financial Report for the Nine Months Ended March 31, 2021, Presentation of Financial Performance and Discussion - Informational
- 7.F. Revisions to the Governing Board Handbook that Reflect Modifications During the Year - Informational
- 7.G. Sewer System Management Plan Two-Year Audit and Revisions - Informational
- 7.H. Approval of Pay Schedule with Cost-of-Living Adjustment
- 8. **ITEMS REMOVED FROM CONSENT CALENDAR**
- 9. **OLD BUSINESS**
None
- 10. **NEW BUSINESS – DISCUSSION/ACTION ITEMS**
 - 10.A. Resolution No. R. 07-2021, A Resolution of the Governing Board of the Big Bear Area Regional Wastewater Agency Approving the Proposition 1 Integrated Regional Water Management Implementation Sub-Grant Agreement, Authorizing a Memorandum of Understanding, and Finding the Approval of the Sub-Grant Agreement and Memorandum of Understanding Exempt from Review Under the California Environmental Quality Act
 - 10.B. Reject All Bids for the Headworks Grit System Rehabilitation Project and Re-Bid the Project
 - 10.C. Appointment of Secretary to the Governing Board
 - 10.D. General Manager Employment Agreement Amendment
 - 10.E. FY 2021 Other Post Employment Benefits (OPEB) Lump-Sum Contribution
- 11. **ADJOURNMENT**

In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if you need special assistance to participate in an Agency meeting or other services offered by the Agency, please contact the Agency at (909) 584-4018. Notification at least 48 hours prior to the meeting or time when services are needed will assist Agency staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

Copies of staff reports or other written documentation relating to each item of business referred to on this agenda are on file in the office of the Big Bear Area Regional Wastewater Agency and are available for public inspection during normal business hours.

Visit www.bbarwa.org to view and/or print the Agenda Package.



Big Bear Area Regional
Wastewater Agency
Jim Miller – Chair
Rick Herrick – Vice Chair
Karyn Oxandaboure – Secretary
David Caretto – Director
John Green – Director

AGENDA ITEM: 6.A.

MEETING DATE: May 26, 2021

TO: Governing Board of the Big Bear Area Regional Wastewater Agency

FROM: David Lawrence, P.E., General Manager

REVIEWED BY: Jennifer McCullar, Finance Manager; and John Shimmin, Plant Manager

SUBJECT: General Manager's Report

DISCUSSION:

Administration

June Governing Board Meeting

Staff is requesting to adjourn the June 23, 2021 Governing Board meeting.

COVID-19

The Administrative Office is expected to re-open to the public in mid-June.

AB 361 (Rivas) – Brown Act: Remote Meetings During Emergencies

On February 24, 2021, the Governing Board authorized the General Manager to execute and send a letter of support. On May 5, 2021, the Assembly Local Government Committee voted 7-1 in favor of the bill. It is now headed to an Assembly floor vote before heading to the CA Senate.

AB 339 (Lee) – State and Local Government: Open Meetings (Unfunded Mandate)

On March 24, 2021, the Governing Board authorized the General Manager to execute and send a letter of opposition. The bill was amended in the Assembly Local Government Committee on April 30, 2021 and will only apply to cities and counties with populations greater than 250k, with translation requirements removed in their entirety. This bill no longer applies to special districts or JPA's.

SB 278 (Leyva) - Public Employees' Retirement System: Disallowed Compensation: Benefit Adjustments

On March 24, 2021, the Governing Board authorized the General Manager to execute and send a letter of opposition. On April 19, 2021, the CA Senate Appropriations Committee voted 7-0 to place the bill on the APPR suspense file. The suspense file is a holding place for bills with significant fiscal impacts. Bills are generally held on the suspense file before each fiscal deadline

so that each House can evaluate the total impacts to the state. Bills which are moved out of suspense then go to the floor while bills held in suspense die.

Operations

Lift Station 3 Generator & Fuel System Replacement

On March 30, 2021, the Request for Informal Proposal was sent to contractors who have registered to be included on the Agency’s 2021 Contractor’s List and designated trade journals. On April 29, 2021, the Agency received four (4) proposals:

Contractor	Proposal Amount
R.I.C. Construction Co., Inc.	\$88,085.00
Big Bear Electric	88,992.56
Energy Link Industrial Services, Inc.	89,018.00
Bear Valley Paving, Inc.	100,000.00

The lowest responsive and responsible proposer was R.I.C. Construction, Inc. of Hesperia, Ca., with a proposal amount of \$88,085.

Other

Replenish Big Bear

The Project Team met with DDW on April 16, 2021. DDW will require the project to review private wells within 100 to 500 feet of Big Bear Lake to determine Lake influence.

On April 27, 2021, the Regional Board reviewed Dr. Anderson’s Lake Water Quality Analysis Report and advised they would prefer 100% RO without requiring any additional lengthy studies and review. This has no effect on the capital budget but will have an effect on annual O&M costs of approximately \$400,000.

The Project Team spoke with the Department of Drinking Water (DDW) regarding the new information in Dr. Anderson’s report. It appears only DWP’s Division Well Nos. 2 & 5 may be impacted by the Replenish Big Bear Project when the lake level is above nine feet or more from full. The most consistent and economical solution to this problem is to abandon Division Well Nos. 2 & 5 and replace them with a new Division Well No. 9. Division Well No. 9 will be constructed similar to Division Well Nos. 6 and 7, which are screened in the lower aquifer and are not affected by lake levels.

An in-person workshop has been scheduled for June 23, 2021 to discuss the project status and cost allocation opportunities with the Project Team and their respective Governing Boards.

GSA

BBCCSD and DWP are within the Department of Water Resources' (DWR) Bear Valley Basin, which is now prioritized as a very low ranked basin. The GSA Board met on October 4, 2019, and authorized Tom Harder and Associates to prepare a Groundwater Sustainability Plan (GSP) for the Bear Valley Basin. Tom Harder and Associates are working on the GSP and are on schedule to complete it and submit it to DWR by June 30, 2021.

BIG BEAR AREA REGIONAL WASTEWATER AGENCY

REGULAR BOARD MEETING MINUTES

April 28, 2021

1. CALL TO ORDER

A Regular Meeting of the Governing Board of the Big Bear Area Regional Wastewater Agency was called to order by Chair Miller at 5:03 p.m. on April 28, 2021. Chair Miller confirmed the Governing Board meeting was conducted pursuant to California Government Code Section 54953 and Governor Newsome's Executive Order N-25-20 and N-29-20.

BOARD MEMBERS PRESENT

Jim Miller, Chair

Rick Herrick, Vice-Chair

Karyn Oxandaboure, Secretary (arrival 5:07 p.m., departure 6:14 p.m.)

David Caretto, Director

John Green, Director

BOARD MEMBERS ABSENT

None

STAFF MEMBERS PRESENT

David Lawrence, General Manager

Jennifer McCullar, Finance Manager

John Shimmin, Plant Manager

Sonja Kawa, Human Resources Coordinator/Accounting Technician

Bridgette Burton, Management Analyst

Kim Booth, Administrative Assistant

OTHERS

Mary Reeves, Big Bear City Community Services District

2. PLEDGE OF ALLEGIANCE

Dispensed

3. APPROVAL OF THE AGENDA

Upon motion by Vice-Chair Herrick, seconded by Director Caretto and carried, the Governing Board approved the agenda as presented.

Ayes: Caretto, Green, Herrick, Miller

Noes: None

Absent: Oxandaboure

Abstain: None

4. PRESENTATIONS AND INTRODUCTIONS

None

5. INFORMATION/COMMITTEE REPORTS

5.A. General Manager's Report

The General Manager provided an update to the Governing Board regarding ongoing Agency projects. There will be a workshop at the Big Bear Municipal Water District on April 29, 2021 to discuss cost allocation options for the Replenish Big Bear Project.

5.B. Administrative Committee Report

All items discussed are on the agenda and include the recommendations of the Administrative Committee.

6. CONSENT CALENDAR

6.A. Minutes of Regular Meeting on March 24, 2021

6.B. Monthly Expenses

6.C. Investment Report

6.D. Operations and Connections Report

6.E. Resolution No. R. 05-2021, A Resolution of the Big Bear Area Regional Wastewater Agency Amending and Adopting Local Guidelines for Implementing the California Environmental Quality Act (Public Resources Code §§ 21000 et seq.)

Upon motion by Director Caretto, seconded by Director Green and carried, the Governing Board approved the Consent Calendar as presented.

Ayes: Caretto, Green, Herrick, Oxandaboure, Miller
Noes: None
Absent: None
Abstain: None

7. ITEMS REMOVED FROM THE CONSENT CALENDAR

None

8. PUBLIC FORUM RESPONSE

None

9. PUBLIC FORUM

No comments

10. OLD BUSINESS
None

11. NEW BUSINESS

- 11.A.** Resolution No. R. 06-2021, A Resolution of the Governing Board of the Big Bear Area Regional Wastewater Agency Approving the Agency's Proposal for the United States Department of the Interior Bureau of Reclamation's WaterSMART: Title XVI WIIN Water Reclamation and Reuse Project Grant Application for the Replenish Big Bear Project and Designating an Authorized Representative

The General Manager explained the grant application process. Discussion ensued between the Governing Board and staff.

Upon motion by Vice-Chair Herrick, seconded by Chair Miller and carried, the Governing Board adopted Resolution No. R. 06-2021 and authorized the General Manager to be the Entity Administrator in the System for Award Management.

Ayes: Caretto, Green, Herrick, Oxandaboure, Miller
Noes: None
Absent: None
Abstain: None

- 11.B.** Award of Contract for Sludge Hauling Services for the Wastewater Treatment Plant

The General Manager discussed the existing sludge hauling contract status, the proposal process, and staff recommendation. Discussion ensued between the Governing Board and staff.

Upon motion by Director Green, seconded by Secretary Oxandaboure and carried, the Governing Board authorized the General Manager to enter into a three-year agreement, with two (2) one-year extensions as approved by the General Manager, with Synagro West, LLC for Sludge Hauling Services for the Wastewater Treatment Plant in the amount of \$59.90 per ton, allowing for annual cost escalation per the contract documents.

Ayes: Caretto, Green, Herrick, Oxandaboure, Miller
Noes: None
Absent: None
Abstain: None

11.C. Organizational Structure and Classification Plan; Pay Schedule

The General Manager presented the reclassifications, changes to the organizational structure, and clarified the publicly available pay schedule and the impacts to the overall budget. Discussion ensued between the Governing Board and staff.

Upon motion by Director Caretto, seconded by Chair Miller and carried, the Governing Board approved the Operations Administrative/Laboratory Assistant class specifications (job description), Management Analyst/Board Secretary class specifications (job description), Senior Laboratory Analyst class specifications (job description), Organizational Chart, and the publicly available Pay Schedule.

Ayes: Caretto, Green, Herrick, Oxandaboure, Miller
Noes: None
Absent: None
Abstain: None

12. CLOSED SESSION

12.A. Public Employee Performance Evaluation
Pursuant to Government Code Section 54957(b)(1)
Title: General Manager

The Governing Board entered closed session at 5:35 p.m. Chair Miller reconvened open session at 6:14 p.m. with the following reportable action: a cost-of-living adjustment (COLA) will be added on an annual basis to the General Manager's contract.

13. ADJOURNMENT

With no further business to come before the Governing Board, Chair Miller adjourned the meeting at 6:15 p.m.

ATTEST: _____
Karyn Oxandaboure, Secretary of the Governing Board
Big Bear Area Regional Wastewater Agency

Bridgette Burton, Management Analyst
Big Bear Area Regional Wastewater Agency



Big Bear Area Regional
Wastewater Agency
Jim Miller – Chair
Rick Herrick – Vice Chair
Karyn Oxandaboure – Secretary
David Caretto – Director
John Green – Director

AGENDA ITEM: 7.B.

MEETING DATE: May 26, 2021

TO: Governing Board of the Big Bear Area Regional Wastewater Agency

FROM: David Lawrence, P.E., General Manager

PREPARED BY: Jennifer McCullar, Finance Manager

SUBJECT: Monthly Disbursements Report

BACKGROUND:

Attached is the Agency's April check register which reflects accounts paid during the period.

FINANCIAL IMPACT:

There is no financial impact. The funds have previously been appropriated.

RECOMMENDATION:

Informational

Big Bear Area Regional Wastewater Agency
Check Register
For the Period From Apr 1, 2021 to Apr 30, 2021

Filter Criteria includes: 1) Accounts Payable only. Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
CASH 23077	4/2/21	PAYA	1000-20	19.99
CASH 23078	4/2/21	CALIFORNIA STATE DISBURSEMENT UN	1000-20	126.00
CASH 23079	4/2/21	THE LINCOLN NAT'L LIFE INS CO	1000-20	3,608.21
CASH 23080	4/2/21	PRINCIPAL FINANCIAL GROUP	1000-20	3,621.76
CASH 23081	4/2/21	CALPERS HEALTH	1000-20	32,611.58
CASH 23082	4/5/21	VISION SERVICE PLAN	1000-20	328.35
CASH 23083	4/5/21	AMERICAN FIDELITY ASSURANCE CO	1000-20	469.98
CASH 23084	4/5/21	CALPERS RETIREMENT	1000-20	2,862.30
CASH 23085	4/5/21	CA PERS 457 PROGRAM	1000-20	3,619.68
CASH 23086	4/5/21	CALPERS RETIREMENT	1000-20	7,773.50
CASH 23087	4/6/21	EMPLOYMENT DEVELOPMENT DEPART	1000-20	1,944.10
CASH 23088	4/6/21	INTERNAL REVENUE SERVICE	1000-20	6,775.40
21210	4/7/21	ACCENT COMPUTER SOLUTIONS, INC.	1000-20	2,508.70
21211	4/7/21	AG TECH LLC	1000-20	33,448.96
21212	4/7/21	AMAZON CAPITAL SERVICES	1000-20	394.14
21213	4/7/21	ARAMARK UNIFORM SERVICES	1000-20	1,240.48
21214	4/7/21	BEST BEST & KRIEGER	1000-20	3,740.00
21215	4/7/21	BIG BEAR CITY COMMUNITY SERVICES	1000-20	415.55
21216	4/7/21	BUTCHER'S BLOCK & BUILDING	1000-20	412.16
21217	4/7/21	BEAR VALLEY ELECTRIC	1000-20	8,299.17
21218	4/7/21	CAR QUEST OF BIG BEAR	1000-20	7.60
21219	4/7/21	CUEVAS COMMERCIAL SERVICES, INC.	1000-20	130.00
21220	4/7/21	UNDERGROUND SERVICE ALERT	1000-20	103.26
21221	4/7/21	DIY HOME CENTER-BIG BEAR	1000-20	81.54
21222	4/7/21	DIRECT TV	1000-20	39.99
21223	4/7/21	DEPARTMENT OF WATER & POWER	1000-20	55.10
21224	4/7/21	FLYERS ENERGY	1000-20	576.56
21225	4/7/21	FRONTIER COMMUNICATIONS	1000-20	876.71
21226	4/7/21	GRAINGER	1000-20	286.43
21227	4/7/21	BIG BEAR GRIZZLY	1000-20	1,757.25
21228	4/7/21	HUGHESNET	1000-20	102.33
21229	4/7/21	NICHOLAS R. MARTIN	1000-20	1,620.00
21230	4/7/21	MCR TECHNOLOGIES, INC.	1000-20	7,668.57

Big Bear Area Regional Wastewater Agency
Check Register
For the Period From Apr 1, 2021 to Apr 30, 2021

Filter Criteria includes: 1) Accounts Payable only. Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
21231	4/7/21	NAPA AUTO PARTS	1000-20	19.37
21232	4/7/21	CONSTANCE M. ALVARADO	1000-20	55.00
21233	4/7/21	PITNEY BOWES RESERVE ACCOUNT	1000-20	500.00
21234	4/7/21	RYAN R. ABELN	1000-20	14,805.89
21235	4/7/21	SPECTRUM BUSINESS	1000-20	998.93
21236	4/7/21	KIMBERLY BOOTH	1000-20	50.00
21237	4/7/21	BRIDGETTE BURTON	1000-20	50.00
21238	4/7/21	SONJA KAWA	1000-20	50.00
21239	4/7/21	DAVID LAWRENCE	1000-20	50.00
21240	4/7/21	JENNIFER MCCULLAR	1000-20	50.00
21241	4/7/21	JAMES J. MILLER	1000-20	150.00
21242	4/7/21	JOHN SHIMMIN	1000-20	50.00
CASH 23089	4/9/21	JOHN GREEN	1000-20	300.00
CASH 23090	4/9/21	DAVID A. CARETTO	1000-20	300.00
CASH 23091	4/9/21	KARYN K. OXANDABOURE	1000-20	150.00
CASH 23092	4/16/21	CALIFORNIA STATE DISBURSEMENT UN	1000-20	126.00
CASH 23093	4/16/21	THE LINCOLN NAT'L LIFE INS CO	1000-20	3,608.21
CASH 23094	4/19/21	AMERICAN FIDELITY ASSURANCE CO	1000-20	469.98
CASH 23095	4/19/21	CALPERS RETIREMENT	1000-20	2,862.30
CASH 23096	4/19/21	CA PERS 457 PROGRAM	1000-20	3,619.68
CASH 23097	4/19/21	EMPLOYMENT DEVELOPMENT DEPART	1000-20	1,949.15
CASH 23098	4/19/21	CALPERS RETIREMENT	1000-20	7,765.65
CASH 23099	4/20/21	INTERNAL REVENUE SERVICE	1000-20	6,744.29
21243	4/21/21	ALLISON MECHANICAL, INC.	1000-20	2,509.16
21244	4/21/21	AMAZON CAPITAL SERVICES	1000-20	456.99
21245	4/21/21	ARROWHEAD	1000-20	108.30
21246	4/21/21	BUSINESS CARD	1000-20	1,554.21
21247	4/21/21	ROBIN A. BRADLEY	1000-20	480.00
21248	4/21/21	BRYCE CONSULTING, INC.	1000-20	255.00
21249	4/21/21	CLINICAL LAB OF SAN BERNARDINO	1000-20	1,047.50
21250	4/21/21	COUNTY OF SAN BERNARDINO SOLID W	1000-20	540.35
21251	4/21/21	DADDY'S PEST CONTROL	1000-20	150.00
21252	4/21/21	FERGUSON WATERWORKS #1083	1000-20	913.01

Big Bear Area Regional Wastewater Agency
Check Register
For the Period From Apr 1, 2021 to Apr 30, 2021

Filter Criteria includes: 1) Accounts Payable only. Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
21253	4/21/21	HACH COMPANY	1000-20	354.22
21254	4/21/21	HAZ MAT TRANS, INC.	1000-20	1,469.46
21255	4/21/21	JUST ENERGY SOLUTIONS INC.	1000-20	17,998.56
21256	4/21/21	MITEL	1000-20	355.90
21257	4/21/21	MOONRIDGE FUEL	1000-20	228.95
21258	4/21/21	RANDY J. SPITZ	1000-20	101.75
21259	4/21/21	ROI ENGINEERING LLC	1000-20	1,650.00
21260	4/21/21	SAGE SOFTWARE, INC	1000-20	1,279.00
21261	4/21/21	SOUTHERN CALIFORNIA EDISON	1000-20	41.03
21262	4/21/21	SOCIETY FOR HUMAN RESOURCE MAN	1000-20	219.00
21263	4/21/21	SUPPORT PRODUCT SERVICES, INC.	1000-20	1,316.74
21264	4/21/21	SOUTHWEST GAS CORP	1000-20	10,914.24
21265	4/21/21	SOUTHWEST GAS	1000-20	671.87
21266	4/21/21	SWRCB-WWOC	1000-20	125.00
21267	4/21/21	NANCY R. BOHL, INC.	1000-20	225.00
21268	4/21/21	VERIZON WIRELESS	1000-20	241.66
21269	4/21/21	VIKING MAINTENANCE SERVICES, LLC	1000-20	1,425.00
21270	4/21/21	S.B. COUNTY DEPT OF PUBLIC WORKS	1000-20	1,353.04
CASH 23100	4/28/21	LEGALSHIELD	1000-20	67.80
CASH 23101	4/28/21	TEXAS LIFE INSURANCE COMPANY	1000-20	213.00
CASH 23102	4/28/21	AMERICAN FIDELITY ASSURANCE CO	1000-20	625.48
CASH 23103	4/28/21	PAYA	1000-20	13,006.22
CASH 23104	4/28/21	PAYA	1000-20	44.61
CASH 23105	4/28/21	CALIFORNIA STATE DISBURSEMENT UN	1000-20	126.00
Total				234,317.85



Big Bear Area Regional
Wastewater Agency
Jim Miller – Chair
Rick Herrick – Vice Chair
Karyn Oxandaboure – Secretary
David Caretto – Director
John Green – Director

AGENDA ITEM: 7.C.

MEETING DATE: May 26, 2021

TO: Governing Board of the Big Bear Area Regional Wastewater Agency

FROM: David Lawrence, P.E., General Manager

PREPARED BY: Jennifer McCullar, Finance Manager

SUBJECT: Investment Report Identifying Agency Investments and Reporting Interest Income

BACKGROUND:

Attached is the April Monthly Investment Report pursuant to the Agency's Investment Policy.

FINANCIAL IMPACT:

There is no financial impact.

RECOMMENDATION:

Informational

BBARWA
 Monthly Investment Report
 April 2021

<u>INVESTMENT TYPE</u>	<u>COST</u>	<u>FAIR MARKET VALUE (1)</u>	<u>YEAR TO DATE INTEREST(2)</u>	<u>INTEREST RATE</u>	<u>MATURITY DATE</u>
LOCAL AGENCY INVESTMENT FUND	\$ 6,834,606	\$ 6,843,285	42,887	0.339%	DAILY
TOTAL	\$ 6,834,606	\$ 6,843,285	42,887		

The Investment Portfolio of the Big Bear Area Regional Wastewater Agency is in compliance with the investment policy approved in Sept 2020. The Agency will be able to meet its expenditure requirements for the next six months.

(1) LOCAL AGENCY INVESTMENT FUND (LAIF) IS A STATE-RUN INVESTMENT POOL PROVIDED FOR PUBLIC AGENCIES. THE LAIF MARKET VALUE SHOWN ON THIS TREASURER'S REPORT REPRESENTS BBARWA'S SHARE OF THE **LIQUID VALUE** OF LAIF'S PORTFOLIO IF IT WAS LIQUIDATED AS OF THE END OF THE REPORTED MONTH. THIS NUMBER SERVES AS AN INDICATOR OF WHETHER OR NOT THE **MARKET VALUE** OF LAIF'S INVESTMENTS IS ABOVE OR BELOW THE **COST** OF THOSE INVESTMENTS.

(2) Interest paid quarterly on LAIF investment. Amount reflects interest income received at the reporting date during FY 2021 and excludes accrued interest.

Attachment (s): Monthly LAIF Statement

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
 P.O. Box 942809
 Sacramento, CA 94209-0001
 (916) 653-3001

May 14, 2021

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

BIG BEAR AREA REGIONAL WASTEWATER AGENCY

FINANCE MANAGER
 P.O. BOX 517
 BIG BEAR CITY, CA 92314

[Tran Type Definitions](#)

Account Number:

April 2021 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
4/15/2021	4/14/2021	QRD	1671956	N/A	SYSTEM	5,384.23
4/30/2021	4/30/2021	RD	1674271	N/A	JENNIFER MCCULLAR	2,500,000.00

Account Summary

Total Deposit:	2,505,384.23	Beginning Balance:	4,329,222.24
Total Withdrawal:	0.00	Ending Balance:	6,834,606.47



Big Bear Area Regional
Wastewater Agency
Jim Miller – Chair
Rick Herrick – Vice Chair
Karyn Oxandaboure – Secretary
David Caretto – Director
John Green – Director

AGENDA ITEM: 7.D.

MEETING DATE: May 26, 2021

TO: Governing Board of the Big Bear Area Regional Wastewater Agency

FROM: David Lawrence, P.E., General Manager

PREPARED BY: John Shimmin, Plant Manager; and Jennifer McCullar, Finance Manager

SUBJECT: Operations Flow Characteristics and Connections Report

OPERATIONS:

2021 Treatment Plant Data

	February	March	April
Total Influent Flow (MG)	65.041	63.349	51.212
Average Daily Influent Flow (MGD)	2.32	2.04	1.71
City of Big Bear Lake	55.95%	55.08%	50.24%
Big Bear City	41.27%	42.09%	46.48%
County of San Bernardino	2.78%	2.83%	3.28%
Average Influent BOD (mg/L)	271	276	285
Average Effluent BOD (mg/L)	10	12	12
BOD Removal Efficiency (%)	96.3%	95.7%	95.8%
Precipitation (inch)	0.14	1.67	0.01

April 2021 – There were no reportable violations during this period.

CONNECTIONS:

MONTH	FYE 6/30/2021									
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	CITY-BBL	CSD	CSA-53B
July	4	8	3	4	3	7	3	0	3	0
August	6	5	12	6	10	2	12	1	10	1
September	5	6	4	6	3	7	3	0	2	1
October	14	10	9	8	3	5	10	4	6	0
November	8	6	5	11	5	2	2	1	1	0
December	23	8	4	2	3	1	2	2	0	0
January	3	1	0	2	1	1	2	2	0	0
February	1	0	1	0	0	1	0	0	0	0
March	2	3	2	3	3	1	3	1	2	0
April	1	10	3	12	3	7	12	5	7	0
May	5	10	4	0	5	5	0	0	0	0
June	12	2	16	0	6	6	0	0	0	0
TOTAL	84	69	63	54	45	45	49	16	31	2

FINANCIAL IMPACT:

There is no financial impact.

RECOMMENDATION:

Informational



Big Bear Area Regional
Wastewater Agency
Jim Miller – Chair
Rick Herrick – Vice Chair
Karyn Oxandaboure – Secretary
David Caretto – Director
John Green – Director

AGENDA ITEM: 7.E.

MEETING DATE: May 26, 2021

TO: Governing Board of the Big Bear Area Regional Wastewater Agency

FROM: David Lawrence, P.E., General Manager

PREPARED BY: Jennifer McCullar, Finance Manager

REVIEWED BY: John Shimmin, Plant Manager

SUBJECT: Third Quarter Financial Report for the Nine Months Ended March 31, 2021, Presentation of Financial Performance and Discussion

BACKGROUND & DISCUSSION:

Please find attached the Third Quarter Report, which discusses the most recent nine month's financial performance compared to the budget.

The Agency performed under the budget for the first nine months with operating expenses falling below the budget by \$280,850 or 8%. The Agency experienced variances across multiple line items. Lower operating expenses were a combination of lower spending (due in part to Covid 19) and timing (expenses that were budgeted during the six months but not incurred and which are expected to be incurred in the subsequent quarter).

FINANCIAL IMPACT:

There is no financial impact.

RECOMMENDATION:

Informational

ATTACHMENT:

Third Quarter Report

Big Bear Area Regional Wastewater Agency

3rd Quarter Report

Nine Months ended March 31, 2021



STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	Q1 9/30/20 <u>Actual</u>	Q2 12/31/20 <u>Actual</u>	Q3 3/31/21 <u>Actual</u>	YTD <u>Actual</u>	YTD <u>Budget</u>	YTD Actual vs Budget \$	YTD Actual vs Budget %
Operating revenues:							
Annual charges	0	2,801,056	0	2,801,056	2,801,056	0	0%
Waste disposal fees	6,173	4,943	5,713	16,830	15,802	1,028	7%
Rental income	8,862	8,862	8,862	26,586	26,606	(20)	0%
Standby fees	0	40,150	0	40,150	40,150	0	0%
Other operating revenue	<u>0</u>	<u>0</u>	<u>555</u>	<u>555</u>	<u>0</u>	<u>555</u>	<u>nm</u> (b)
Total operating revenues	15,035	2,855,011	15,130	2,885,177	2,883,614	1,563	0%
Operating expenses:							
Salaries and benefits	699,975	583,692	530,712	1,814,380	1,904,851	(90,471)	-5%
Power	89,396	73,991	190,580	353,966	374,453	(20,486)	-5%
Sludge removal	84,661	63,165	92,047	239,873	247,252	(7,379)	-3%
Chemicals	41,582	12,718	22,809	77,109	84,721	(7,612)	-9%
Materials and supplies	25,101	35,382	17,355	77,838	111,171	(33,332)	-30%
Repairs and replacements	53,377	102,020	43,000	198,397	199,974	(1,577)	-1%
Equipment rental	223	109	334	666	628	39	6%
Utilities expense	2,527	49,625	4,192	56,345	35,523	20,821	59%
Communications expense	8,124	8,726	11,485	28,334	39,585	(11,251)	-28%
Contractual services - other	12,224	13,648	22,399	48,271	85,193	(36,922)	-43%
Contractual services - prof	16,088	39,819	23,544	79,451	157,994	(78,543)	-50%
Permits and fees	13,002	175,206	5,071	193,278	187,384	5,894	3%
Property tax expense	0	3,963	0	3,963	4,147	(183)	-4%
Insurance expense	167,733	3,764	0	171,497	171,498	(0)	0%
Other operating expense	4,932	16,840	5,553	27,325	47,171	(19,846)	-42%
Depreciation expense (a)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>nm</u> (b)
Total operating expenses	1,218,944	1,182,668	969,082	3,370,694	3,651,544	(280,850)	-8%
Operating Income	(1,203,908)	1,672,343	(953,952)	(485,517)	(767,930)	282,413	+ (c)
Nonoperating income (expense):							
Nonoperating income	(29,436)	11,174	14,781	(3,481)	48,002	(51,483)	- (c)
Nonoperating expense	<u>(15,547)</u>	<u>(61,541)</u>	<u>(29,040)</u>	<u>(106,128)</u>	<u>(378,857)</u>	<u>272,729</u>	<u>± (c)</u>
Total nonoperating income (exp)	(44,983)	(50,367)	(14,259)	(109,609)	(330,855)	221,246	+ (c)
Income before capital contribution	(1,248,891)	1,621,976	(968,211)	(595,127)	(1,098,785)	503,658	+ (c)
Capital contrib - conn fees	<u>75,240</u>	<u>58,520</u>	<u>20,900</u>	<u>154,660</u>	<u>112,860</u>	<u>41,800</u>	<u>37%</u>
Change in Net Position	(1,173,651)	1,680,496	(947,311)	(440,467)	(985,925)	545,458	+ (c)

(a) Currently, the Agency depreciates its assets at the end of the year. Therefore, depreciation expense is presented as \$0.00 on an interim basis.

(b) nm = not meaningful and is the result when dividing by 0.

(c) Percent change is not provided if either of the comparison periods contains a loss or negative number. If the actual performance is improved when compared to the budget a "+" is given. If the actual performance is worse when compared to the budget, a "-" is given.



STATEMENT OF CASH FLOW**Q3 - YTD**
3/31/2021**Cash flows from operating activities:**

Cash received from customers and other sources	2,976,237
Cash payments to suppliers for goods and services	-1,803,107
Cash payments to employees	<u>-1,776,530</u>
Net cash provided by operating activities	-603,400

Cash flows from capital and related financing activities

Interagency and GSA Expense	-58,187
Purchases of property, plant and equip	-999,050
Sale, Disposal of PP&E and Other	0
Capital contributions	168,553
Proceeds from debt issuance	0
Proceeds from grant issuance	8,864
Prepayment premiums and issuance costs	0
Principal payments on long-term debt	-190,867
Interest paid on long-term debt	<u>-63,854</u>
Net cash used for capital and related financing activities	-1,134,541

Cash flows from investing activities:

Investment income received	<u>8,057</u>
Net cash provided by investing activities	8,057

Net change in cash equivalents -1,729,884

Cash equivalents, beginning of period	6,769,204
Cash equivalents, end of period	<u>5,039,320</u>
Change in Cash during the period	<u>-1,729,884</u>



Discussion and Analysis

Operating Revenues

Operating revenues were on budget for the period.

	Q1 9/30/2020 Actual	Q2 12/31/2020 Actual	Q3 3/31/2021 Actual	YTD Actual	YTD Budget	YTD Actual vs Budget \$	YTD Actual vs Budget %
Operating revenues:							
Annual charges	0	2,801,056	0	2,801,056	2,801,056	0	0%
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Standby fees	0	40,150	0	40,150	40,150	0	0%
Other operating revenue	<u>0</u>	<u>0</u>	<u>555</u>	<u>555</u>	<u>0</u>	<u>555</u>	<u>nm</u> (a)
Total operating revenues	15,035	2,855,011	15,130	2,885,177	2,883,614	1,563	0%

(a) nm = not meaningful and is the result when dividing by 0.

Operating Expenses

Operating expenses were below the budget by \$280,850 or 8% with large variances (compared to the budget) across multiple line items. Variances greater than 5% and \$10,000 are highlighted below and discussed on the next page.

	Q1 9/30/2020 Actual	Q2 12/31/2020 Actual	Q3 3/31/2021 Actual	YTD Actual	YTD Budget	YTD Actual vs Budget \$	YTD Actual vs Budget %
Operating expenses:							
Salaries and benefits	699,975	583,692	530,712	1,814,380	1,904,851	(90,471)	-5%
Power	89,396	73,991	190,580	353,966	374,453	(20,486)	-5%
Sludge Removal	84,661	63,165	92,047	239,873	247,252	(7,379)	-3%
Chemicals	41,582	12,718	22,809	77,109	84,721	(7,612)	-9%
Materials and supplies	25,101	35,382	17,355	77,838	111,171	(33,332)	-30%
Repairs and Replacements	53,377	102,020	43,000	198,397	199,974	(1,577)	-1%
Equipment rental	223	109	334	666	628	39	6%
Utilities expense	2,527	49,625	4,192	56,345	35,523	20,821	59%
Communications expense	8,124	8,726	11,485	28,334	39,585	(11,251)	-28%
Contractual services - other	12,224	13,648	22,399	48,271	85,193	(36,922)	-43%
Contractual services - prof	16,088	39,819	23,544	79,451	157,994	(78,543)	-50%
Permits and fees	13,002	175,206	5,071	193,278	187,384	5,894	3%
Property tax expense	0	3,963	0	3,963	4,147	(183)	-4%
Insurance expense	167,733	3,764	0	171,497	171,498	(0)	0%
Other operating expense	4,932	16,840	5,553	27,325	47,171	(19,846)	-42%
Depreciation expense	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>nm</u> (a)
Total operating expenses	1,218,944	1,182,668	969,082	3,370,694	3,651,544	(280,850)	-8%

(a) nm = not meaningful and is the result when dividing by 0.



An explanation of the major variances by line item is as follows.

Materials and Supplies expense was under the budget by \$33,332 or 30% and was driven by lower oil services on the Agency’s generators and lower overall purchases of laboratory supplies, ground maintenance, electrical supplies, and vehicle fuel. The Agency’s Cummins’ generators were down for an extended period of time during the year related to rebuilds and controls. This reduced the number of oil services on these generators as well as the Waukesha generator, as it could not be taken out of service during the time the Cummins’ generators were out of service to perform oil changes.

Utilities expense was over the budget by \$20,821 or 59% and was due to higher solids waste disposal associated with the clean out of Pond 5 in anticipation of the grading work related to the solar project.

Communications expense was under the budget by \$11,251 or 28% and was due to lower expense related to a SCADA services contract. The contract was budgeted for a full year but was only utilized a partial year (upon completion of the SCADA Replacement Project in February 2021).

Contractual Services – Other expense was under the budget by \$36,922 or 43% and is primarily due to timing associated with generator air source testing and to a lesser extent, lower required services related to landscape maintenance, pest control and the HVAC system.

Contractual Services - Professional expense was under the budget by \$78,543 or 50%. The lower expense is driven by lower legal expense and timing related to an Arc Flash Study.

Other operating expense was below the budget by \$19,846 or 42% and was driven by lower education and training expense due to the cancellation of off-site training events due to the COVID-19 pandemic.

Non-Operating Income (Expense)

Non-operating income (expense) had a positive variance of \$221,246 compared to the budget and is driven by lower non-operating expenses of \$272,729 associated with the timing of Replenish Big Bear expenses.

	Q1 9/30/2020 Actual	Q2 12/31/20 Actual	Q3 3/31/2021 Actual	YTD Actual	YTD Budget	YTD Actual vs. Budget \$	YTD Actual vs. Budget %
Nonoperating income (expense):							
Nonoperating income	(29,436)	11,174	14,781	(3,481)	48,002	(51,483)	- (b)
Nonoperating expense	(15,547)	(61,541)	(29,040)	(106,128)	(378,857)	272,729	± (b)
Total nonoperating income (exp)	(44,983)	(50,367)	(14,259)	(109,609)	(330,855)	221,246	+ (b)

(a) nm = not meaningful and is the result when dividing by 0.

(b) Percent change is not provided if either of the comparison periods contains a loss or negative number. If the actual performance is improved when compared to the budget a "+" is given. If the actual performance is worse when compared to the budget, a "-" is given.

Capital Contributions (Connection Fees) and Net Income (Change in Net Assets)

Income before capital contributions was ahead of the budget by \$503,658 for the period primarily due to lower operating expenses than budgeted of \$280,850 and a positive variance in net nonoperating



income (expense) of \$221,246. Connection fees were higher than the budget by \$41,800 due to higher connections. Actual connections were higher by 10 connections, 37 compared to 27 budgeted for the nine months.

	Q1 9/30/2020 Actual	Q2 12/31/2020 Actual	Q3 3/31/2021 Actual	YTD Actual	YTD Budget	YTD Actual vs Budget \$	YTD Actual vs Budget %
Income before capital contributions	(1,248,891)	1,621,976	(968,211)	(595,127)	(1,098,785)	503,658	+ (a)
Capital contrib - conn fees	<u>75,240</u>	<u>58,520</u>	<u>20,900</u>	<u>154,660</u>	<u>112,860</u>	<u>41,800</u>	<u>37%</u>
Net Income, Change in net assets	(1,173,651)	1,680,496	(947,311)	(440,467)	(985,925)	545,458	+ (a)

(a) Percent change is not provided if either of the comparison periods contains a loss or negative number. If the actual performance is improved when compared to the budget a "+" is given. If the actual performance is worse when compared to the budget,

Capital Expenditures

Capital expenditures for the period were \$999,050, below the budget by \$579,634. The variance is largely due to timing associated with various projects.



Cash and Fund Balances

The Agency had negative cash flow of approximately \$1.7 million for the first nine months. The negative cash flow reflects approximately \$1.9 million in negative cash from operations, capital expenditures and debt service offset somewhat by approximately \$200,000 in revenues associated with connection fees, grant revenue and interest income.

	Beginning Balance	Activity During Period	Ending Balance
Cash Balance	6,769,204		5,039,320
Designated Fund Balances:			
Capital and Replacement Fund			
Current Year	2,097,772	(999,050)	1,098,721
Future Year	<u>464,914</u>	<u>(0)</u>	<u>464,914</u>
Total C&R	2,562,686	(999,050)	1,563,635
Debt Service Fund	509,077	(254,720)	254,357
Liquidity Fund	2,394,468	(644,667)	1,749,801
Contingency Fund:			
Emergency	500,000	0	500,000
Operating	<u>802,974</u>	<u>(0)</u>	<u>802,974</u>
Total	1,302,974	(0)	1,302,974
Restricted Funds:			
Connection Fees	0	168,553	168,553
Total Designated & Restricted Funds	6,769,205	(1,729,885)	5,039,320



Big Bear Area Regional
Wastewater Agency
Jim Miller – Chair
Rick Herrick – Vice Chair
Karyn Oxandaboure – Secretary
David Caretto – Director
John Green – Director

AGENDA ITEM: 7.F.

MEETING DATE: May 26, 2021

TO: Governing Board of the Big Bear Area Regional Wastewater Agency

FROM: David Lawrence, P.E., General Manager

PREPARED BY: Bridgette Burton, Management Analyst

SUBJECT: Revisions to the Governing Board Handbook that Reflect Modifications During the Year

BACKGROUND & DISCUSSION:

The purpose of the BBARWA Governing Board Member Handbook is to assist Governing Board members in their service to BBARWA. It is designed for use by all Governing Board members, newly appointed and experienced. It is intended to be utilized as a non-binding information document summarizing existing rules, regulations, and policies of BBARWA. Updates include inclusion of the most recent Board Member Reimbursement Policy approved at the October 28, 2020 Governing Board meeting and revisions to the appointment process and duties of the Secretary to the Governing Board.

FINANCIAL IMPACT:

There is no financial impact.

RECOMMENDATION:

Informational

ATTACHMENT:

Governing Board Handbook

Big Bear Area Regional Wastewater Agency

Governing Board Handbook



Adopted:
June 28, 2017

Revised:
March 27, 2019
May 26, 2021



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Mission Statement

The mission of the Big Bear Area Regional Wastewater Agency (BBARWA) is to efficiently collect, treat and beneficially reuse wastewater and biosolids in an environmentally and fiscally responsible manner.

Vision Statement

The vision statement is a statement of where BBARWA wants to be. It focuses on the future, is a source of inspiration, and drives the Agency's plan.

- Implement a plan for reclaimed water.
- Continue to be on track with the implementation of the capital improvement plan.
- Have a succession plan for all levels of the organization.
- Have updated operational systems to improve efficiency, sustainability, and energy independence.
- Continue to have a trained, talented and motivated workforce.
- Be sharing services with its partners in the region.
- Have leveraged any and all opportunities in support of the Mission.

Core Values

Core Values are those things to which the Governing Board is fiercely dedicated. The Governing Board can return to the Core Values to remind themselves of their overall importance. Core Values drive “the way we work here.”

- Fairness (equity among member agencies)
- Ethical Behavior
- Integrity
- Respect
- Honesty
- Accountability
- Open-Mindedness
- Transparent Communications
- Cooperation, as we implement the Vision and Mission
- BBARWA employees (as a valuable asset)



Introduction

In 1972, the Big Bear Lake Sanitation District (precursor to the City of Big Bear Lake), Big Bear City Community Services District, and the County of San Bernardino formed the Big Bear Valley Wastewater Planning Commission, which was comprised of elected officials and concerned citizens from the Big Bear Valley. The Wastewater Planning Commission initiated and completed a study entitled the “Big Bear Area Regional Wastewater Management Plan” (Regional Wastewater Plan).

When the Big Bear Area Regional Wastewater Agency (BBARWA) was formed on March 22, 1974, the goal was to implement the Regional Wastewater Plan, which the Wastewater Planning Commission developed. Of primary importance, was the need to meet short and long-term collection, treatment, and disposal needs through a regional concept, while considering beneficial reuse and environmental and economic constraints. Success was realized in March 1976 when the voters of the Big Bear Valley authorized the issuance of Sewer Revenue Bonds for the construction of BBARWA’s facilities.

As it was in 1974, BBARWA’s goal is to continue to provide centralized, cost-effective, environmentally friendly wastewater conveyance, treatment and disposal for the entire Big Bear Valley. While the Equivalent Dwelling Units (“EDUs”) inventory has become relatively stable, influent flows can fluctuate dramatically due to weather and tourism. Today, providing these services has become much more specialized and challenging due to the ever-increasing regulatory oversight, new and evolving technologies, and additional stringent requirements.

BBARWA is committed to maintaining a fiscally responsible annual, short-term budget (1-5 years), along with long-range planning in order to provide its member agencies and their customers with reliable and cost-efficient service at a fair, economical and reasonable cost.

Pursuant to BBARWA’s rules and regulations for wastewater service, BBARWA revenues are derived from: (i) total annual charges (member agency fees); (ii) connection charges; (iii) standby fees; (iv) waste disposal fees; (v) rental income and interest income. These funds not only pay for the day-to-day operations of the facilities but also ensure that BBARWA will have funds available for continuous operation in the event of a natural disaster or catastrophic failure. The annual adoption of an investment policy, which prioritizes investments in safety, liquidity, and yield, ensures that the Governing Board and staff are following fiscally prudent guidelines while protecting the investment that the Big Bear Valley has in our facilities.

BBARWA is committed to planning, renovating, improving and rebuilding its facilities to ensure both public and environmental health and well-being. One of our long-range goals is the ability to continue serving current customers as well as future users, both commercial and residential, without frequent or substantial rate increases.

The Governing Board members are appointed from their respective agencies: the City of Big Bear Lake (2), the Big Bear City Community Services District (2), and the County of San Bernardino (1) acting on behalf of County Service Area 53B. Regular Governing Board meetings are held on



the fourth Wednesday of every month at 5:00 p.m. in the boardroom at BBARWA, 121 Palomino Drive, Big Bear City.

The employees of BBARWA are dedicated to serving its member agencies and their customers by providing continuous and excellent service. The staff has won numerous local and state awards for maintenance, operations, supervision, education, safety, laboratory, engineering, reclamation and more recently, awards for budgetary excellence.



Purpose of the Governing Board Handbook

The purpose of the BBARWA Governing Board Member Handbook is to assist Governing Board members in their service to BBARWA. It is designed for use by all Governing Board members, newly appointed and experienced.

Please do not hesitate to contact the General Manager or another Governing Board member regarding the information contained within this handbook. Since all Governing Board members of BBARWA also serve as city council members, commissioners or directors of other Big Bear Valley entities and work with the general managers, staff and legal counsel of these entities, certain advice, policies and procedures will differ from agency to agency. In the event that any procedure, policy or advice received elsewhere is significantly different or creates uncertainty or should conflict arise, please contact the General Manager or Chair of the Governing Board for further assistance and/or clarification.

This handbook has been developed in conjunction with staff and the Governing Board with the final review being performed by legal counsel for legal sufficiency.

This handbook is intended to be utilized as a non-binding informational document summarizing existing rules, regulations and policies of BBARWA. No interpretation or use of this handbook shall result in the repeal or enactment of rules, regulations or policies of BBARWA. In the event of a conflict between the provisions of this handbook and existing rules, regulations or policies of BBARWA, the existing rules, regulations, and policies shall be controlling.



Purpose of the Governing Board of the Big Bear Area Regional Wastewater Agency

The purpose of the Governing Board is to implement the Vision and Mission Statement of BBARWA.

The Governing Board is committed to providing excellence in legislative leadership that results in providing the highest quality services to its customers. In order to assist in the governance of the behavior between and among members of the Governing Board, the following rules shall be observed:

- The dignity, style, values, and opinions of each Governing Board member shall be respected and considered.
- Responsiveness and attentive listening in communication are encouraged.
- The needs and best interests of BBARWA shall be the priority of the Governing Board.
- The primary responsibility of the Governing Board is the formulation and evaluation of policy. Routine matters concerning the operational aspects of BBARWA are delegated to professional staff members of BBARWA. The Governing Board and individual Governing Board members do not have the authority to engage in the day-to-day activities of BBARWA.
- Governing Board members should commit themselves to emphasize the positive, speaking clearly and to the point, and communicating openly and constructively.
- Governing Board members should commit themselves to focus on the issues brought before the Governing Board. The presentation of the opinions of others should be encouraged and all opinions should be thoughtfully considered.
- Differing viewpoints are healthy in the decision-making process. Individuals have the right to disagree with ideas and opinions, but without being disagreeable.
- Once the Governing Board takes action, Governing Board members should commit to supporting said action and avoid creating barriers to the implementation of the action.

Governing Board members should practice the following procedures:

- Governing Board members should request clarification of informational items from the General Manager. The General Manager shall then provide said information or obtain information from the applicable individual or source.
- Complaints from customers should be referred directly to the General Manager.
- Items related to safety, concerns for safety or hazards, should be reported to the General Manager immediately.



- The procedures for presenting items for discussion at Governing Board meetings are outlined in the Governing Board Administrative Policy and Procedures.
- Clarification for policy-related concerns, personnel issues, legal action, land acquisition and development, and finances should be referred directly to the General Manager. The General Manager shall then provide said clarification or obtain the clarification from the applicable individual or source.
- When approached by BBARWA personnel concerning BBARWA policy, Governing Board members should direct personnel to the appropriate supervisor. The chain of command must be followed.
- The work of BBARWA is a team effort. All individuals must work together.
- When responding to customers' requests and concerns, Governing Board members should be courteous, respond to individuals in a positive manner and route questions through appropriate management channels.
- Governing Board members should develop a working relationship with the General Manager wherein current issues, concerns, and BBARWA projects may be discussed comfortably and openly. However, Governing Board members should recognize that the General Manager has the authority to conduct the day-to-day management activities of BBARWA and that individual Governing Board members do not have the authority to take action or adopt policy.
- Governing Board members shall function as a part of a whole. Issues should be brought to the attention of the Governing Board as a whole, rather than to individual members selectively.
- Governing Board members are responsible for monitoring BBARWA's progress in implementing the Mission and Vision of BBARWA and attaining its short and long-term goals.
- The Governing Board is the unit of authority within BBARWA. Apart from their normal function as a part of this unit, Governing Board members have no individual authority. As individuals, Governing Board members may not commit BBARWA to any policy, act or expenditure.
- Governing Board members do not represent any fractional segment of the community, but are, rather, part of the Governing Body, that represents and acts for BBARWA as a whole.



Ethics of the Governing Board

Governing Board members shall comply with the laws of the Nation, the State of California, and local laws as applicable to BBARWA in the performance of their public duties. These laws include, but are not limited to, the United States and California Constitutions, applicable local laws, laws pertaining to conflicts of interest, financial disclosures, employer responsibilities, open processes of government, and other rules, regulations, ordinances, and policies applicable to a public servant.

Code of Conduct for Governing Board Members

The Code of Conduct for Governing Board members has been developed to assist the Governing Board members in their conduct and relationship with other Governing Board members, staff and customers.

1. While the Governing Board as a body cannot exercise control over individual Governing Board members, there are certain circumstances where BBARWA could be legally responsible for the actions of Governing Board members. One of the ways in which the potential for such liability may be reduced is to enforce a policy by which Governing Board members are required to deal directly with the General Manager, as opposed to interaction with BBARWA staff.
 - A. While the Governing Board expects individual Governing Board members to be provided common courtesy, it does not require staff to follow any individual Member's opinions or instructions.
 - B. Regardless of any individual Governing Board member's dissent from a decision of the Governing Board, the Governing Board member should support the decision and recognize that staff is bound by the directions imposed by the Governing Board as a whole.
2. There may be limited situations where Governing Board members may have minor and brief interactions with BBARWA staff for the purpose of obtaining limited amounts of information. When individual Governing Board members interact with staff, they must recognize that individual members have no authority over staff or to insert themselves into staff operation.
 - A. Decisions of the Governing Board acting as a whole shall provide policy direction to the General Manager for implementation by staff.
 - B. Nothing contained in Section 2 is intended to restrict or discourage normal and open communication between the Governing Board and staff for the purpose of obtaining limited amounts of information.
 - C. Although all members may register differences of opinion on Governing Board issues at the Governing Board level as passionately as desired, individual Governing Board members may not direct their differences of opinion to staff in a manner which would create dissension or polarization in the organization or undermine a decision of the Governing Board majority.



3. The Governing Board should direct, control and inspire BBARWA through the careful establishment of written policies. The Governing Board's major policy focus will be on the Mission, the Vision, and short and long-term goals and the means of attaining those goals.
4. The Governing Board should enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, policymaking, respect of roles and governance. Continuous Governing Board development will include orientation of new members. The Governing Board will allow no officer, individual Governing Board member or committee of the Governing Board to hinder or be an excuse for not fulfilling BBARWA's Mission.
5. The Governing Board should monitor and discuss the Governing Board process and performance regularly. Self-monitoring should include analysis of Governing Board activity and the Governing Board's discipline and adherence to policies.
6. The General Manager shall act as the official spokesperson for BBARWA. Notwithstanding the foregoing, the General Manager may designate another BBARWA employee(s), or the Governing Board may designate a Governing Board member to act as BBARWA's spokesperson if appropriate under the circumstances.



Officers of the Governing Board

Pursuant to applicable law governing the formation and operation of BBARWA, the officers of the Governing Board will be elected annually by the Governing Board. The election of officers will normally follow a rotation between the various member agencies. A Governing Board member must serve on the Governing Board for a period of one year (12-months) before qualifying for the office of Chair. Prior appointments/assignments to the BBARWA Governing Board will satisfy the one-year service requirement for the office of Chair. In the event that an officer is unable to fulfill their position, the Governing Board will determine if new elections should be held.

The Chair of the Governing Board of BBARWA shall serve as Chair at all Governing Board meetings. The Chair is to assure the integrity of the Governing Board process including the effectiveness of meetings and the Governing Board's adherence to Governing Board policy. The Chair shall have the same rights as the other members of the Governing Board in voting, including motions, resolutions and ordinances, and any discussions or questions that follow these actions.

In the absence of the Chair, the Vice-Chair of the Governing Board shall serve as Chair over all meetings of the Governing Board. The Vice-Chair will also monitor the Governing Board process including the effectiveness of meetings and adherence to policy.

If the Chair and Vice-Chair of the Governing Board are both absent, one of the present members of the Governing Board shall be selected to act as Chair of the meeting.

The Chair shall execute Governing Board documents on behalf of the Governing Board unless such authority has been delegated to the General Manager under specific circumstances. The Secretary to the Governing Board shall affix their signature to formally attest to the legitimacy of Governing Board documents/actions. The Secretary is also responsible to the Governing Board for reporting on and noting any inconsistency of Governing Board actions and policy.



Committees of the Governing Board

Historically committees are convened at the General Manager or Governing Board's request. After each meeting, it is expected the committee will provide either an update or recommend follow up action by the Governing Board. This update or recommendation can either be verbal, in memo form, or in the form of a staff report.

Committees shall only be established to assist the Governing Board to perform its duties.

1. Committees will advise the Governing Board, not staff.
2. Governing Board Committees may not speak or act for the Governing Board. The authority of the Committee will not conflict with authority delegated to staff.
3. Governing Board Committees cannot exercise authority over staff.

Administrative Committee

The Administrative Committee is tasked with providing advice to the governing body regarding meetings with the General Manager, evaluation of the General Manager's performance, participate in the development and hiring of managerial level employees, and other tasks as assigned by the governing body.

Operations Committee

The Operations Committee is tasked with providing advice to the governing body regarding new facilities and capital expenditures, inter-governmental relationships, regulatory agencies and other tasks as assigned by the governing body.

Finance Committee

The Finance Committee is tasked with providing advice to the governing body regarding the draft budget, the audit process, rates and fees and proposed changes, check approval/signing process, and other tasks as assigned by the governing body.

Ad-Hoc Committee

The Governing Board Chair shall appoint such Ad-Hoc Committees as may be deemed necessary. The duties of the Ad-Hoc Committee shall be outlined at the time of appointment, and the Committee shall be considered dissolved when its final report is completed or at the preset date determined by the Governing Board Chair. The procedures for creating and appointing temporary Ad-Hoc Committees are formally documented in the Administrative Policy and Procedures and shall also be implemented in accordance with the requirements of the Ralph M. Brown Act. Ad-Hoc Committees shall consist of less than a quorum of the Governing Board, shall not contain any alternates, and shall not have a fixed meeting schedule.



Board Policy: Advisory Committees

I. PURPOSE

- A. The purpose of this Administrative Policy and Procedure is to establish the policy for creating and appointing members to permanent and temporary advisory committees. The Agency currently has an ordinance in place that reflects the following policy and procedure.

II. GENERAL

- A. The Governing Board may create such advisory committees as may be deemed necessary or advisable by the Governing Board to review specific agency functions, activities, continuing subject matter jurisdiction and/or operations.

III. POLICY

- A. The Chair(man) of the Governing Board appoints members of the advisory committee after the Governing Board approves the establishment of the committee(s). The Chair(man) appoints no more than two members to each advisory committee. If deemed appropriate at the time of appointment, the Chair(man) may appoint an alternative to serve in the absence of one of the members.
- B. The duties and status (permanent or temporary) of the advisory committee are outlined by the Governing Board at the time of its creation. The advisory committee submits its findings and/or recommendations to the entire Governing Board in accordance with the schedule established at the time of its creation.
- C. Members of the advisory committee are appointed for no more than a twelve-month term unless the Chair(man) of the Governing Board otherwise extends this term. The term for permanent committees is established as March 1 through February 28, unless extended by the Chair(man) of the Governing Board. The term for temporary committees is determined at the time the committee is created.
- D. The advisory committee is considered dissolved when its tasks are completed, unless the Governing Board directs that the committee remains in existence temporarily or as a permanent committee. The term of membership for each permanent committee member shall end on February 28, unless the Chair(man) reappoints the member to the committee.
- E. Any changes to items A – D require an amendment of the current ordinance pertaining to the creation and appointment of permanent and temporary advisory committees and this policy.



Ralph M. Brown Act

The Ralph M. Brown Act and Proposition 59 govern meetings conducted by the Big Bear Area Regional Wastewater Agency. The Act represents the State Legislature's general determination to allow public access to all debates, deliberation and decision making of the Governing Board. However, there are specific exceptions to this open meeting requirement. These issues primarily involve personnel, potential litigation, litigation, labor negotiations, and real property acquisitions.

Board Meeting Conduct

1. Meetings of the Governing Board shall be conducted by the Chair in a manner consistent with the policies of BBARWA.
2. All Governing Board meetings shall commence at the time and date stated on the agenda or soon thereafter and shall be guided by it.
3. The conduct of the meetings shall, to the fullest possible extent, enable the Governing Board to:
 - A. Consider policy and problems to be solved, weigh evidence related thereto, and make wise decisions related to the policy or problems; and
 - B. Receive, consider and take any needed action with respect to reports, needs or accomplishments of BBARWA.
4. Pursuant to the Ralph M. Brown Act, Governing Board regular meetings shall provide, as part of the agenda, a time for public comment on matters either on the agenda or within the subject matter jurisdiction of BBARWA. The agenda for special meetings of the Governing Board shall provide time for public comments for matters on the agenda and may provide a time for other public comments.
5. Governing Board members shall attend all regular and special meetings of the Governing Board unless there is a good cause for absence.
6. Governing Board members shall thoroughly prepare themselves to discuss agenda items at meetings of the Governing Board. Such preparation may include obtaining information from the General Manager.
7. Information that is exchanged before meetings shall be distributed through the General Manager and all Governing Board members will receive all information being distributed.
8. Governing Board members shall at all times conduct themselves with courtesy to each other, staff and members of the audience present at Governing Board meetings.
9. Governing Board members shall defer to the Chair for the conduct of meetings of the Governing Board but shall be free to question and discuss items on the agenda. All comments should be brief and confined to the matter being discussed by the Governing Board.



10. Governing Board members shall abstain from participating in consideration on any item involving a personal or financial conflict of interest. Unless such conflict of interest exists, Governing Board members should not abstain from the Governing Board decision-making responsibilities without good cause. Governing Board members shall comply with applicable laws, rules and regulations pertaining to potential and existing conflicts of interest including, but not limited to, the California Political Reform Act.
11. Requests by individual Governing Board members for substantive information and/or research from BBARWA staff will be channeled through the General Manager or designee. Governing Board members shall direct technical questions to staff through the General Manager prior to a Governing Board meeting, in sufficient time to allow a response prior to or at the meeting.



Rules of Order for Governing Board Meetings

1. Action items shall be brought before and considered by the Governing Board by motion in accordance with this policy. In addition, BBARWA policy or California law may require that certain action items be adopted by resolution or ordinance. These rules of order are intended to be informal and applied flexibly.
2. Any Governing Board member desiring to speak should address the Chair and upon recognition by the Chair, may address the subject under discussion.
3. Any Governing Board member, including the Chair, may make or second a motion. A motion shall be brought and considered as follows:
 - A. A Governing Board member makes a motion, another Governing Board member seconds the motion, and the Chair states the motion.
 - B. Once the Chair has stated the motion, the motion is open to discussion and debate. At the point where the Chair determines that the motion has been fully debated, the Chair will close the debate and call for the vote. If a Governing Board member objects to the suggestion that the debate be closed, the Chair may state that the debate will continue until a Governing Board member makes a motion to close the debate.
 1. A Governing Board member may make a motion to close the debate on the motion being discussed, another Governing Board member may then second the motion, and the Chair then states the motion. No debate is allowed on such a procedural motion regarding whether to close the debate. The vote is then taken on the motion to close the debate. The motion must be made, seconded, and approved by a majority vote of the Governing Board. After the debate is closed, the Chair presents the motion to the Governing Board by repeating the underlying motion. The vote is then cast on the underlying motion. The underlying motion must be made, seconded, and approved by a majority vote of the Governing Board.
 - C. Ordinarily, only one motion can be considered at a time and the motion must go through the required process before any other motion or business is considered. However, there are a few exceptions to this general rule. A secondary motion concerning the main motion may be made and considered before voting on the main motion as follows:
 1. A secondary motion to amend the main motion may be made before the main motion is voted on, either by the consent of the Governing Board members who moved and seconded or by a new motion and second.
 2. A secondary motion to table a motion may be made before the main motion is voted on. A motion to table a motion must be seconded and approved by a majority vote of the Governing Board.



3. A main motion may be referred to a Governing Board Committee for further study and recommendation by a secondary motion, which is then seconded and approved by a majority vote of the Governing Board.
 4. A secondary motion to close the debate and vote immediately may be made before the main motion is voted on.
 5. A secondary motion to adjourn a meeting may be made, seconded and approved by a majority vote of the Governing Board before voting on the main motion.
4. The Chair shall take whatever actions are necessary and appropriate to preserve order and decorum during the Governing Board meetings, including public hearings. The Chair may eject any person or persons willfully disrupting the meeting or hearing. Such authority may be exercised by the Chair and the Governing Board in accordance with and subject to, the authority and requirements set forth in the Ralph M. Brown Act including, but not limited to, Government Code Section §54957.9.
 - A. The Chair may also declare a recess during any meeting or public hearing.
 5. These Rules of Order for Governing Board meetings shall be implemented by the Chair. The extent to which these Rules will be implemented and enforced will be determined by the Chair based on the circumstances.



Meetings of the Big Bear Area Regional Wastewater Agency

1. Regular meetings of the Governing Board of the Big Bear Area Regional Wastewater Agency (BBARWA) are normally held on the fourth Wednesday of each month at 5:00 p.m. at 121 Palomino Drive in Big Bear City, California.
2. Special Meetings (Non-emergency). The Chair of the Governing Board may call special meetings (non-emergency) of the Governing Board. In addition to the requirements of the Ralph M. Brown Act/Open Meeting Laws, the following procedures will be followed for a special meeting:
 - A. All Governing Board members, the General Manager, the Finance Manager, and the Plant Manager shall be notified of the special Governing Board meeting along with the purpose for which it was called. Such notification shall be delivered to them at least twenty-four (24) hours prior to the special meeting.
 - B. Newspapers of general circulation within the BBARWA service area shall be notified of the meeting. Any other media, organizations, property owners, and other citizens who have requested notice of meetings in accordance with the Ralph M. Brown Act (California Government Code Section §54950 through §54957) shall be notified.
 - C. An agenda shall be prepared as specified for regular Governing Board meetings in accordance with Governing Board Policy and Administrative Policy and Procedures.
3. Special Meetings (Emergency). In addition to the requirements of the Ralph M. Brown Act/Open Meeting Laws, the following procedures will be followed for a special meeting (emergency):
 - A. For purposes of this section, an “emergency situation” means both of the following: (1) an emergency, which shall be defined as a work stoppage, crippling activity, or other activity that severely impairs public health, safety, or both, as determined by a majority of the members of the Governing Board; and (2) a dire emergency, which shall be defined as a crippling disaster, mass destruction, terrorist act, or threatened terrorist activity that poses peril so immediate and significant that requiring the Governing Board to provide one-hour notice before holding an emergency meeting under this section may endanger the public health, safety, or both, as determined by a majority of the members of the Governing Board.
 - B. Subject to Item 3.A above, in the event of an emergency situation involving matters upon which prompt action is necessary due to the disruption or threatened disruption of public facilities, the Governing Board may hold an emergency special meeting without complying with the twenty-four (24) hour notice required in Item 2.A above.



- C. Newspaper(s) of general circulation within the BBARWA service area, other media, organizations and property owners who have requested notice of meetings in accordance with the Ralph M. Brown Act (California Government Code Section §54950 through §54957) shall be notified by the Secretary to the Governing Board, or their designee, at least one hour prior to the emergency special meeting, or in the case of a dire emergency, at or near the time the Governing Board members are notified of the emergency special meeting. This notice shall be given by telephone and all telephone numbers provided in the most recent request for notification of meetings shall be exhausted. In the event that telephone services are not functioning, the notice requirement is waived. The Secretary to the Governing Board, or their designee, shall notify such newspaper(s), other media, organizations and property owners of the fact of the holding of the emergency special meeting and of any action taken by the Governing Board, as soon after the meeting as possible.
 - D. A closed session may be held during an emergency special meeting in accordance with the Ralph M. Brown Act (§54957), if agreed to by a two-thirds vote of the Governing Board members present, or if less than two-thirds of the members are present, by a unanimous vote of the members present.
 - E. All other rules governing special meetings shall be observed with the exception of the twenty-four (24) hour notice.
 - F. The minutes of the emergency special meeting, a list of persons the Secretary to the Governing Board, or their designee, notified or attempted to notify, a copy of the roll call(s), and any actions taken at such meeting shall be posted for a minimum of ten (10) days in the BBARWA office as soon after the meeting as possible.
4. Adjourned Meetings. In addition to the requirements of the Ralph M. Brown Act/Open Meeting Laws, a meeting may be adjourned as follows:
- A. A majority vote by the Governing Board may terminate any Governing Board meeting at any place in the agenda to a stated time and place specified in the order of adjournment, except that if no Governing Board members are present at any regular or adjourned regular meeting, the Chair, or their designee, may declare the meeting adjourned to a stated time and place and shall cause a written notice of adjournment to be distributed to those persons specified in Item 2.A and 2.B above.
5. Annual Organizational Meetings.
- A. The Governing Board shall hold an annual election of officers at a meeting in February or as soon thereafter as practicable. At this meeting, the Governing Board will elect a Chair, Vice-Chair, and Secretary to the Governing Board. The Chair and Vice-Chair shall be members of the Governing Board and the Secretary may, but need not, be a member of the Governing Board.



6. In accordance with the requirements of the Ralph M. Brown Act/Open Meeting Laws, the Chair and the General Manager shall ensure that appropriate information is available for members of the audience at the meetings of the Governing Board and that physical facilities for said meetings are functional, appropriate and accessible. The General Manager shall coordinate reasonable accommodations for accessibility when requested by Governing Board members or members of the public.



Review of Administrative Decisions

The purpose of this Governing Board Policy is to aid in the efficient administration of BBARWA.

1. The provisions of §1094.6 of the Code of Civil Procedures of the State of California shall be applicable to judicial review of all administrative decisions of the Governing Board of BBARWA, pursuant to the provisions of §1094.5 of said code. The provisions of §1094.6 shall prevail over any conflicting provision and any otherwise applicable law, rule, policy or regulation of BBARWA, affecting the subject matter of the appeal.
2. This policy affects those administrative decisions rendered by the Governing Board, governing acts of BBARWA, in the conduct of BBARWA's operations and those affecting personnel operating policies.



Actions and Decisions of the Governing Board

1. Actions of the Governing Board include, but are not limited to the following:
 - A. Adoption or rescission of regulations or policies;
 - B. Adoption or rescission of an ordinance or resolution;
 - C. Approval of any contract or expenditures;
 - D. Approval of any proposal which commits BBARWA funds or facilities; and
 - E. Approval or disapproval of matters that require or may require BBARWA or its employees to take action, provide services, or otherwise render a decision on matters that require approval or disapproval.

2. Action of the Governing Board can only be taken by a majority vote of the Governing Board. Three (3) Governing Board members represent a quorum for the conduct of business. Actions taken at a meeting where only a quorum is present (3 members), require all three (3) votes to be effective (unless a supermajority vote is required by law).
 - A. A member abstaining in a vote is considered absent for that vote.

Example: If 3 of 5 Governing Board members are present at the meeting, a quorum exists, and business can be conducted. However, if one Governing Board member abstains on a particular action and the other two (2) cast "Aye" votes, no action is considered taken because a majority of the Board did not vote in favor of the action.

3. If permitted under applicable law, the Governing Board may give directions that are not considered formal action. Such directions do not require a formal procedural process. Such directions shall be limited to directives and instructions to the General Manager and shall be considered the informal consensus of the Governing Board.
 - A. The Chair shall determine such an informal consensus and state the directive for clarification. Should any member of the Governing Board challenge the directive, a voice vote will be taken, and the matter will then be considered under the formal procedure for a motion.
 - B. A formal motion may be made to place a disputed directive on a future agenda for Governing Board consideration, or to take some other action (such as refer the matter to the General Manager for review and recommendation, etc.).
 - C. Informal action by consensus of the Governing Board is still Governing Board action and shall only occur regarding matters that appear on the agenda for the Governing Board meeting, during which said informal action is considered.



Agendas for Governing Board Meetings

Communication with the Governing Board is conducted formally through agenda reports included in the agenda package; this is a similar method used at other local agencies.

1. The current Administrative Policy and Procedures for agenda preparation and placing an item on an upcoming agenda is maintained in the Administrative Office.
2. Closed session items will be distributed right before the closed session begins in a sealed envelope stamped “Confidential.” The General Manager will collect all closed session material after the meeting adjournment to reduce the risk of inadvertent disclosure.
3. On occasion, due to the timing of available materials, supplemental agenda items may either be distributed at the meeting or posted online. Directors may be notified by email in advance.
4. Any member of the public may request that a matter directly related to BBARWA business be placed on the agenda of a regularly scheduled meeting of the Governing Board, subject to the following conditions:
 - A. The request must be in writing and submitted to the General Manager with supporting documents and information, no later than 12:00 noon, fourteen (14) days prior to the meeting deadline using the form provided.
 - B. The General Manager shall either place the request on the agenda or provide the request to the Chair of the Governing Board, along with any supporting documentation and information provided by the requestor. The Chair, in their discretion, may direct the General Manager whether to place the item on a future agenda. The Vice-Chair may be consulted if the Chair is not available.
 - C. Since the public is not permitted to participate in the discussion of any closed session item, the public may not request that an item is discussed or considered in closed session.
 - D. The right of any member of the public to speak to an item requested to be placed on the agenda will be governed by Agency policy and applicable requirements of the Ralph M. Brown Act, including Government Code Section §54954.3.
 - E. Pursuant to Government Code Section §54954.3, this policy shall not prevent any member of the public from exercising their right to address the Governing Board on any item of interest to the public, before or during the Governing Board’s consideration of the item, that is within the subject matter jurisdiction of the Governing Board, provided no action is taken on any item not appearing on the agenda unless the action is otherwise authorized by Government Code Section §54954.2.
5. In accordance with requirements of the Ralph M. Brown Act, at least seventy-two (72) hours prior to the time of all regular meetings, an agenda, that includes a brief general



description of all matters on which there may be discussion and/or action by the Governing Board, shall be posted in a location freely accessible to members of the public at the BBARWA facilities. The agenda will be distributed via email to the Governing Board and will be posted on the BBARWA website at www.bbarwa.org.

- A. The agenda for a special meeting shall be posted at least twenty-four (24) hours prior to the special meeting in the same location and shall be given in accordance with other requirements of the Ralph M. Brown Act.
 - B. A member of the public may address the Governing Board concerning any item on the agenda of a regular or special meeting, or at a meeting. In addition, the public may address any item within the jurisdiction of the Governing Board at regular meetings. Such public comments shall be in accordance with Administrative Policy and Procedures and other policies of BBARWA.
 - C. No boisterous conduct shall be permitted at any Governing Board meeting. Persistence in boisterous conduct shall be grounds for adjournment by the Chair and/or enforcement of the Rules of Order for the Governing Board meetings and the exercise of rights provided and/or with the Ralph M. Brown Act.
6. Pursuant to the authority set forth in the Ralph M. Brown Act, willful disruption of any meeting of the Governing Board of BBARWA shall not be permitted. If the Governing Board finds there is, in fact, willful disruption of any meeting, the Governing Board may order the room cleared and subsequently conduct the Governing Board business without the audience present.
- A. In such an event, only matters appearing on the agenda may be considered in such a session.
 - B. After clearing the room, the Governing Board may permit those persons who, in their opinion, were not responsible for the willful disruption to re-enter the meeting room.
 - C. Representatives of the news media, whom the Governing Board finds not to have participated in the disruption, shall be admitted to the remainder of the meeting.



Minutes of the Governing Board Meetings

1. The Secretary to the Governing Board shall attest to minutes of all regular and special meetings, documents, ordinances, and resolutions of BBARWA.
2. Motions, resolutions or ordinances shall be recorded as having passed or failed and individual votes will be recorded unless the action was unanimous.
 - A. All resolutions and ordinances adopted by the Governing Board shall be numbered consecutively starting anew at the beginning of each calendar year.
Example: Ordinance No. O.01-2003 or Resolution No. R.01-2003.
3. The minutes of the Governing Board meeting shall be maintained as hereinafter outlined:
 - A. Date, time, place, and type of each meeting;
 - B. Call to order with the time;
 - C. Governing Board members present and absent by name;
 - D. Late arrival of Governing Board members by name;
 - E. Pre-adjournment departure of Governing Board members by name, or if absence takes place when agenda items are acted upon;
 - F. Staff members present;
 - G. Others present as indicated on the sign-in sheet;
 - H. Record of items to be considered at the meeting; and
 - I. Governing Board actions, such as:
 1. Approval or amended approval of the minutes of previous meeting(s);
 2. Complete information as to each subject of the Governing Board deliberation;
 3. Complete information as to each subject including the roll call record of the vote on a motion if not unanimous;
 4. All Governing Board resolutions and ordinances in complete context, numbered sequentially for each calendar year;
 5. A record of all contracts entered into;
 6. A record of all bids awarded to include all bids received and other action taken;
 7. A record of approval/disapproval of all warrants approved for payment;
 8. Adoption of the annual budget;



9. A report of all information reported out of closed session;
10. A report of any conflicts of interest identified on the record;
11. The time of opening and closing of any public hearings;
12. Financial reports including collections received and deposited and sales of surplus property;
13. Approval of all policies and Governing Board adopted regulations; and
14. A record of all visitors and dignitaries appearing before the Governing Board. However, pursuant to Government Code Section §54953.3, a member of the public shall not be required to register their name or otherwise fulfill any condition precedent to their attendance.



Governing Board Member Remuneration and Reimbursement

Under applicable Administrative Policy and Procedures and applicable law, members of the Governing Board shall receive lawful compensation based upon Governing Board approved meetings or days of service.

Under current law and policy, Governing Board members shall be compensated \$150 for each approved day of service, not to exceed 6 meetings per calendar month. (Ord. No. O. 02-2013.) “Day of Service” shall be defined in accordance with Government Code section 61047(e).

Brief Report

At the next regular Governing Board meeting, Directors should provide a brief report, orally or written, on any meetings attended at Agency expense. If multiple Directors attended the meeting at the Agency expense, a joint report may be made to the Governing Board.

Reimbursement

The Board Member Reimbursement Policy for professional development events, such as conferences, training, and continuing education and other official business is on the following page.



Board Member Reimbursement Policy

I. PURPOSE

- A. The purpose of the Board Member Reimbursement Policy is to establish policy and procedure for Board member compensation and travel expense reimbursement for attending professional development events, such as conferences, training, continuing education and other official business.

II. GENERAL

- A. Governing Board members attend meetings of national, state and local associations that are relevant to the function of the Agency and shall consider attendance as an opportunity for in-service training. Agency Board members are encouraged to attend educational conferences and professional meetings when the purpose of such activities is to improve BBARWA's operations and provide insight.
- B. Travel expense reimbursement is authorized for conferences, education and training events, meetings, tours and other functions from which Governing Board member attendance provides a specific benefit and serves a BBARWA-related purpose.

III. POLICY

- A. Governing Board members receive compensation at a rate established by ordinance for each Regular or Special Board meeting, Committee meeting, or approved professional meeting, tour, conference, or training event that he or she attends. A Report of Meetings Attended form (see Exhibit A) is completed by Agency Staff and submitted to each Governing Board member at the end of each month for their approval prior to issuing a compensation payment.
- B. Governing Board members who are not members of a Committee and who attend meetings, tours, conferences and training events that pertain specifically to a BBARWA Committee rather than to the Board in general, will need to obtain authorization from a majority of the Governing Board for attendance and travel reimbursement, prior to attendance of such functions.
- C. A Governing Board member may attend and seek travel reimbursement, without prior approval, for Authorized Training Conferences and Seminars for Governing Board Members (see Attachment A). All other Governing Board member attendance and travel expense must be authorized by the Governing Board through a majority vote prior to attendance.
- D. Compensation or travel reimbursement is not provided for attendance at social events or meetings of other local government agencies.



- E. Compensation or travel reimbursement is not provided for junkets (i.e., tours or journeys for pleasure, without an official purpose).
- F. Governing Board member reimbursement is provided for transportation, lodging and meal expenses associated with attendance at conferences or meetings held outside of the San Bernardino Mountains. Such overnight stays are authorized in advance by the Governing Board if not specified on the list of Authorized Training Conferences and Seminars. Prior authorization is not required for events that may continue longer than originally anticipated due to an unforeseen emergency or inclement weather conditions. The Agency makes reimbursement payments for out-of-pocket seminar costs. Each Governing Board member seeking reimbursement must complete a Travel Expense Report form (see Exhibit C) and attach the related receipts.
- G. Upon completion of an Agency-funded training or conference, the Governing Board member prepares a written report regarding the conference for distribution to the Governing Board at the next regular meeting. Material from the session or event may be delivered to the BBARWA office to be included in the BBARWA library for future use by staff and Governing Board members.
- H. Governing Board members are encouraged to attend the closest available seminar and must always travel using the least expensive, most practical transportation option.
- I. All work-related, incidental expenses will be reimbursed by the Agency when receipts are provided, including parking, and other business-related expenses.
- J. Travel expenses are not eligible for reimbursement if incurred subsequent to a Governing Board member's resignation or an election which results in the Governing Board member not retaining his or her seat on the Governing Board. If travel was arranged in advance of these events, and any portion thereof paid for by the Agency, the Agency may request reimbursement from the Governing Board member. In the above circumstances, the Governing Board retains the discretion to approve requests that deviate from these procedures upon the request of the effected Governing Board member or the General Manager.
- K. Meeting compensation or travel-related expenses which do not fall under the guidelines of this policy must be approved by the Governing Board in a public meeting prior to incurrence or reimbursement by the Agency.



IV. PROCEDURE

- A. Authorized Conferences and Seminars. A Training Request form (see Exhibit B) must be completed and submitted to the Finance Department 15 working days prior to the start date of the conference or seminar. Governing Board members may attend training conferences listed on the Authorized Conferences and Seminars list without prior approval by the Governing Board. For all other conferences and seminars, the Training Request form must be approved by the Governing Board prior to attendance. Annually during the June Board meeting, the Governing Board may review and update the Authorized Training for Conferences and Seminars for Governing Board Members. Any updates to the authorized training list will become effective July 1st of each year.
- B. Travel Expenses. Once the Finance Department receives the Training Request form, all costs are estimated including registration, per diem, hotel, airfare, rental car, and shuttle or taxi expenses. Most travel expense is paid for by the Agency and handled by the Finance Department prior to travel. Travel expenses not paid for in advance by the Agency should be submitted for reimbursement as soon as possible but no later than two weeks after attendance by completing the Travel Expense form.
- C. Lodging. Whenever possible, Governing Board members shall make use of special lodging rates offered in connection with the event being attended.
- D. Vehicle Usage. Agency vehicles should be used when traveling on Agency business. Exceptions to this policy must be authorized by the General Manager in advance. When personal vehicles are used, mileage will be reimbursed at the standard Internal Revenue Service mileage rate in effect. Governing Board members are not reimbursed for mileage or given a mileage allowance for travel in a personal vehicle while performing official business or attending an approved function within the Big Bear area. Prior to using an Agency owned or rented vehicle, Governing Board members should confirm with the human resource officer that a copy of his or her California driver's license and current auto insurance certificate is on file with BBARWA.
- E. Air Travel. For air travel, the least expensive tickets (coach, economy or government rate) as recommended by staff, are to be used whenever possible. Travel by private or BBARWA vehicle will be authorized in lieu of air travel when the vehicle travel does not necessitate reimbursement greater than what would have been required if air travel had been used, taking into consideration mileage, meals and lodging expenses. The total travel cost shall be computed on direct route distances, but in no case shall the expense exceed the roundtrip cost by air. If a Governing Board member uses a higher-priced ticket than the one recommended by staff, the



Governing Board member will be required to pay the difference in cost between the two tickets. Airport parking is reimbursable at the daily rate available for the least expensive parking that is in a reasonably accessible, secure parking area.

- F. Meal Reimbursement, Per Diem. The following guidelines apply for payment of meal reimbursement or per diem. Please note there will be no reimbursement or per diem if the meal is included in the cost of the event.
- a. If attendance at the function requires travel time prior to 8:00 a.m., reimbursement or per diem will be paid for breakfast.
 - b. Lunch per diem or reimbursement will be paid in the event the function is held during normal lunch hours.
 - c. If attendance at the function requires travel time after 4:00 p.m., reimbursement or per diem will be paid for dinner. The General Manager may authorize meal reimbursement in excess of the allowed per diem in cases where the meal exceeded the per diem due to high-cost localities (i.e., San Diego, San Francisco, etc.) or special dietary requirements. Such approval, if warranted, will follow a review of expenses by the Finance Manager and the General Manager.
- G. Per Diem Rates. Per Diem is provided for breakfast, lunch, dinner, and approved mileage. All per diem rates will be adjusted annually on July 1st, based on the May Cost of Living Adjustment as determined by the Consumer Price Index, Urban Wage Earner of Riverside, San Bernardino, Ontario, California areas.



Attachment A: Authorized Training Conferences and Seminars for Governing Board Members

1. BBARWA Regular, Special or Advisory Committee Meetings
2. Association of California Water Agencies Conferences and Seminars
3. California Association of Sanitation Agencies Conferences and Seminars
4. California Special Districts Association Conferences and Seminars
5. California Water Environment Association Conferences and Seminars (Non-Section Meetings)
6. California Water Environmental Association – Desert Mountain Section Conferences and Seminars
7. Southern California Edison Conferences and Seminars
8. Manager/Governing Board Workshop
9. Tri-State Training Conference
10. American Water Works Association

This list may be updated on an annual basis, based upon the Governing Board approved budget. Attendance at functions not specified above requires prior authorization from the Governing Board.



EXHIBIT A
REPORT OF MEETINGS ATTENDED

Governing Board Member: _____

Date Submitted: _____

Month Covered: _____

BBARWA Regular Meeting Attended: _____ Date: _____ **Compensation**
\$ _____

PURPOSE

BBARWA Special Meeting Attended: _____ Date: _____ \$ _____

BBARWA Special Meeting Attended: _____ Date: _____ \$ _____

BBARWA Special Meeting Attended: _____ Date: _____ \$ _____

PURPOSE

BBARWA Committee Meeting Attended: _____ Date: _____ \$ _____

BBARWA Committee Meeting Attended: _____ Date: _____ \$ _____

BBARWA Committee Meeting Attended: _____ Date: _____ \$ _____

PURPOSE

Other Compensated Meetings Attended:

_____ Date: _____ \$ _____

_____ Date: _____ \$ _____

TOTAL ENTITLED MONTHLY STIPEND (limited to 6 days per calendar month) \$ _____

Uncompensated Meetings Attended:

PURPOSE

_____ Date: _____

_____ Date: _____

Board Member Signature: _____ **Total Amount Paid** \$ _____



EXHIBIT B
TRAINING REQUEST FORM

NAME:				DATE:										
POSITION:			STATUS:		Regular		Non-Regular							
COURSE TITLE:														
COURSE LOCATION:														
COURSE DATE(S):														
Type of Course:				Hours of Training:										
<input type="checkbox"/> Technical training (directly relates to my technical or professional abilities)														
<input type="checkbox"/> Developmental training (career management, personal growth, management development, etc.)														
<input type="checkbox"/> Other developmental experience (details, special projects, task forces, etc.)														
<input type="checkbox"/> Other														
How was this course selected? Please check all that apply.														
<input type="checkbox"/> Personal Training Plan														
<input type="checkbox"/> Asked to Attend / Supervisor Asked Me to Attend / Name of Supervisor:														
<input type="checkbox"/> Attendance is Mandatory														
<input type="checkbox"/> Other														
Comments:														
Anticipated Costs: Registration \$ _____ Lodging \$ _____ Transportation \$ _____														
Per Diem: Please circle anticipated meals														
MON		TUES		WED		THUR		FRI		SAT		SUN		
B	L	D	B	L	D	B	L	D	B	L	D	B	L	D
Vehicle use: Agency vehicles should be used when traveling for Agency-approved training. Exceptions to this policy must be authorized by the General Manager in advance.														
<input type="checkbox"/> Request to use personal vehicle Approved: General Manager _____ Date: _____														
Approved			Date			Supervisor's Signature								
Approved			Date			General Manager's Signature								
Approved			Date			Finance Manager's Signature								
Governing Board Approval Required: Yes No						Governing Board Signature:								
Governing Board Approved: Date														
<i>To allow the appropriate amount of time for processing, Training Request Form must be submitted to the Finance Manager at least 15 working days prior to the start date of the course. Failure to submit in a timely manner may result in employee paying for accommodations with reimbursement to employee after attendance.</i>														
FINANCE														
# _____ Breakfast @ \$14.67 = \$ _____				# _____ Lunch @ \$21.91 = \$ _____				# _____ Dinner @ \$36.53 = \$ _____						
Event Costs:						Travel Costs:						Manager Approval		
Tuition / Registration		\$ _____		Agency Vehicle / Parking		\$ _____				N/A				
Hotel nights		\$ _____		Personal Vehicle / Mileage		\$ _____								
Per Diem		\$ _____		Airfare		\$ _____				N/A				
Other		\$ _____		Shuttle / Taxi		\$ _____				N/A				
Total Costs						Rental Car		\$ _____						
\$ _____						Other		\$ _____						



Big Bear Area Regional Wastewater Agency
Policies and Procedures

EXHIBIT C
TRAVEL EXPENSE FORM

Name:	Title:	Date of Claim:
Purpose of Trip		Authorized by Initials: Date:

Method of Transportation	Depart From:			Arrival At:		
	Name of City	Date	Time	Name of City	Date	Time

EXPENDITURES

Indicate by a "C" when charges incurred using Agency Credit Card
Backup receipts must be attached

Date:									Credit Card
Description	Sun	Mon	Tues	Wed	Thurs	Fri	Sat	Total	"CC"
Breakfast (not paid by Per Diem)									
Lunch (not paid by Per Diem)									
Dinner (not paid by Per Diem)									
Hotel (Lodging)									
Air/Travel Fare									
Auto Rental									
Fuel Expenses									
Taxi, Bus, Other									
Telephone									
Registration Fees									
Parking									
Miscellaneous (explain below)									
Personal Mileage Incurred									
Total									

Personal mileage incurred will be reimbursed based on the Internal Revenue Service mileage rate effective at the time of travel.

Explanations: _____

The undersigned, under penalty of perjury, states That the above claim is correct.		Total Expenditures:	
Claimant Signature	Date:	Prepaid Amount	
General Manager Approval	Date:	Total Charges Agency Credit Card	



Big Bear Area Regional
Wastewater Agency
Jim Miller – Chair
Rick Herrick – Vice Chair
Karyn Oxandaboure – Secretary
David Caretto – Director
John Green – Director

AGENDA ITEM: 7.G.

MEETING DATE: May 26, 2021

TO: Governing Board of the Big Bear Area Regional Wastewater Agency

FROM: David Lawrence, P.E., General Manager

PREPARED BY: John Shimmin, Plant Manager

SUBJECT: Sewer System Management Plan Two-Year Audit and Revisions

BACKGROUND & DISCUSSION:

The Statewide General Waste Discharge Requirements for Sanitary Sewer Systems requires all public agencies that own or operate a sanitary sewer system to audit their Sewer System Management Plan (SSMP) every two years. Revisions are listed below and documented in Appendix B: Sewer System Management Plan Change Log.

SSMP Element	Description of Change/Revision
Element 2: Organization	Updated to reflect current job responsibilities
Element 4: Operation and Maintenance Program	Updated Table 4.3: Scheduled O&M Tasks to reflect changes to schedule dates
Element 8: System Evaluation and Capacity Assurance Plan	Added completion dates for SSO Prevention Project at Teal Dr and Fairway Blvd
Appendix H: Water Quality Monitoring Plan	2-yr review of WQMP during SSMP Audit

FINANCIAL IMPACT:

There is no financial impact.

RECOMMENDATION:

Informational



Big Bear Area Regional
Wastewater Agency
Jim Miller – Chair
Rick Herrick – Vice Chair
Karyn Oxandaboure – Secretary
David Caretto – Director
John Green – Director

AGENDA ITEM: 7.H.

MEETING DATE: May 26, 2021

TO: Governing Board of the Big Bear Area Regional Wastewater Agency

FROM: David Lawrence, P.E., General Manager

PREPARED BY: Sonja Kawa, Human Resources Coordinator/Accounting Technician

REVIEWED BY: Jennifer McCullar, Finance Manager

SUBJECT: Approval of Pay Schedule with Cost-of-Living Adjustment

BACKGROUND:

The Agency incorporated a 1.9% Cost of Living Adjustment (COLA) in the FY 2022 Budget based on the November 2020 annual change in the CPI (Los Angeles-Riverside-Orange County, Consumer Price Index, All Urban Consumers). This is consistent with prior Board direction and Agency practice.

The attached Pay Schedule reflects the change in pay ranges resulting from the COLA. There is no COLA adjustment applied to the pay ranges for General Manager, Human Resources Coordinator/Accounting Technician, and Plant Operator-in-Training as they remain frozen in accordance with the Compensation Studies Policy approved by the Governing Board on March 25, 2020. The COLA and new publicly available Pay Schedule will be effective July 3, 2021 which is the first day of the first full pay period in July.

FINANCIAL IMPACT:

Funds have been previously appropriated for the 1.9% COLA.

RECOMMENDATION:

Approve publicly available Pay Schedule effective July 3, 2021

ATTACHMENT:

Pay Schedule

BIG BEAR AREA REGIONAL WASTEWATER AGENCY

**PAY SCHEDULE
Effective July 3, 2021**

Schedule shall remain in effect until superseded by governing board action.

Classification	Start	Top
	Hourly Pay Rate	Hourly Pay Rate
Active		
Non-Regular	\$15.77	\$21.30
Plant Operator-In-Training ¹	\$18.95 ¹	\$25.59 ¹
Plant Operator II	\$27.78	\$37.50
Senior Laboratory Analyst	\$36.28	\$48.97
Plant Supervisor	\$37.55	\$50.70
Operations Administrative/Laboratory Assistant	\$26.80	\$36.18
Management Analyst/Board Secretary	\$32.08	\$43.32
Human Resources Coordinator / Accounting Technician ¹	\$39.74 ¹	\$53.65 ¹
Plant Manager	\$50.55	\$73.30
Finance Manager	\$53.87	\$78.11
General Manager ¹	\$78.92 ¹	\$114.44 ¹

¹The pay range is frozen based on the Compensation Study dated November 2020.

Governing Board Approval Date: May 26, 2021



Big Bear Area Regional
Wastewater Agency
Jim Miller – Chair
Rick Herrick – Vice Chair
Karyn Oxandaboure – Secretary
David Caretto – Director
John Green – Director

AGENDA ITEM: 10.A.

MEETING DATE: May 26, 2021

TO: Governing Board of the Big Bear Area Regional Wastewater Agency

FROM: David Lawrence, P.E., General Manager

REVIEWED BY: Jennifer McCullar, Finance Manager

SUBJECT: Resolution No. R. 07-2021, A Resolution of the Governing Board of the Big Bear Area Regional Wastewater Agency Approving the Proposition 1 Integrated Regional Water Management Implementation Sub-Grant Agreement, Authorizing a Memorandum of Understanding, and Finding the Approval of the Sub-Grant Agreement and Memorandum of Understanding Exempt from Review Under the California Environmental Quality Act

BACKGROUND & DISCUSSION:

In April 2021, the California Department of Water Resources (DWR) and the Santa Ana Watershed Project Authority (SAWPA) entered into a Proposition 1 Round 1 Integrated Regional Water Management (IRWM) Implementation Grant agreement, providing that SAWPA would serve as the program manager for \$23 million in IRWMP grant funds to be disbursed to sub-grantees, consistent with IRWMP and California Environmental Quality Act (“CEQA”) requirements and ensuring that the maximum benefit of such funds are realized in the Santa Ana River Watershed. SAWPA seeks to disburse up to \$4,563,338 of this funding to BBARWA through the Sub-Grant Agreement (the Agreement).

The Agreement provides BBARWA with funding to cover various costs associated with the Replenish Big Bear Project (the Project). It is anticipated that the funds will be used for pre-construction work including permitting, engineering and design, CEQA and piloting during the next fiscal year. The terms of the grant funding are on a reimbursement basis and will require advance funding of the Project costs prior to receiving reimbursement from SAWPA. The Agreement also stipulates that if BBARWA fails to complete construction of the Project, the Agreement may be terminated by SAWPA and all grant funds disbursed may be immediately due and payable to SAWPA.

BBARWA is expected to meet the terms of the advance funding through a cost-sharing MOU with the partner agencies and potentially a line of credit through its existing lender. However, considering the payback requirement of the Agreement if the Project is not completed through construction, the decision to move forward with the Project and the grant funding is a pivotal

point for the Agency. A meeting has been scheduled among the partner agencies for June 23, 2021, to gather consensus and to better determine the direction for BBARWA.

In the meantime, the Agreement must be executed by June 30, 2021. The Agency may execute the Agreement, but not seek reimbursement for any eligible expenses until clear direction from the Board has been provided. If a decision is made to move forward on the Project, a mechanism to advance fund the Project expenses under the grant will be determined (and in the case of a line of credit, approved by the Board), and a cost-sharing MOU will need to be executed among the partner agencies. The MOU establishes 1) cost-sharing procedures and contributions associated with advance funding of the Project expenses under the grant and 2) a requirement to cost-share any amounts required to be repaid if the Project is not completed through construction.

ENVIRONMENTAL IMPACT:

The Sub-Grant Agreement and MOU is not a “project” subject to the California Environmental Quality Act (CEQA). It constitutes a government funding mechanism or other government fiscal activity which does not involve any commitment to any specific project. The Sub-Grant Agreement merely constitutes an agreement by which BBARWA may obtain funds from IRWM to cover the costs it has incurred or will incur in connection with the Replenish Big Bear Project. BBARWA’s approval of the Sub-Grant Agreement in no way commits BBARWA to the Replenish Big Bear Project. Similarly, the MOU establishes cost sharing procedures and contribution amounts for the grant should the Project not proceed. Execution of the MOU does not commit BBARWA to a specific project. The Sub-Grant Agreement and MOU are thus not subject to CEQA. (State CEQA Guidelines, §§ 15060, subd. (c)(3), 15378, subd. (b)(4).)

Even if the Sub-Grant Agreement and MOU are considered “projects” under CEQA, approval of the Sub-Grant Agreement and the MOU are exempt from CEQA pursuant to the common-sense exemption, as execution of the Sub-Grant Agreement and MOU will not result in a significant effect on the environment. Neither agreement authorizes any construction or development and are merely funding mechanisms. (State CEQA Guidelines, § 15061, subd. (b)(3).)

FINANCIAL IMPACT:

At this point, the Agency would execute the Agreement without seeking reimbursement until further direction from the Board. There is no financial impact to doing this. If the Agency moves forward with the Project, it is expected that staff would seek Board approval to move forward with the Agreement at the July Board meeting, at which time the financial impact would be more fully discussed. In general, the financial impact of moving forward with the Agreement, assuming the MOU is executed, is related to a potential line of credit and the possibility of having to repay BBARWA’s share of the grant funds that have been disbursed. The cost and size of the line of credit has not yet been determined and would require Board approval. BBARWA’s portion of the grant fund repayment if the grant is fully disbursed is 25% or approximately \$1.1

million. If required to be repaid in full, BBARWA would need to borrow funds to make the payment.

RECOMMENDATION:

- Approve Resolution No. R. 07-2021 and find that the Sub-Grant Agreement and MOU are Exempt from the California Environmental Quality Act pursuant to State CEQA Guidelines sections 15060, subd. (c)(3), 15378, subd. (b)(4), & 15061 subd. (b)(3), and direct staff to file a CEQA Notice of Exemption, as set forth in the attached Resolution;
- Authorize the General Manager to execute the Sub-Grant Agreement with the Santa Ana Watershed Project Authority, but not submit expenses for reimbursement until further direction from the Governing Board; and
- Authorize the General Manager to negotiate and execute the Memorandum of Understanding.

ATTACHMENTS:

- Resolution No. R. 07-2021
- Notice of Exemption
- Memorandum of Understanding

RESOLUTION NO. R. 07-2021

A RESOLUTION OF THE GOVERNING BOARD OF THE BIG BEAR AREA REGIONAL WASTEWATER AGENCY APPROVING THE PROPOSITION 1 INTEGRATED REGIONAL WATER MANAGEMENT IMPLEMENTATION SUB-GRANT AGREEMENT, AUTHORIZING A MEMORANDUM OF UNDERSTANDING, AND FINDING APPROVAL OF THE SUB-GRANT AGREEMENT AND MEMORANDUM OF UNDERSTANDING EXEMPT FROM REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

WHEREAS, the Big Bear Area Regional Wastewater Agency (“BBARWA”) is a public agency formed to transport, treat, and dispose of wastewater for Big Bear Valley area residents and businesses; and

WHEREAS, the Santa Ana Watershed Project Authority (“SAWPA”) is a Joint Powers Authority that delivers regional water solutions supporting its member agencies, including BBARWA; and

WHEREAS, Section 79740 *et seq.* of the Water Code provides that the Department of Water Resources (“DWR”) shall provide at least \$23 million in grants or other funding for projects that are included in an adopted integrated regional water management plan, respond to climate change, and contribute to regional water security of disadvantaged communities, economically distressed areas, or underrepresented communities within the Santa Ana River Watershed; and

WHEREAS, in April 2021, DWR and the Santa Ana Watershed Project Authority (“SAWPA”) entered into a Proposition 1 Integrated Regional Water Management (“IRWM”) Implementation Grant Agreement (“Grant Agreement”) pursuant to Water Code section 79740 *et seq.*; and

WHEREAS, the Grant Agreement provides that SAWPA would serve as the program manager for the \$23 million in IRWM grant funds to be disbursed to Sub-Grantees, consistent with IRWMP and California Environmental Quality Act (“CEQA”) requirements, and ensuring that the maximum benefit of such funds are realized in the Santa Ana River Watershed; and

WHEREAS, pursuant to the Grant Agreement, SAWPA intends to disburse \$4,563,338 in IRWM grant funds to BBARWA by way of a proposed Proposition 1 IRWM Implementation Sub-Grant Agreement (“Sub-Grant Agreement”) between SAWPA and BBARWA; and

WHEREAS, under the proposed Sub-Grant Agreement, a copy of which is attached hereto as Exhibit “A,” SAWPA would provide BBARWA with \$4,563,338, and BBARWA would use these funds to further the permitting, planning, design, and construction process for the Replenish Big Bear Project, which is a recycled water project in Big Bear Valley, California; and

WHEREAS, the Replenish Big Bear Project would provide resiliency to potable water supplies, vulnerable habitats, and recreational activities that support a community that qualifies as a Disadvantaged or Severely Disadvantaged Community; and

WHEREAS, approval of the proposed Sub-Grant Agreement would not in any way constitute an approval of the Replenish Big Bear Project, would not commit BBARWA to the Replenish Big Bear Project, and would not authorize any construction or development of any project; and

WHEREAS, BBARWA also wishes to enter into a Memorandum of Understanding (“MOU”) with Bear Valley Basin Ground Sustainability Agency (“GSA”), the City of Big Bear Lake, Department of Water and Power (“DWP”), the Big Bear City Community Services District (“CSD”), and the Big Bear Municipal Water District (“MWD”), which are equal participants in the Replenish Big Bear Project and benefit from the Contract grant funding; and

WHEREAS, staff evaluated the Sub-Grant Agreement and MOU (together “Agreements”) in light of the standards for environmental review outlined in the California Environmental Quality Act (Pub. Resources Code, §§ 21000 et seq.) and the California Code of Regulations (Cal. Code Regs., tit. 14, §§ 15000 et seq.) (“State CEQA Guidelines”); and

WHEREAS, approval of the proposed Agreements would not constitute a project within the meaning of State CEQA Guidelines section 15378, as it constitutes approval of a government funding mechanism or other government fiscal activity that does not involve any commitment to any project; and

WHEREAS, even assuming the Agreements constitute a project within the meaning of CEQA, staff has evaluated the Agreements and determined that each would be exempt from CEQA review pursuant to State CEQA Guidelines Section 15061(b)(3); and

WHEREAS, approval of the proposed Sub-Grant Agreement would provide BBARWA with funding relating to certain costs that BBARWA has incurred for work performed after January 1, 2015, which are eligible to be counted as local match, and work performed after June 2, 2020, which are eligible for grant reimbursement; and

WHEREAS, at an agendized public meeting on May 26, 2021, the Governing Board of BBARWA reviewed and considered the proposed Sub-Grant Agreement, related documents, and any comments thereon; and

WHEREAS, having reviewed and considered the information contained in the Agreements, together with the staff report, all comments made at the meeting, and all other information before the Board, the Board has determined that the Agreements are not subject to environmental review under CEQA; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred,

NOW, THEREFORE, THE GOVERNING BOARD OF THE BIG BEAR AREA REGIONAL WASTEWATER AGENCY DOES HEREBY FIND, RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. Recitals. The foregoing recitals are true and correct and are incorporated herein.

Section 2. The California Environmental Quality Act (“CEQA”). Based on all evidence presented in the administrative record, the Governing Board of the Big Bear Area Regional Wastewater Agency (“Governing Board”) hereby finds and determines that the proposed Agreements are not subject to CEQA because approval of the Agreements does not qualify as a “project” under CEQA. (State CEQA Guidelines, § 15060, subd. (c)(3) [“[a]n activity is not subject to CEQA if ... [t]he activity is not a project as defined in [State CEQA Guidelines] Section 15378”].) Notably, the State CEQA Guidelines expressly provide that “the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment” does not qualify as a project subject to CEQA. (State CEQA Guidelines, § 15378, subd. (b)(4).) Here, the Governing Board finds and determines that the proposed Sub-Grant Agreement (1) constitutes the creation of a government funding mechanism or other government fiscal activity, as it provides BBARWA with funding relating to permitting; and (2) does not involve any commitment to any specific project, including the Replenish Big Bear Project. Notably, the proposed Sub-Grant Agreement would not constitute an approval of the Replenish Big Bear Project, would not commit BBARWA to the Replenish Big Bear Project, and would not authorize any construction or development. The Governing Board also finds and determines the MOU constitutes a government funding mechanism as it provides provisions for repayment of funds should the Replenish Big Bear Project not go forward and does not authorize any construction or development, nor commit to any project. For these same reasons, the Governing Board alternatively finds and determines that the proposed Agreements are exempt from CEQA under the “common sense” exemption set forth in State CEQA Guidelines section 15061. (State CEQA Guidelines, § 15061, subd. (b)(3) [an “activity is not subject to CEQA” where “it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment”].)

Section 3. Approval of the Sub-Grant Agreement. The Governing Board hereby approves the Sub-Grant Agreement, attached hereto as Exhibit “A” and incorporated herein by this reference. The Governing Board further directs that the Sub-Grant Agreement be executed by an individual with authority to enter binding agreements on behalf of BBARWA.

Section 4. Authorization to Negotiate and Execute the MOU. The Governing Board hereby authorizes the General Manager of BBARWA to negotiate the MOU, in the form attached to the Staff Report related to this Resolution. The Governing Board further directs that the MOU be executed by an individual with authority to enter binding agreements on behalf of BBARWA.

Section 5. Notice of Exemption. Pursuant to CEQA, the Governing Board directs staff to file a Notice of Exemption with the San Bernardino County Clerk within five (5) working days of adoption of this Resolution.

Section 6. Custodian of Records. The documents and materials that constitute the record of proceedings on which this Resolution and the above findings have been based are located at BBARWA's office located at 121 Palomino Drive, Big Bear, CA 92314. The custodian for these records is the General Manager of BBARWA.

Section 7. Execution of Resolution. The Chair of the Board shall sign this Resolution and the Secretary of the Board shall certify that this Resolution was duly and properly adopted by the Board.

PASSED, APPROVED AND ADOPTED this 26th day of May 2021.

Jim Miller, Chair of the Governing Board
Big Bear Area Regional Wastewater Agency

ATTEST:

I, Karyn Oxandaboure, Secretary of the Governing Board of the Big Bear Area Regional Wastewater Agency, DO HEREBY CERTIFY that the foregoing Resolution of the Governing Board of the Big Bear Area Regional Wastewater Agency, being Resolution No. R. 07-2021, was adopted at a regular meeting on May 26, 2021 of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Karyn Oxandaboure, Secretary of the Governing Board
Big Bear Area Regional Wastewater Agency

EXHIBIT “A”

**PROPOSITION 1 INTEGRATED REGIONAL WATER MANAGEMENT
IMPLEMENTATION GRANT, GRANT FUNDING CONTRACT BETWEEN THE SANTA ANA
WATERSHED PROJECT AUTHORITY AND BIG BEAR AREA REGIONAL WASTEWATER
AGENCY**

PROPOSITION 1 ROUND 1 INTEGRATED REGIONAL WATER MANAGEMENT
IMPLEMENTATION GRANT

GRANT FUNDING CONTRACT
BETWEEN THE

SANTA ANA WATERSHED PROJECT AUTHORITY

AND

BIG BEAR AREA REGIONAL WASTEWATER AGENCY

This Proposition 1 Round 1 Integrated Regional Water Management Program (“IRWMP”) Implementation Grant Funding Contract (“Contract”) is made between Santa Ana Watershed Project Authority (“SAWPA”), and Big Bear Area Regional Wastewater Agency, (the “Sub-Grantee”). SAWPA and the Sub-Grantee may be individually referred to as “Party”, and collectively referred to as the “Parties”.

WHEREAS, Section 79740 et seq. of the Water Code authorized approximately \$510 million to assist water infrastructure systems adapt to climate change, provide incentives for water agencies to collaborate in managing the region’s water resources and setting regional priorities for water infrastructure, improve regional water self-reliance, and reduce reliance on the Sacramento-San Joaquin Delta;

WHEREAS, on April 30, 2021, the California Department of Water Resources (“DWR”) and SAWPA entered into a Proposition 1 Round 1 Integrated Regional Water Management Implementation Grant Agreement No. 4600013842 (“Grant Agreement”), attached hereto as **Attachment A**, providing that SAWPA would serve as the program manager for the \$23,091,428 in IRWMP grant funds to be disbursed to Sub-Grantees, consistent with IRWMP and California Environmental Quality Act (“CEQA”) requirements, and ensuring that the maximum benefit of such funds are realized in the Santa Ana River Watershed; and

WHEREAS, consistent with the Grant Agreement, SAWPA intends to disburse to the Sub-Grantee a portion of the \$23,091,428 in IRWMP grant funds for its project component by way of this Grant Funding Contract with the Sub-Grantee.

THEREFORE, based on the foregoing incorporated recitals and in consideration of the mutual covenants and conditions set forth in this Contract, the Parties hereby agree to the following:

SECTION 1. PROJECT DESCRIPTION

The Sub-Grantee’s Project is the component described in the IRWMP Grant Agreement as **Replenish Big Bear**. Replenish Big Bear (project) includes planning, design, and construction of advanced treatment upgrades at the BBARWA wastewater treatment plant (WWTP), approximately 7 miles of pipeline for product water, and a new pump station in Bear Valley. The project will add approximately 1,870 acre-feet per year (AFY) to Stanfield Marsh Wildlife and Waterfowl Preserve, providing a consistent water source to sustain habitat and increase educational opportunities for the community and visitors.

SECTION 2. CONTRACT DOCUMENTS; ORDER OF PRECEDENCE; SUB-GRANTEE GENERAL COMMITMENT

This Contract incorporates and includes as part of its terms and conditions the Grant Agreement.

In the event of any inconsistency between this Contract and the Grant Agreement, except as otherwise specifically provided, the inconsistency shall be resolved by giving precedence to the Grant Agreement.

The Sub-Grantee shall comply with all terms, provisions, conditions, and commitments of this Contract and the Grant Agreement. Such compliance shall include providing SAWPA with all deliverables, budget detail, reports and all other documents required by the Grant Agreement.

On behalf of and for the benefit of SAWPA, Sub-Grantee shall comply with all of the obligations and requirements of the Grant Agreement as if the Sub-Grantee were the "Grantee" under the terms of the Grant Agreement. Such compliance shall be to the fullest extent necessary and as may be required by SAWPA in order to enable SAWPA to comply with the Grant Agreement as "Grantee."

SECTION 3. ESTIMATED ELIGIBLE PROJECT COSTS; GRANT AMOUNT

The estimated reasonable cost of the Project at the time of SAWPA's and DWR's approval of the Project is **Forty-One Million Four Hundred Seventeen Thousand Five Hundred** dollars (\$41,417,000). Subject to all of the terms, provisions, and conditions of this Contract, and subject to the availability of the grant funds, SAWPA shall disburse such grant funds in a sum not-to-exceed **Four Million Five Hundred Sixty-Three Thousand Three Hundred Thirty-Eight** dollars (\$4,563,338). In all events, SAWPA's actual grant disbursements to the Sub-Grantee under this Contract shall not exceed payments received from the DWR.

If the Sub-Grantee proceeds to construction of such facilities, the final grant amount will be determined in accordance with the provisions of this Contract. If the Sub-Grantee fails or refuses to proceed with or complete the construction of facilities, SAWPA shall consider such failure or refusal to be a material violation and breach of this Contract. SAWPA shall have all rights and remedies as are otherwise available to it for breach of this Contract by the Sub-Grantee.

If actual Project costs exceed the Project's estimated reasonable cost, SAWPA shall have no obligation to provide grant funds for such exceedence.

Eligible Project costs include the reasonable costs of studies, engineering, design, land and easement acquisition, legal fees, preparation of environmental documentation, environmental mitigations, monitoring, project construction, and any other task set forth in Exhibit A of the Grant Agreement.

Reimbursable administrative expenses are the necessary costs incidental but directly related to the Project.

Costs not eligible for reimbursement or not eligible to be counted as local match include, but are not limited to:

- Costs for work performed before the dates specified below.
- Costs for preparing and filing a grant application.

- Operation and maintenance costs, including post-construction performance and monitoring costs.
- Purchase of equipment that is not an integral part of the Project.
- Establishing a reserve fund.
- Purchase of water supply.
- Replacement of existing funding sources for on-going programs.
- Support of existing agency requirements and/or mandates.
- Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of the Project, as set forth and detailed by engineering and feasibility studies, or acquisition of land by eminent domain.
- Overhead and indirect costs not directly related to Project costs, such as generic overhead or markup.
- Travel costs and per diem costs, unless allowed under Exhibit D, Item 46 of the Grant Agreement.
- Mitigation for environmental impacts not resulting from implementation of the Project funded by this program.

Work performed after January 1, 2015, are eligible to be counted as local match. Work performed after June 2, 2020, are eligible for grant reimbursement.

SECTION 4. SCOPE OF WORK AND COMPLETION OF PROJECT

The Scope of Work is described in Exhibit A of the Grant Agreement. The Parties understand that time is of the essence and agree to expeditiously proceed with and complete the Project.

SECTION 5. DISBURSEMENT

Grant funds will be disbursed in accordance with the disbursement provisions of the Grant Agreement. SAWPA will disburse grant funds received from DWR to Sub-Grantee within 30 days of receipt of grant funds, except as described in *Section 14. Withholding of Grant Disbursements* of this Contract.

Retention is stipulated in Exhibit D, Item 36 of the Grant Agreement.

SECTION 6. FISCAL MANAGEMENT SYSTEMS AND ACCOUNTING STANDARDS

The Sub-Grantee agrees that, at a minimum, its fiscal control and accounting procedures shall be sufficient to permit tracking 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 Contract. The Sub-Grantee shall maintain separate Project accounts in accordance with generally accepted accounting principles and practices, consistently applied.

SECTION 7. TERM

This Contract shall not be effective until it has been fully executed by both parties. The Term of this Contract shall be the same as the Term of the Grant Agreement, unless sooner terminated pursuant to the provisions of this Contract or the Grant Agreement.

SECTION 8. COVENANT TO OPERATE AND MAINTAIN PROJECT FACILITIES

The Sub-Grantee shall properly staff, operate and maintain all portions of the Project during the Project's useful life and in accordance with this Contract, the Grant Agreement, and all applicable

state and federal laws, rules and regulations. In the event that the Sub-Grantee assigns or transfers all or any portions of the Project to another entity, the Sub-Grantee shall be responsible to ensure that the assignee or transferee of all or any portions of the Project shall properly staff, operate and maintain all portions of the Project during its useful life and in compliance with this Contract, the Grant Agreement, and all applicable state and federal laws, rules and regulations. The Parties to this Contract understand and agree that this covenant shall survive the expiration or termination of this Contract. The Parties further understand and agree that this covenant is for the benefit of SAWPA and DWR and shall be enforceable during the useful life of the Project facilities.

Sub-Grantee shall prepare and maintain the Project Performance Monitoring Plan ("PPMP") required by the Grant Agreement. DWR and SAWPA shall approve the PPMP prior to the disbursement of grant funds for construction or monitoring activities.

Sub-Grantee shall not abandon, substantially discontinue use of, lease, or dispose of the Project, including its construction, or any significant part or portion thereof, during the useful life of the Project without SAWPA's and DWR's prior written approval.

SECTION 9. ASSIGNMENT

Neither this Contract, nor any duties or obligations under this Contract, nor any of the Project facilities referenced in this Contract shall be assigned by any Party without the prior written consent of the other Party.

Should an assignment or transfer occur, whenever SAWPA or the Sub-Grantee are named or referred to herein, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in SAWPA and the Sub-Grantee, and all Contract and covenants required hereby to be performed by or on behalf of SAWPA and/or the Sub-Grantee shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

SECTION 10. COMPLIANCE WITH LAWS AND REGULATIONS

The Sub-Grantee agrees that it shall, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and state laws, rules, regulations and guidelines. The Sub-Grantee shall comply with, implement, and fulfill all environmental mitigation measures applicable to the Project, and which may otherwise be required by this Contract and the IRWMP Grant Agreement, the California Environmental Quality Act ("CEQA"), and the State CEQA Guidelines.

SECTION 11. ACKNOWLEDGEMENT OF CREDIT/SIGNAGE REQUIREMENTS

Sub-Grantee shall include appropriate acknowledgement of credit to the State, SAWPA and to all cost-sharing partners for their support when promoting the Project or using any data and/or information developed under this Sub-Grantee Agreement. Signage shall be posted in a prominent location at the Project Site(s), if applicable, or at the Sub-Grantees headquarters and shall include the following disclosure statement: "Funding for this project has been provided in full or in part from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 and through an agreement with the State Department of Water Resources and by the Santa Ana Watershed Project Authority". The sign shall include the Department of Water Resources logo, One Water One Watershed logo and the SAWPA logo (available from SAWPA). Before it is constructed, the Sub-Grantee shall provide the draft design layout of the sign to SAWPA for

approval. Sub-Grantee shall notify SAWPA that the sign has been erected by providing a site map with the sign location noted and a photograph of the sign.

SECTION 12. CONSTRUCTION ACTIVITIES AND NOTIFICATION

The Sub-Grantee shall immediately notify SAWPA in writing of:

(1) Any substantial change in the scope, budget, or work performed on the Project. The Sub-Grantee agrees that no substantial change in the scope of the Project may be undertaken until written notice of the proposed change has been provided to SAWPA, and SAWPA and DWR have given written approval for such a change;

(2) Any public or media event publicizing the accomplishments and/or results of this Grant Agreement shall provide the opportunity for attendance and participation by SAWPA and DWR. Sub-Grantee must notify SAWPA at least 20 calendar days prior to the event;

(3) Unscheduled cessation of all major construction work on the Project where such cessation of work is expected to or does continue for a period of 30 calendar days or more;

(4) Any circumstance, combination of circumstances, or condition which is expected to delay project completion for a period of 90 calendar days or more beyond the initial estimated date of completion of the Project previously provided to SAWPA;

(5) Completion of construction of the Project and provide SAWPA and DWR the opportunity to participate in the inspection. Sub-Grantee must notify SAWPA at least 20 calendar days prior to final inspection.

SECTION 13. PAYMENT OF PROJECT COSTS

The Sub-Grantee shall provide for and make payment for all Project costs. All costs and payments for the Project shall be paid by the Sub-Grantee promptly and in compliance with all applicable laws. All grant disbursements will be reimbursements.

SECTION 14. WITHHOLDING OF GRANT DISBURSEMENTS

SAWPA may withhold all or any portion of the grant funds provided for by this Contract in the event that:

(1) The Sub-Grantee has violated, or threatens to violate, any term, provision, condition, or commitment of this Contract;

(2) The Sub-Grantee fails to maintain reasonable progress toward completion of the Project; or

(3) DWR directs SAWPA to withhold any such grant funds.

SECTION 15. INVOICING

(A) Invoices shall be completed on a State-provided invoice form and shall meet the following format requirements:

(1) Invoices must contain the date of the invoice, the time period covered by the invoice, and the total amount due.

(2) Invoices must be itemized. The amount claimed for salaries/wages/consultant fees must include a calculation formula (i.e. hours or days worked times the hourly or daily rate = the total amount claimed).

(3) Sufficient evidence (i.e. receipts, copies of checks, timesheets) must be provided for all costs included in the invoice.

(4) Each invoice shall clearly delineate those costs claimed for reimbursement from the State's grant amount and those costs that represent the Sub-Grantee's share as applicable.

(B) Invoices also shall include the following information:

(1) Costs incurred for work performed in implementing the IRWM program or program contracts during the period identified in the particular invoice.

(2) Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for the Project during the period identified in the particular invoice for the construction, operation, or maintenance of the Project.

(3) Appropriate receipts and reports for all costs incurred.

SECTION 16. RECORDS AND REPORTS

(A) Without limitation on the requirement that Project accounts be maintained in accordance with generally accepted government accounting standards, the Sub-Grantee shall comply with the records and reporting requirements imposed by the IRWMP Grant Agreement, and shall also:

(1) Establish an official Project file that documents all significant actions relative to the Project;

(2) Establish separate accounts that adequately and accurately itemize and describe all amounts received and expended on the Project, including all grant funds received under this Contract;

(3) Establish separate accounts that adequately and accurately itemizes and describes all income received which is attributable to the Project, specifically including any income attributable to grant funds disbursed under this Contract;

(4) Establish an accounting system that adequately and accurately itemizes and describes final total costs of the Project, including both direct and indirect costs;

(5) Establish such accounts and maintain such records as may be necessary for the State, DWR and SAWPA to fulfill federal reporting requirements, including any and all reporting requirements under federal tax statutes or regulations; and

(6) If Force Account is used by the Sub-Grantee for any phase of the Project, establish an account that adequately and accurately itemizes and describes all employee hours, and associated tasks charged to the Project per employee.

(B) The Sub-Grantee shall require all Project contractors and subcontractors to maintain books, records, and other material relative to the Project in accordance with generally accepted accounting standards, and to require that such contractors and subcontractors retain such books, records, and other material for a minimum of five (5) years after the Grant Agreement termination date. The Sub-Grantee shall require that such books, records, and other material shall be subject, at all reasonable times, to inspection, copying, and audit by SAWPA, DWR or their authorized representatives.

(C) The Sub-Grantee shall maintain its books, records and other material concerning the Project in accordance with generally accepted government accounting standards and as required by the IRWMP Grant Agreement.

(D) All documents required or requested to be provided to SAWPA shall be submitted electronically in the both the native format (e.g. Microsoft Word, Microsoft Excel, etc) and PDF. All documents shall be public domain or the property of SAWPA once submitted.

(E) The Sub-Grantee agrees to expeditiously provide, during work on the Project and for three years after the projection completion, such reports, data, information and certifications as may be reasonably required by SAWPA or DWR. Such documents and information shall be provided in electronic format.

SECTION 17. QUARTERLY PROGRESS REPORTS

Quarterly Progress Reports shall be completed using the templates provided. Quarterly Progress Reports shall provide a brief description of the work performed, activities, milestones achieved, any accomplishments as well as any problems encountered in the performance of the work. The first quarterly report shall be submitted no later than the end of the month following the end of the reporting period. The first progress report shall cover the following reporting period: January 2, 2015 (or project start, if later) to June 30, 2021, and will be due to SAWPA on July 31, 2021. Subsequent progress reports will be due as follows: Jan-Mar reporting period – due by Apr 30; Apr-Jun reporting period – due by Jul 31; Aug-Sep reporting period – due by Oct 31; Oct-Dec reporting period – due by Jan 31.

SECTION 18. PROJECT REVIEW AND EVALUATION; FINAL REPORTS AND AUDIT

(A) SAWPA may perform a project review or otherwise evaluate the project to determine compliance with the contract documents at any time or if questions about the proper use or management of the funds arise. SAWPA may review or evaluate the contractor or vendor for compliance with the terms and conditions of the contract documents. The project review and evaluation may be performed by SAWPA or may be contracted to a responsible third party. Any findings and recommendations of the project review and evaluation shall be addressed by the Sub-Grantee within 60 days of the date such findings and recommendations are provided to the Sub-Grantee and before the next invoice is paid by SAWPA.

(B) Inventory of equipment purchased with grant funds.

(1) At least 75 days prior to submission of the final project invoice, Sub-Grantee shall consult with SAWPA on the scope of the inventory of equipment purchased with grant funds. This inventory shall include all items with a current estimated fair market value of more than \$5,000 per item.

(2) At least 45 days prior to submission of the final project invoice, Sub-Grantee shall provide SAWPA with a final inventory list of equipment purchased with grant funds. DWR shall have the opportunity to take title to any item on the inventory list. Should DWR take title to any item on the inventory list, DWR shall arrange for delivery and transportation of such inventory.

(C) In addition to the documents and deliverables required to be provided by the IRWMP Grant Agreement, within 90 days after completion of the Project but no later than 14 days prior to the due date indicated in the IRWMP Grant Agreement, the Sub-Grantee shall provide to SAWPA, a Project Completion Report. The Project Completion Report shall follow the Guidelines in Exhibit F of the Grant Agreement.

(D) SAWPA may call for an audit of financial information relative to the Project, where SAWPA determines that an audit is desirable to assure program integrity or where such an audit becomes necessary because of federal or state requirements. Where such an audit is called for, the audit shall be performed by a Certified Public Accountant independent of the Sub-Grantee and at the cost of the Sub-Grantee. The audit shall be in the form required by SAWPA.

SECTION 19. PROJECT CLOSEOUT DOCUMENTATION

To ensure that that the Project is closed out in a manner that provides an auditable file for SAWPA, Sub-Grantee shall follow a close-out procedure that includes payment of all subcontracts, completion of all punch lists, defects correction, satisfaction of warranty or guarantee issues, and any other requirements for the completion of the scope of work. Such close-out procedures shall include those procedures contained in the IRWMP Grant Agreement or otherwise required by SAWPA and DWR.

SECTION 20. POST-PERFORMANCE REPORTS

Post-Performance Reports shall be submitted to SAWPA within 75 calendar days after the first operational year of the Project has elapsed. This record keeping and reporting process shall be repeated annually for a total of three (3) years after the completed project begins operation.

SECTION 21. MONITORING REQUIREMENTS

(A) All groundwater projects and projects that include groundwater monitoring requirements are consistent with the Groundwater Quality Monitoring Act of 2001.

(B) 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 administered by the State Water Resources Control Board.

(C) Groundwater quality and ambient surface water quality monitoring data that include chemical, physical, or biological data shall be submitted to the State with a narrative description of data submittal activities (included in project reports) as described below:

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

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

(D) If groundwater level data is collected, Sub-Grantee must submit this data to DWR's Water Data Library (WDL) with a narrative description of data submittal activities (included in project reports). Information regarding the WDL and the format to submit the data in can be found at: <http://wdl.water.ca.gov/>. A copy of all data submitted shall be given to SAWPA.

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

SECTION 22. TERMINATION; IMMEDIATE REPAYMENT; INTEREST

(A) SAWPA may terminate this Contract at any time prior to completion of the Project for Sub-Grantee's violation of any provision of this Contract upon written notice by SAWPA of the violation and the failure of Sub-Grantee to come into compliance within a reasonable time as established by SAWPA.

(B) In the event of such termination, the Sub-Grantee agrees, upon demand, to immediately repay to SAWPA an amount equal to the amount of grant funds disbursed to the Sub-Grantee prior to such termination. In the event of termination, prejudgment interest shall accrue on all amounts due from the date that notice of termination is mailed to the Sub-Grantee to the date of full repayment by the Sub-Grantee.

(C) SAWPA may terminate this Contract should DWR terminate SAWPA as program manager or terminate funding for this Contract or the Project or should DWR terminate its standard agreement with SAWPA on this Project. Upon such DWR-caused termination, SAWPA shall not be liable to Sub-Grantee for any damages, costs or expenses resulting from such termination.

SECTION 23. DAMAGES FOR BREACH AFFECTING TAX EXEMPT STATUS

In the event that any breach of any of the provisions of this Contract or other action by the Sub-Grantee shall result in the loss of tax exempt status for any bonds, or if such breach shall result in an obligation on the part of the SAWPA to reimburse the federal government by reason of any

arbitrage profits, the Sub-Grantee shall immediately reimburse SAWPA and/or DWR in an amount equal to any damages paid by or loss incurred by the State due to such breach.

SECTION 24. ARBITRATION

Any dispute which may arise under this Contract by and between SAWPA and the Sub-Grantee, including the Sub-Grantee's subcontractors, laborers, and suppliers, shall be submitted to binding arbitration pursuant to the Construction Industry Arbitration Rules and Mediation Procedures of the American Arbitration Association (AAA). The arbitrator shall decide each and every dispute in accordance with the laws of the State of California and AAA rules, and all other applicable laws. Unless the Parties stipulate in writing to the contrary, prior to the appointment of the arbitrator, all disputes shall first be submitted to non-binding mediation.

SECTION 25. COSTS AND ATTORNEY FEES

In the event of arbitration or litigation between the parties hereto arising from this Contract, it is agreed that the prevailing party shall be entitled to recover reasonable costs and attorney fees.

SECTION 26. WAIVER

Any waiver of any rights or obligations under this Contract or the IRWMP Grant Agreement shall be in writing and signed by the Party making such waiver, and approved by SAWPA and the DWR.

SECTION 27. AMENDMENT

This Contract may be amended at any time by mutual written agreement of the Parties and the DWR.

SECTION 28. SAWPA REVIEWS; SUB-GRANTEE AS INDEPENDENT CONTRACTOR

(A) The Parties agree that review or approval of the Project or Project plans and specifications by SAWPA is for administrative and eligibility purposes only and does not relieve the Sub-Grantee of its responsibility to properly plan, design, construct, operate, and maintain the Project. As between SAWPA and the Sub-Grantee, the Sub-Grantee agrees that it has sole responsibility for proper planning, design, construction, operation, and maintenance of the Project.

(B) The Sub-Grantee is an independent contractor exclusively responsible for the design, construction, operation and maintenance of the specific project funded by this Grant Funding Contract and that the Sub-Grantee is not acting as SAWPA's agent, nor is SAWPA acting as an agent of the Sub-Grantee.

SECTION 29. INDEMNIFICATION

(A) The Sub-Grantee shall defend, indemnify and hold and save SAWPA and DWR and their directors, commissioners, officers, employees, agents and assigns (collectively the "Indemnified Parties") free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Project and the Grant Agreement, including but not limited to any claims or damages arising from planning, design, construction, maintenance, and/or operation of this Project and any breach of this Agreement. The Sub-Grantee shall require its contractors or subcontractors to name SAWPA, the State, its officers,

agents and employees as additional insureds on their liability insurance for activities undertaken pursuant to this Sub-Agreement.

(B) The Sub-Grantee understands and agrees that it has complied and will comply with CEQA and the State CEQA Guidelines for the project which is the subject matter of this Grant Funding Contract. Sub-Grantee understands and agrees that it is ultimately and solely responsible, as the lead agency, for compliance with CEQA and any mitigation measures required for the Project. The Sub-Grantee hereby agrees to indemnify, defend and hold harmless SAWPA and the DWR from any and all claims or actions related to this Project that may be made by any third party or public agency alleging, among other things, violations of CEQA or the State CEQA Guidelines.

(C) The Sub-Grantee shall ensure that adequate insurance coverage is provided by Sub-Grantee and/or its contractors and subcontractors on the Project funded, in part, by this Contract. Such insurance shall include adequate coverage for comprehensive commercial general liability, business auto liability, workers compensation liability, professional and errors and omissions liability, property insurance, including all builders risk insurance. Such insurance coverage shall, at a minimum, insure against injuries to third parties, damage to property owned by third parties, physical damage to the Project and all related facilities, theft of building materials and supplies intended for the Project, delays in Project completion, delays in Project Completion due to strikes and governmental actions, liquidated damages, employee injuries and work-related illnesses, design errors resulting in increased project costs, environmental damage caused by construction activities related to the Project, and nonperformance by the contractors and subcontractors. Such insurance coverages shall be provided by admitted insurance companies authorized to do business in the State of California, and with a minimum "Best's Insurance Guide" rating of "A:VII".

SECTION 30. PROJECT AND INFORMATION ACCESS

The Sub-Grantee agrees to ensure that SAWPA, DWR, or any authorized representative thereof, shall have reasonable access to the Project site at all reasonable times during Project construction, and thereafter for the useful life of the Project.

SECTION 31. OPINIONS AND DETERMINATIONS

Where the terms of this contract provide for action to be based upon the opinion, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary and capricious.

IN WITNESS THEREOF, the parties have executed this Contract on the dates set forth below.

SANTA ANA WATERSHED PROJECT
AUTHORITY

Dated: _____

By: _____

BIG BEAR AREA REGIONAL WASTEWATER
AGENCY
Sub-Grantee

Dated: _____

By: _____
Authorized Representative

David Lawrence, P.E.

Typed Name

General Manager

Title

MK 4/26/2021

ME 4/26/2021

CB 4/26/2021

DPK 4/30/2021

**GRANT AGREEMENT BETWEEN THE STATE OF CALIFORNIA
(DEPARTMENT OF WATER RESOURCES) AND
SANTA ANA WATERSHED PROJECT AUTHORITY
AGREEMENT NUMBER 4600013842
PROPOSITION 1 ROUND 1 INTEGRATED REGIONAL WATER MANAGEMENT (IRWM)
IMPLEMENTATION GRANT**

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

- 1) **PURPOSE.** The State shall provide funding from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1) to the Grantee to assist in financing the projects, which are included in and implemented in an adopted Integrated Regional Water Management Plan (IRWM Plan), pursuant to Chapter 7. Regional Water Security, Climate, and Drought Preparedness (Wat. Code, § 79740 et seq.). The provision of State funds pursuant to this Agreement shall be construed or interpreted to mean that the IRWM Plan, or any components of the IRWM Plan, implemented in accordance with the Work Plan as set forth in Exhibit A, has been adopted through the IRWM Plan Review Process, and is/are consistent with Water Code section 10530 et seq.
- 2) **TERM OF GRANT AGREEMENT.** The term of this Grant Agreement begins on June 3, 2020 through final payment plus three (3) years unless otherwise terminated or amended as provided in this Grant Agreement. However, all work shall be completed by December 31, 2025 in accordance with the Schedule as set forth in Exhibit C and no funds may be requested after March 31, 2026.
- 3) **GRANT AMOUNT.** The maximum amount payable by the State under this Grant Agreement shall not exceed \$23,091,428. If applicable, this amount may be reduced as per the Paragraph 5.A.ii.
- 4) **GRANTEE COST SHARE.** The Grantee is required to provide a Local Cost Share (non-state funds) as set forth in Exhibit B (Budget). Local Cost Share may include Eligible Project Costs directly related to Exhibit A incurred after January 1, 2015.
- 5) **BASIC CONDITIONS.**
 - A. Unless exempt as per the 2019 IRWM Implementation Grant Proposal Solicitation Package, project(s) that are subject to the California Environmental Quality Act (CEQA) including final land purchases, shall not be included in this Agreement until the CEQA process is completed and all permits necessary to begin construction are acquired. Projects providing at least 75% of benefits to a disadvantaged community (DAC), economically distressed area (EDA), and/or Tribe (based on population or geography), or projects implemented by Tribes will be exempt from this requirement.
 - i. Such projects will be included in the Agreement as a placeholder. Placeholder projects are not eligible for grant reimbursement and may not submit invoices to DWR until such time as they are fully included in the Agreement.
 - ii. Placeholder projects that complete CEQA and/or acquire permits (necessary to begin construction) within eighteen (18) months of the agreement execution date will be amended into the agreement. At the end of the eighteen (18)-month term, any placeholder projects that fail to complete CEQA and/or acquire permits will be deleted from the Agreement. The total grant award will be reduced by the amount of the deleted project(s). Replacement projects will not be allowed. Reduced amount will be made available to the respective Funding Area in future funding rounds on a competitive basis. Deleted placeholder projects will not be eligible to receive any grant reimbursement under this Agreement; however, such project could be eligible under the next round of grant solicitation.
 - B. The State shall have no obligation to disburse money for the Project(s) under this Grant Agreement until the Grantee has satisfied the following conditions (if applicable):

- i. The Grantee shall demonstrate compliance with all eligibility criteria as set forth on pages 9-11, inclusive, of the 2019 IRWM Implementation Grant Program Guidelines (2019 Guidelines).
- ii. For the term of this Agreement, the Grantee shall submit Quarterly Progress Reports which must accompany an invoice and all invoice backup documentation (\$0 Invoices are acceptable). The Quarterly Progress Report shall be submitted within 60 days following the end of the calendar quarter (i.e. reports due May 30, August 29, November 29, and March 1) and all other deliverables as required by Paragraph 14, "Submission of Reports" and Exhibit A, "Work Plan".
- iii. Prior to the commencement of construction or implementation activities, if applicable, the Grantee shall submit the following to the State.
 1. Final plans and specifications certified, signed and stamped by a California Registered Civil Engineer (or equivalent registered professional as appropriate) to certify compliance for each approved project as listed in Exhibit A of this Grant Agreement.
 2. Work that is subject to the California Environmental Quality Act (including final land purchases) shall not proceed under this Grant Agreement until the following actions are performed:
 - a) The Grantee submits to the State all applicable environmental permits, as indicated on the Environmental Information Form to the State,
 - b) Documents that satisfy the CEQA process are received by the State,
 - c) The State has completed its CEQA process as a Responsible Agency, and
 - d) The Grantee receives written notification from the State of concurrence with the Lead Agency's CEQA documents (s) and State's notice of verification of environmental permit submittal.

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

- iv. A monitoring plan as required by Paragraph 16, "Monitoring Plan Requirements," if applicable.
- 6) DISBURSEMENT OF FUNDS. The State will disburse to the Grantee the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Grant Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the federal government, or any loss of tax-free status on state bonds, pursuant to any federal statute or regulation. Any and all money disbursed to the Grantee under this Grant Agreement shall be deposited in a non-interest bearing account and shall be used solely to pay Eligible Project Costs.
 - 7) ELIGIBLE PROJECT COST. The Grantee shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Exhibit B, "Budget". Eligible Project Costs include the reasonable costs of studies, engineering, design, land and easement acquisition and associated legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project construction. Reimbursable administrative expenses are the necessary costs incidental but directly related to the Project included in this Agreement. Costs incurred after the June 2, 2020 may be eligible for reimbursement.

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

- A. Costs, other than those noted above, incurred prior to the award date of this Grant.
 - B. Costs for preparing and filing a grant application.
 - C. Operation and maintenance costs, including post construction performance and monitoring costs.
 - D. Purchase of equipment that is not an integral part of a project.
 - E. Establishing a reserve fund.
 - F. Purchase of water supply.
 - G. Replacement of existing funding sources for ongoing programs.
 - H. Meals, food items, or refreshments.
 - I. Payment of any punitive regulatory agency requirement, federal or state taxes.
 - J. Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a project, as set forth and detailed by engineering and feasibility studies, or acquisition of land by eminent domain.
 - K. Overhead and Indirect Costs. "Indirect Costs" means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the funded project (i.e., costs that are not directly related to the funded project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the Grantee or LPSs; non-project-specific accounting and personnel services performed within the Grantee's or LPS' organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; forums, trainings, and seminars; and, generic overhead or markup. This prohibition applies to the Grantee, LPSs, and any subcontract or sub-agreement for work on the Project that will be reimbursed pursuant to this Agreement.
 - L. Mitigation for environmental impacts not resulting from implementation of the Project funded by this program.
- 8) METHOD OF PAYMENT. After the disbursement requirements in Paragraph 5, "Basic Conditions" are met, the State will disburse the whole or portions of State funding to the Grantee, following receipt from the Grantee of an electronic invoice certified and transmitted via electronic/digital signature system (e.g., DocuSign) or via US mail or Express mail delivery of a "wet signature" for costs incurred, including Local Cost Share, and timely Quarterly Progress Reports as required by Paragraph 14, "Submission of Reports." Payment will be made no more frequently than quarterly, in arrears, upon receipt of an invoice bearing the Grant Agreement number. Quarterly Progress Report must accompany an invoice (\$0 Invoices are acceptable) and shall be submitted within 60 days following the end of the calendar quarter (i.e. invoices due May 30, August 29, November 29, and March 1). The State will notify the Grantee, in a timely manner, whenever, upon review of an invoice, the State determines that any portion or portions of the costs claimed are not eligible costs or is not supported by documentation or receipts acceptable to the State. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to the State to cure such deficiency(ies). If the Grantee fails to submit adequate documentation curing the deficiency(ies), the State will adjust the pending invoice by the amount of ineligible or unapproved costs.

Invoices submitted by the Grantee shall include the following information:

- A. Costs incurred for work performed in implementing the Project during the period identified in the particular invoice.

- B. Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for a project during the period identified in the particular invoice for the implementation of a project.
- C. Invoices shall be submitted on forms provided by the State and shall meet the following format requirements:
- i. Invoices shall contain the date of the invoice, either the time period covered by the invoice or the invoice date received within the time period covered, and the total amount due.
 - ii. Invoices shall be itemized based on the categories (i.e., tasks) specified in Exhibit B, "Budget." The amount claimed for salaries/wages/consultant fees shall include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).
 - iii. One set of sufficient evidence (i.e., receipts, copies of checks, personnel hours' summary table, time sheets) shall be provided for all costs included in the invoice.
 - iv. Each invoice shall clearly delineate those costs claimed for reimbursement from the State's funding amount, as depicted in Paragraph 3, "Grant Amount" and those costs that represent the Grantee's costs, as applicable, in Paragraph 4, "Grantee Cost Share."
 - v. Original signature and date of the Grantee's Project Representative. Submit an electronic invoice, certified and transmitted via electronic/digital signature system (e.g., DocuSign), from authorized representative to the Project Manager or the original "wet signature" copy of the invoice form to the Project Manager at the following address: PO Box 942836 Sacramento, CA 94236.

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

- 9) **ADVANCED PAYMENT.** Water Code section 10551 authorizes advanced payment by the State for projects included and implemented in an applicable Integrated Regional Water Management Plan, and when the project proponent is a nonprofit organization; a disadvantaged community (DAC); or the project benefits a DAC. If a project is awarded less than \$1,000,000 in grant funds, the project proponent may receive an advanced payment of fifty (50) percent of the grant award; the remaining fifty (50) percent of the grant award will be reimbursed in arrears after the advanced funds of a budget category have been fully expended. Within ninety (90) calendar days of execution of the Grant Agreement, the Grantee may provide the State an Advanced Payment Request. Advanced Payment Requests received ninety-one (91) calendar days after the execution of this Agreement will not be eligible to receive an advanced payment. The Advanced Payment Request shall contain the following:
- A. Documentation demonstrating that each Local Project Sponsor (if different from the Grantee, as listed in Exhibit I) was notified about their eligibility to receive an advanced payment and a response from the Local Project Sponsor stating whether it wishes to receive the advanced payment or not.
 - B. If the Grantee is requesting the advanced payment, the request(s) shall include:
 - i. Descriptive information of each project with an update on project status

- ii. The names of the entities that will receive the funding for each project, including, but not limited to, an identification as to whether the project proponent or proponents are nonprofit organizations or a DAC, or whether the project benefits a DAC
 - iii. A detailed Funding Plan which includes how the advanced payment will be expended (in terms of workplan, budget, and schedule) within the timeframe agreed upon by DWR and the Grantee. The Funding Plan must clearly identify the total budget (at Budget Category Level) for each project clearly showing the portion of advanced payment and reimbursement funds.
 - iv. Any other information that DWR may deem necessary
- C. Upon review and approval of the Advanced Payment Request, DWR will authorize payment of the fully requested amount for the qualified project(s). Based on the project's Funding Plan and other considerations, DWR may determine it is not prudent to advance the full request in a single disbursement. In such a case, DWR will develop a "Disbursement Schedule," to disburse funds in installments. This Disbursement Schedule may change based on the project's ongoing compliance with the Advanced Payment requirements and the project's cash flow needs.
- D. Once DWR authorizes the Advanced Payment Request, the Grantee shall submit Advanced Payment Invoice(s) for the initial amount based on the "Disbursement Schedule" on behalf of the LPS(s), containing the request for each qualified project, to the State with signature and date of the Grantee's Project Representative, as indicated in Paragraph 21, "Project Representative." The Grantee shall be responsible for the timely distribution of the advanced funds to the respective LPS(s). The Advanced Payment Invoice(s) shall be submitted on forms provided by the State and shall meet the following format requirements:
- i. Invoice shall contain the date of the invoice, the time period covered by the invoice, and the total amount due.
 - ii. Invoice shall be itemized based on the budget categories specified in Exhibit B, "Budget."
 - iii. The State Project Manager will notify the Grantee, in a timely manner, when, upon review of an Advance Payment Invoice, the State determines that any portion or portions of the costs claimed are not eligible costs. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies).
 - iv. On a quarterly basis, the Grantee will submit an Accountability Report to the State that demonstrates how actual expenditures compare with the scheduled budget. The Accountability Report shall include the following information:
 - 1. An itemization of how advanced funds have been spent to-date (Expenditure Report), including documentation that supports the disbursements (e.g., contractor invoices, receipts, personnel hours, etc.). Accountability Reports shall be itemized based on the budget categories (i.e., tasks) specified in Exhibit B.
 - 2. An updated Accountability Report including an updated Funding Plan that depicts how the remaining advanced funds will be expended and the activities and deliverables associated with the advanced funds within the timeframe agreed upon by DWR and the Grantee when the advanced payment request was approved.
 - 3. Documentation that the funds were placed in a non-interest bearing account, including the dates of deposits and withdrawals from that account.
 - 4. Proof of distribution of advanced funds to LPS(s), if applicable.

v. The State's Project Manager will notify the Grantee, in a timely manner, when, upon review of the Accountability Report, the State determines that any portion of the expenditures claimed are not eligible costs. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies). If costs are not consistent with the tasks in Exhibit A, the State will reject the claim and remove them from the Accountability Report.

E. Once the Grantee has spent all advanced funds in a budget category, then the method of payment will revert to the reimbursement process for that budget category specified in Paragraph 8, "Method of Payment for Reimbursement."

10) REPAYMENT OF ADVANCES. The State may demand repayment from the Grantee of all or any portion of the advanced State funding along with interest at the California general obligation bond interest rate at the time the State notifies the Grantee, as directed by the State, and take any other action that it deems necessary to protect its interests for the following conditions:

- A. A project is not being implemented in accordance with the provisions of the Grant Agreement.
- B. The Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if the Grantee does not remedy any such failure to the State's satisfaction.
- C. Failure by the Grantee to submit complete and accurate quarterly Accountability Reports by the required due dates, unless otherwise approved by DWR.
- D. Failure to deposit funds in a non-interest-bearing account.
- E. Use of Advance Payment funds for ineligible expenses and/or activities not consistent with this Agreement.
- F. Inappropriate use of funds, as deemed by DWR.
- G. Repayment amounts may also include:
 - i. Actual costs incurred which are not consistent with the activities presented in Exhibit A, not supported, or are ineligible.
 - ii. Advanced funds which are not fully expended by project completion, notwithstanding Water Code section 10551(c)(4). Unused grant funds shall be returned to DWR within sixty (60) calendar days.

Any repayment of advanced funds may consist of reducing the amount from future reimbursement invoices. The State may consider the Grantee's refusal to repay the requested advanced amount a material breach of this Agreement subject to the default provisions in Paragraph 12, "Default Provisions." If the State notifies the Grantee of its decision to demand repayment or withhold the entire funding amount from the Grantee pursuant to this Paragraph, this Grant Agreement shall terminate upon receipt of such notice by the Grantee and the State shall no longer be required to provide funds under this Agreement.

11) WITHHOLDING OF DISBURSEMENTS BY THE STATE. If the State determines that a project is not being implemented in accordance with the provisions of this Grant Agreement, or that the Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if the Grantee does not remedy any such failure to the State's satisfaction, the State may withhold from the Grantee all or any portion of the State funding and take any other action that it deems necessary to protect its interests. Where a portion of the State funding has been disbursed to the Grantee and the State notifies the Grantee of its decision not to release funds that have been withheld pursuant to Paragraph 12, "Default Provisions," the portion that has been disbursed shall thereafter be repaid immediately with interest at the California general obligation bond interest rate at the time the State notifies the Grantee, as directed by the State. The State may consider the Grantee's refusal to repay the requested disbursed amount a material breach subject to the default provisions in Paragraph 12, "Default Provisions." If the State notifies

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

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

- A. Substantial breaches of this Grant Agreement, or any supplement or amendment to it, or any other agreement between the Grantee and the State evidencing or securing the Grantee's obligations;
- B. Making any false warranty, representation, or statement with respect to this Grant Agreement or the application filed to obtain this Grant Agreement;
- C. Failure to operate or maintain the Project in accordance with this Grant Agreement.
- D. Failure to make any remittance required by this Grant Agreement, including any remittance recommended as the result of an audit conducted pursuant to Paragraph D.5.
- E. Failure to submit quarterly progress reports pursuant to Paragraph 5.
- F. Failure to routinely invoice the State pursuant to Paragraph 8.
- G. Failure to meet any of the requirements set forth in Paragraph 13, "Continuing Eligibility."

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

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

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

13) CONTINUING ELIGIBILITY. The Grantee shall meet the following ongoing requirement(s) and all eligibility criteria outlined in the 2019 Guidelines to remain eligible to receive State funds:

- A. An urban water supplier that receives grant funds pursuant to this Agreement shall maintain compliance with the Urban Water Management Planning Act (UWMP; Wat. Code, § 10610 et seq.) and Sustainable Water Use and Demand Reduction (Wat. Code, § 10608 et seq.) as set forth on page 11 of the 2019 Guidelines and as stated on page 22 of the Proposal Solicitation Package.
- B. An agricultural water supplier receiving grant funds shall comply with Sustainable Water Use and Demand Reduction requirements outlined in Water Code section 10608, et seq. and have their Agricultural Water Management Plan (AWMP) deemed consistent by DWR. To maintain eligibility and continue funding disbursements, an agricultural water supply shall have their 2015 AWMP identified on the State's website. For more information, visit the website listed in Appendix A in the 2019 Guidelines.
- C. A surface water diverter receiving grant funds shall maintain compliance with diversion reporting requirements as outlined in Water Code section 5100 et. seq.

- D. If applicable, the Grantee shall demonstrate compliance with the Sustainable Groundwater Management Act (SGMA) set forth on page 10 of the 2019 Guidelines.
 - E. If the Grantee has been designated as a monitoring entity under the California Statewide Groundwater Elevation Monitoring (CASGEM) Program, the Grantee shall maintain reporting compliance, as required by Water Code section 10932 and the CASGEM Program.
 - F. The Grantee shall adhere to the protocols developed pursuant to The Open and Transparent Water Data Act (Wat. Code, § 12406, et seq.) for data sharing, transparency, documentation, and quality control.
- 14) SUBMISSION OF REPORTS. The submittal and approval of all reports is a requirement for the successful completion of this Grant Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to the State. All reports shall be submitted to the State's Project Manager and shall be submitted via the DWR "Grant Review and Tracking System" (GRanTS). If requested, the Grantee shall promptly provide any additional information deemed necessary by the State for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit F, "Report Formats and Requirements." The timely submittal of reports is a requirement for initial and continued disbursement of State funds. Submittal and subsequent approval by the State of a Project Completion Report is a requirement for the release of any funds retained for such project.
- A. Quarterly Progress Reports: The Grantee shall submit quarterly Progress Reports to meet the State's requirement for disbursement of funds. Progress Reports shall be uploaded via GRanTS, and the State's Project Manager notified of upload. Progress Reports shall, in part, provide a brief description of the work performed, the Grantee's activities, milestones achieved, any accomplishments and any problems encountered in the performance of the work under this Grant Agreement during the reporting period. The first Progress Report must accompany an invoice (\$0 Invoices are acceptable) and shall be submitted within 60 days following the end of the calendar quarter (i.e. invoices due May 30, August 29, November 29, and March 1).
 - B. Accountability Report: The Grantee shall prepare and submit to the State an Accountability Report on a quarterly basis if the Grantee received an advanced payment, consistent with the provisions in Paragraph 9, "Advanced Payment."
 - C. Project Completion Report: The Grantee shall prepare and submit to the State a separate Project Completion Report for each project included in Exhibit A. The Grantee shall submit a Project Completion Report (or a Component Completion Report, if a Project has multiple Components) within ninety (90) calendar days of Project/Component completion as outlined in Exhibit F.
 - D. Grant Completion Report: Upon completion of all the Projects included in Exhibit A, the Grantee shall submit to the State a Grant Completion Report. The Grant Completion Report shall be submitted within ninety (90) calendar days of submitting the Completion Report for the final project to be completed under this Grant Agreement, as outlined in Exhibits A, and F. Retention for any grant administration line items in the Budget of this Grant Agreement will not be disbursed until the Grant Completion Report is approved by the State.
 - E. Post-Performance Reports: The Grantee shall prepare and submit to the State Post-Performance Reports for the applicable project(s). Post-Performance Reports shall be submitted to the State within ninety (90) calendar days after the first operational year of a project has elapsed. This record keeping and reporting process shall be repeated annually for a total of three (3) years after the project begins operation.
- 15) OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects and in consideration of the funding made by the State, the Grantee agrees to ensure or cause to be performed the commencement and continued operation of the project, and shall ensure or cause the project to be operated in an efficient and economical manner; shall ensure all repairs, renewals, and

replacements necessary to the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted. The State shall not be liable for any cost of such maintenance, management, or operation. The Grantee or their successors may, with the written approval of the State, transfer this responsibility to use, manage, and maintain the property. For purposes of this Grant Agreement, "useful life" means period during which an asset, property, or activity is expected to be usable for the purpose it was acquired or implemented; "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses, and "maintenance costs" include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal by the Grantee to ensure operation and maintenance of the projects in accordance with this provision may, at the option of the State, be considered a breach of this Grant Agreement and may be treated as default under Paragraph 12, "Default Provisions."

- 16) MONITORING PLAN REQUIREMENTS. A Monitoring Plan shall be submitted to the State prior to disbursement of State funds for construction or monitoring activities. The Monitoring Plan should incorporate Post-Performance Monitoring Report requirements as defined and listed in Exhibit F, and follow the guidance provided in Exhibit J, "Project Monitoring Plan Guidance."
- 17) STATEWIDE MONITORING REQUIREMENTS. The Grantee shall ensure that all groundwater projects and projects that include groundwater monitoring requirements are consistent with the Groundwater Quality Monitoring Act of 2001 (Water Code § 10780 et seq.) 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. See Exhibit G for web links and information regarding other State monitoring and data reporting requirements.
- 18) NOTIFICATION OF STATE. The Grantee shall promptly notify the State, in writing, of the following items:
- A. Events or proposed changes that could affect the scope, budget, or work performed under this Grant Agreement. The Grantee agrees that no substantial change in the scope of a project will be undertaken until written notice of the proposed change has been provided to the State and the State has given written approval for such change. Substantial changes generally include changes to the scope of work, schedule or term, and budget.
 - B. Any public or media event publicizing the accomplishments and/or results of this Grant Agreement and provide the opportunity for attendance and participation by the State's representatives. The Grantee shall make such notification at least fourteen (14) calendar days prior to the event.
 - C. Discovery of any potential archaeological or historical resource. Should a potential archaeological or historical resource be discovered during construction, the Grantee agrees that all work in the area of the find shall cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the State has determined what actions should be taken to protect and preserve the resource. The Grantee agrees to implement appropriate actions as directed by the State.
 - D. The initiation of any litigation or the threat of litigation against the Grantee or an LPS regarding the Project or which may affect the Project in any way.
 - E. Applicable to construction projects only: Final inspection of the completed work on a project by a Registered Professional (Civil Engineer, Engineering Geologist, or other State approved certified/licensed Professional), in accordance with Exhibit D. The Grantee shall notify the State's Project Manager of the inspection date at least fourteen (14) calendar days prior to the inspection in order to provide the State the opportunity to participate in the inspection.

- 19) NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Grant Agreement shall be in writing. Notices may be transmitted by any of the following means:
- A. By delivery in person.
 - B. By certified U.S. mail, return receipt requested, postage prepaid.
 - C. By “overnight” delivery service; provided that next-business-day delivery is requested by the sender.
 - D. By electronic means.
 - E. Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U.S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the addresses listed below. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.
- 20) PERFORMANCE EVALUATION. Upon completion of this Grant Agreement, the Grantee’s performance will be evaluated by the State and a copy of the evaluation will be placed in the State file and a copy sent to the Grantee.
- 21) PROJECT REPRESENTATIVES. The Project Representatives during the term of this Grant Agreement are as follows:

Department of Water Resources

Arthur Hinojosa
Chief, Division of Regional Assistance
P.O. Box 942836
Sacramento, CA 94236-0001
Phone: (916) 653-4736
Email: Arthur.Hinojosa@water.ca.gov

Santa Ana Watershed Project Authority

Jeff Mosher
General Manager
11615 Sterling Avenue
Riverside, CA 9503
Phone: (951) 354-4240
Email: jmosher@sawpa.org

Direct all inquiries to the Project Manager:

Department of Water Resources

Ashley Gilreath
Environmental Scientist
Division of Regional Assistance
P.O. Box 942836
Sacramento, CA 94236-0001
Phone: (916) 653-9190
Email: ashley.gilreath@water.ca.gov

Santa Ana Watershed Project Authority

David P. Ruhl
General Manager
11615 Sterling Avenue
Riverside, CA 9503
Phone: (951) 354-4223
Email: druhl@sawpa.org

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

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

Exhibit A – Work Plan

Exhibit B – Budget

Exhibit C – Schedule

Exhibit D – Standard Conditions

Exhibit E – Authorizing Resolution

Exhibit F – Report Formats and Requirements

Exhibit G – Requirements for Data Submittal

Exhibit H – State Audit Document Requirements for the Grantee

Exhibit I – Local Project Sponsors and Project Locations

Exhibit J – Project Monitoring Plan Guidance

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

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES



Arthur Hinojosa
Chief, Division of Regional Assistance

SANTA ANA WATERSHED PROJECT
AUTHORITY



Jeff Mosher
General Manager

Date 4/30/2021

Date 4/30/2021

EXHIBIT A
WORK PLAN
PROPOSITION 1 ROUND 1 SANTA ANA IRWM IMPLEMENTATION GRANT

Grant Administration

IMPLEMENTING AGENCY: Santa Ana Watershed Project Authority

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

Budget Category (a): Project AdministrationTask 1: Agreement Administration

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

Task 2: Invoicing

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

Deliverables:

- Quarterly Invoices and associated backup documentation

Task 3: Reporting

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

Deliverables:

- Quarterly Progress Reports
- Grant Completion Report

PROJECT 1: Enhancements to Watershed-Wide Water Budget Decision Support Tool**IMPLEMENTING AGENCY:** Santa Ana Watershed Project Authority

PROJECT DESCRIPTION: The project (categorized as a decision support tool) will create water budgets based on efficiency at the customer and retail water agency scale through the collection of aerial imagery, weather data, and other information. By making the budgets available to retail water agencies through an online decision support tool, agency staff will be able to compare the Pilot budgets and their customers' usage. This comparison will help them identify which customers are inefficient (i.e., usage exceeds water budget) and target conservation programs, such as turf removal rebate programs, to those inefficient customers.

Budget Category (a): Project AdministrationTask 1: Project Management

Manage the project by working with the consultants, Bureau of Reclamation, and the member agencies, the Municipal Water District of Orange County (MWDOC), and the existing Santa Ana Watershed Project Authority Project Agreement 22 Committee, which includes a representative from each of the five member agencies. Prepare invoices including relevant supporting documentation for submittal to DWR as Grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

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

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

Deliverables:

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

Budget Category (b): Land Purchase/Easement

Not Applicable

Budget Category (c): Planning/Design/Engineering/Environmental DocumentationTask 3: CEQA Documentation – Not applicable

The Lead Agency determined this is not a project under CEQA.

Task 4: Permitting – Not applicableTask 5: Project Monitoring Plan – Not applicable

Budget Category (d): Construction/Implementation**Task 6: Contract Services**

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. The grantee will secure consultant(s) and award the contract to complete the project. The documents generated may include request for proposal(s) (RFPs), Santa Ana Watershed Project Authority Commission memorandums and presentations, RFP response documents from consultants, and contract(s) with successful consultant(s). If consultants are not utilized, the grantee will execute an agreement with the Bureau of Reclamation to implement portions of the project such as analyzing the acquired imagery.

Deliverables:

- Award of Contract, if necessary
- Agreement with the Bureau of Reclamation, if necessary

Task 7: Implementation

Task 7 is comprised of three major items: (1) acquire imagery covering the area of interest, (2) analyze the imagery through geographic information system-based software, and (3) implement a Decision Support Tool to share the data with water agencies.

Imagery: The grantee and its partners (or consultant(s)) will acquire RGBN (red, green, blue, near infrared) imagery for the entire urbanized Santa Ana River Watershed, South Orange County, and potentially areas of the Upper Santa Margarita Watershed. The percentage of the imagery to be analyzed and the method of analysis will be developed by the grantee and its project partners such as the member agencies, MWDOC, and the Bureau of Reclamation.

Imagery Analysis: The grantee and the Bureau of Reclamation will analyze the imagery to identify and measure irrigated landscape and irrigable land with sufficient detail to provide customer parcel-level outdoor water budgets to water retail agencies to support the achievement of water efficiency regulations prescribed by the state. The grantee may also add indoor budgets for residential parcels to calculate total indoor and outdoor water efficiency budgets.

Decision Support Tool: The grantee, working with a consultant and/or project partner, will utilize a web-based tool that displays several data layers, such as the outdoor water budgets, indoor water budgets (if necessary), retail water agency boundaries, watershed imagery, and water budget calculations. The tool's available logins will be controlled by the grantee and available to water agency staff who choose to partner with the grantee.

Deliverables:

- DWR's Certificate of Project Completion
- Imagery data, upon request
- Description of the Methodology behind the Decision Support Tool

PROJECT 2: Santa Ana Mountains Watershed Protection Project**IMPLEMENTING AGENCY:** Cleveland National Forest

PROJECT DESCRIPTION: The Cleveland National Forest has a year-round fire season and a well-documented history of frequent high-intensity fires around the project area. In order to enhance watershed function and water resources, the project will establish approximately 650 acres of strategically located topographic and roadside fuel breaks on National Forest System lands along North Main Divide Road (approximately 635 acres) and the Trabuco Community Defense (approximately 15 acres) within the Santa Ana Mountains and watershed.

Budget Category (a): Project AdministrationTask 1: Project Management

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

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

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

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

Deliverables:

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

Budget Category (b): Land Purchase/EasementTask 3: Land Purchase – Not Applicable**Budget Category (c): Planning/Design/Engineering/Environmental Documentation**Task 4: CEQA Documentation

A Notice of Exemption for this project was filed in Riverside County on July 2, 2020, and in Orange County on July 14, 2020. NEPA has been completed. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter
- All completed NEPA documents as required

Task 5: Permitting

The Trabuco Ranger District is required to file Smoke Management Plans annually with the South Coast Air Quality Management District (SCAQMD) prior to initiating prescribed fire activities on the District, typically in the late summer and early fall of each year. Smoke Management Plans are already submitted for the current year. SCAQMD typically reviews the plan over the course of three weeks and issues a permit.

Deliverables:

- Permits as required

Task 6: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 7: Contract Services

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

Deliverables:

- Bid Documents, if necessary
- Proof of Advertisement, if necessary
- Award of Contract, if necessary
- Notice to Proceed, if necessary

Task 8: Construction Administration

This task includes serving as the contracting officer's (CO) representative (COR) managing day-to-day contractor performance and compliance with contract requirements and issuing work directives as authorized by the CO. A project inspector will be on site for the days the COR is not available. Duties of the COR include conducting a pre-operations meeting and completing the labor-intensive checklist for worker safety; completing logs to document contractor compliance, progress, and payments; recommending invoices for payment; addressing on-site contractors' questions; and notifying contractor if work is not acceptable. The project inspector's duties are limited to completing daily logs, notifying contractor if work is not acceptable, and notifying COR and CO to take corrective actions. Upon completing the project, the DWR Certificate of Project Completion will be provided to DWR.

Deliverables:

- DWR Certificate of Project Completion
- Summary of final inspection

Task 9: Implementation

Implementation activities are outlined below:

Fuel break construction activities include mobilization and demobilization of forestry hand crews; hand crews, mechanical mastication, and other common fuel techniques starting at one end of fuel break, working towards the other; and hand crews piling or loping and scattering slash for subsequent disposal.

Prescribed fire activities to dispose of activity fuels would include cutting a fire line around each fuel break section and lighting the piles on fire in a systematic order from one side of the fuel break to the other side until all piles have been disposed of.

Deliverables:

- Photographic Documentation of Progress

PROJECT 3: Groundwater Replenishment System Final Expansion**IMPLEMENTING AGENCY:** Orange County Water District (OCWD)**PROJECT DESCRIPTION:** The project is the final expansion of the Groundwater Replenishment System (GWRS). This project will fund a component of the GWRS Final Expansion collectively known as the Advanced Water Purification Facility located in Fountain Valley which consists of additional microfiltration treatment, reverse osmosis membrane treatment, ultraviolet light disinfection, decarbonation tower, pumps and chemical tank.

The project provides capacity to treat contaminated groundwater pumped from two plumes, recycles approximately 30 million gallons per day (mgd) of secondary-treated wastewater currently discharged to the ocean, and reduces salt load to the groundwater basin by 10,000 tons per year by replacing imported water with high quality and low total dissolved solids advanced treated water.

Budget Category (a): Project AdministrationTask 1: Project Management

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

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

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

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

Deliverables:

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

Budget Category (b): Land Purchase/EasementTask 3: Land Purchase – Not Applicable**Budget Category (c): Planning/Design/Engineering/Environmental Documentation**Task 4: Feasibility Studies

A project engineer's report titled "Engineer's Report for the Groundwater Replenishment System Final Expansion Project" was completed as a separate part of the project development process.

Deliverables:

- Relevant Feasibility Studies

Task 5: CEQA Documentation

The original Environmental Impact Report/Environmental Impact Statement (EIR/EIS) for the GWRS project was certified in March 1999, which was followed by a series of addenda to the 1999 EIR/EIS. Addendum No. 6 was approved on September 21, 2016, providing a CEQA-Plus Federal Consultation Review for the final expansion of the GWRS facility and evaluating a design modification to the GWRS that involved treating wastewater flows from OCWD Plant 2 water treatment site.

Deliverables:

- All completed CEQA-Plus documents as required
- Legal Challenges Letter

Task 6: Permitting

A Coastal Development Permit was acquired from the City of Huntington Beach on September 19, 2018. No other permits are required or anticipated for this project.

Deliverables:

- Permits as required

Task 7: Design

The geotechnical investigations were completed in 2018 (two investigations) and 2019 (three investigations). Investigations were also completed for the project in 2004 (two investigations), 2005, 2006, and 2010. The project design and specifications were completed and included in the bidding document.

Deliverables:

- Geotechnical Reports

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

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

Deliverables:

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

Task 10: Construction Administration

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

Laboratory analysis is also included in Task 10 and falls into three categories:

- 1) Construction material testing (for example, concrete, steel, and masonry)
- 2) Geotechnical laboratory analysis (such as soil classification, relative soil density, soil consolidation) shall be performed in accordance with soil testing standards at intervals required by the Contract Documents; and
- 3) Water Quality laboratory analysis falls in two categories:
 - a. discharge as construction dewatering to OCWD sewer and/or OCWD ocean outfall system.
 - b. plant process systems wherein the water quality testing to comply with the potable water standards shall be performed in accordance with the requirements of California Division of Drinking Water.

Deliverables:

- DWR Certificate of Project Completion
- Record Drawings
- Laboratory Testing Results

Task 11: Construction

Construction activities are outlined below.

11(a): Mobilization activities at the GWRS include construction contractor office trailer, installation of electrical connections, internet and general communication and office equipment, delivery of temporary portable restrooms to the construction areas, and set up of fences around the perimeter of several construction areas. Demobilization activities at the end of construction include removal of perimeter fences, construction site cleanup, trash removal, and hauling away the office trailer and temporary portable restrooms.

11(b): Construction activities at the GWRS include new microfiltration cells and a backwash pump to be added to the existing system with existing microfiltration building and basement expanded to house equipment; new reverse osmosis membrane trains to be installed in the existing reverse osmosis membrane building with a reverse osmosis flush feed pump to provide reverse osmosis permeate water for flushing; new ultraviolet system trains, electrical panels, and process control system controllers; new decarbonation tower and blower; a vertical diffusion vane pump in the existing Product Water Pump Station building and backwash supply pumps; a steel sulfuric acid tank; and electrical work and equipment

Deliverables:

- Photographic Documentation of Progress

PROJECT 4: Joint IEUA–JCSD Regional Water Recycling Program**IMPLEMENTING AGENCY:** Inland Empire Utilities Agency (IEUA)

PROJECT DESCRIPTION: This project is a collaborative effort between the Inland Empire Utilities Agency (IEUA) and the Jurupa Community Services District (JCSD) to increase recycled water use and groundwater recharge in the Chino Basin. The Project will yield approximately 4,000 acre-feet per year (AFY) of recycled water from the Western Riverside County Regional Water Authority (WRCRWA) treatment plant for delivery to the IEUA service area. The project will construct a connection to IEUA's recycled water 800 and 930 pressure zones (PZ) that is more suitable to optimizing the use of WRCRWA effluent in the IEUA service area.

Budget Category (a): Project AdministrationTask 1: Project Management

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

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

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

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

Deliverables:

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

Budget Category (b): Land Purchase/EasementTask 3: Land Purchase – Not Applicable**Budget Category (c): Planning/Design/Engineering/Environmental Documentation**Task 4: Feasibility Studies

A feasibility study for the project was completed in December 2017 as part of the project development process.

Deliverables:

- Relevant Feasibility Studies

Task 5: CEQA Documentation

A Notice of Determination for a Mitigated Negative Declaration was filed with the Office of Planning and Research in September of 2015. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting

The project will require coordination with several agencies to secure the necessary permits for the pipeline construction. The following table lists each agency and the anticipated permits needed to implement the project. The permits to start the construction have already been acquired.

Agency	Description
California Department of Transportation (Caltrans)	Encroachment permits for work within Caltrans right-of-way (ROW) for the proposed pipeline.
City of Chino Public Works Department	Encroachment permits
City of Eastvale Public Works Department	Encroachment permits.
City of Jurupa Valley Public Works Department	Encroachment permits
City of Norco	Agreement for the transference of recycled water to Jurupa Community Services District (JCSD).
City of Ontario Engineering Department	Encroachment permits will be required for construction of pipelines along roadways in that city.
Home Gardens Sanitary District	Agreement for the transference of recycled water to JCSD.
Riverside County Flood Control & Water Conservation District (RCFCWCD)	Encroachment permits
San Bernardino County Flood Control District (SBCFCD)	Encroachment permits
State Water Resources Control Board	National Pollutant Discharge Elimination System (NPDES) Construction General Permit.
Western Municipal Water District	Agreement for the transference of recycled water to JCSD.
Western Riverside County Regional Wastewater Authority	Approval to construct the proposed clear well at the treatment plant site.
State Water Resources Control Board	Wastewater Change Petition

Deliverables:

- Permits as required

Task 7: Design

Complete preliminary design including the following supporting work: geotechnical investigation, topographic survey, and pre-design report (PDR). The PDR will provide the overall project concept for use in development of final design and the plans and specifications. The final plans and specifications will be developed through the design process and will contain all information needed to construct the pipeline and pump stations.

Deliverables:

- Geotechnical Report
- Topographic Survey
- Pre-design report
- 100% Design Plans and Specifications

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

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

Deliverables:

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

Task 10: Construction Administration

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

Deliverables:

- DWR Certificate of Project Completion
- Record Drawings

Task 11: Construction

Construction activities are outlined below. Final design and specifications will determine the detailed information such as length of pipe needed and pump size.

11(a): Mobilization and Demobilization: Mobilization will require the contractor to coordinate the location of the site entrance/exit and a staging area where equipment and tools will be kept for each Component. Traffic control may be needed depending on the site. Daily, the contractor will be responsible for securing their staging area, maintaining Stormwater Pollution Prevention Plan (SWPPP) devices, and cleaning the entrance/exit and worksite. At the completion of the components, the contractor will be testing the installed equipment and making any necessary repairs/reinstallation until the testing results are per specification/satisfactory. At the end of construction, the contractor will demobilize by removing all remaining equipment, tools, fencing, SWPPP devices and restoring the worksite per plans. Final paving will be installed, and traffic control devices will be removed.

11(b): Construction will include the following components:

- WRCRWA 800 Zone Booster Pump Station –The existing recycled water pump station has a 7.2 mgd capacity and will be expanded to approximately 10.7 mgd to deliver recycled water to IEUA’s southern system. The contractor will grade the site, excavate for piping, and install the equipment, electrical, instrumentation, and incidentals.
- IEUA 930 Zone Booster Pump Station –The contractor will grade the site, excavate for piping and install the equipment, electrical, instrumentation, and incidentals.
- 30-inch Transmission Pipeline from WRCWRA Plant to American Heroes Park –During construction, the contractor will excavate a trench, install bedding, piping, and backfill. Compaction testing will be conducted before any paving is installed. Pipe testing will be implemented by the contractor and any defects will be corrected as required.
- 24-inch Transmission Pipeline from American Heroes Park to path of construction to 930 PZ at Eucalyptus and Carpenter –During construction, the contractor will excavate a trench, install bedding, piping, and backfill. Compaction testing will be conducted before any paving is installed. Pipe testing will be implemented by the contractor and any defects will be corrected as required.
- 930 PZ at Eucalyptus and Carpenter –During construction, the contractor will excavate a trench, install bedding, piping, and backfill. Compaction testing will be conducted before any paving is installed. Pipe testing will be implemented by the contractor and any defects will be corrected as required.

Deliverables:

- Photographic Documentation of Progress

PROJECT 5: Physical Harvesting of Algal Biomass in Lake Elsinore – Pilot Study**IMPLEMENTING AGENCY:** City of Lake Elsinore (City)

PROJECT DESCRIPTION: This decision support tool is designed to determine the feasibility of improving water quality in Lake Elsinore through physical removal of algal biomass. The feasibility and cost-effectiveness of potential removal strategies will be evaluated. The two major components of the study are: 1) to collect empirical data on algal biomass removal technologies; and 2) to use this data to analyze the feasibility of each removal technology in reducing water column chlorophyll-a, phosphorous, Cyanobacteria, and Cyanotoxins concentrations and subsequent water quality responses.

Budget Category (a): Project AdministrationTask 1: Project Management

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

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

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

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

Deliverables:

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

Budget Category (b): Land Purchase/EasementTask 3: Land Purchase – Not Applicable**Budget Category (c): Planning/Design/Engineering/Environmental Documentation**Task 4: Feasibility Studies – Not ApplicableTask 5: CEQA Documentation – Not applicable

The Lead Agency has determined this action is not a project under CEQA.

Task 6: Permitting – Not ApplicableTask 7: Design – Not ApplicableTask 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation**Task 9: Contract Services**

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed. The qualified consultant/project manager will perform pilot data collection, analysis, and final report preparation.

A qualified community engagement consultant will be selected by the City to develop a strategy to educate the community about the complexities of Lake Elsinore and the project.

Deliverables:

- Bid Documents
- Proof of Advertisement
- Award of Contract

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. The consultant/project manager will conduct literature reviews of applicable technologies and interviews with other cities experiencing similar lake algae conditions. Working with the City, a Request for Proposal/Request for Qualifications (RFP/RFQ) will be developed and issued to solicit work plans and budgets from qualified vendors for pilot empirical algal removal. The responses will be reviewed; viable options and strategies will be identified; and the City will enter into agreements with successful vendors. It is estimated that approximately 3–5 different removal technologies will be tested, and it is assumed that multiple vendors will be selected based on their proposed plans and cost. Upon completing the project, the DWR Certificate of Project Completion will be provided to DWR.

Deliverables:

- DWR Certificate of Project Completion
- Vendor RFP/RFQ document(s)
- Vendor Contract(s)

Task 11: Implementation

Vendors will prepare a work plan that provides descriptions of algal biomass removal technologies to be evaluated, as well as field procedures for algal removal. The different technologies will be tested simultaneously during an active algae bloom. Any sampling required for laboratory analysis will also be conducted as described in the work plan/sampling plan to assess possible subsequent water quality responses.

The Consultant/Project Manager will work with vendors to compile the results from each vendor as described in their draft reports to describe the algal removal results, sampling results, and the cost-effectiveness evaluation of technologies into a draft and final report. The report will also include an evaluation of the logistics for handling the harvested biomass and options for use of the harvested algal biomass to help offset the cost of a full-scale remediation program. Additionally, the potential impacts of full-scale algal biomass harvesting in Lake Elsinore, including potential ecological consequences on existing aquatic life, as well as

the scale of algal biomass effort needed to have a significant impact on water quality in the short-term (intra-annual), will be evaluated. The final report will be prepared for publication and approval by City Council, if required.

The City and the consultant will develop a strategy to educate the community about the complexities of Lake Elsinore, its vulnerability to algae blooms, and the scope and cost of potential remediation techniques. The strategy will be implemented concurrent with the algae removal technology testing and will include, but will not be limited to, social media postings, media relations flyers, bill stuffers, presentations, and community events.

Deliverables:

- Photographic Documentation of Progress
- Vendor Interim Reports
- Final Report
- Documentation of Community Engagement Material

PROJECT 6: SAWPA Regional Comprehensive Landscape Rebate Program**IMPLEMENTING AGENCY:** Municipal Water District of Orange County (MWDOC)

PROJECT DESCRIPTION: The Municipal Water District of Orange County and project partners, which include the Inland Empire Utilities Agency (IEUA), Western Municipal Water District (WMWD), Eastern Municipal Water District (EMWD), San Bernardino Valley Water District (SBVMWD), and Big Bear Lake Department of Water and Power (BBLDWP), will implement a water-efficient comprehensive landscape rebate program (Project). This Project titled, "Regional Comprehensive Landscape Rebate Program", targets public agency, residential, commercial, industrial, and institutional landscapes throughout the entire Santa Ana River Watershed.

These improvements increase water supply and reliability by saving an estimated 2,697 AFY of potable water across the watershed. The improvements include transforming approximately 79 acres of turfgrass to improve on-site stormwater retention and infiltration, reducing stormwater runoff, and retrofitting approximately 8,000 acres of landscape to irrigate more efficiently. Together, these transformations will prevent approximately 946 AFY of runoff.

Budget Category (a): Project AdministrationTask 1: Project Management

MWDOC will work with each Partnering Agency on individual funding agreements to facilitate the flow of program reporting to MWDOC and the flow of grant funding from MWDOC to each Partnering Agency. Manage contract with Grantee including compliance with grant requirements, and preparation and submission of supporting grant documents and coordination with the Grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via Grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

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

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

Deliverables:

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

Budget Category (b): Land Purchase/EasementTask 3: Land Purchase – Not Applicable**Budget Category (c): Planning/Design/Engineering/Environmental Documentation**Task 4: Feasibility Studies – Not Applicable

Task 5: CEQA Documentation

A Notice of Exemption was filed with the County of Orange on August 18, 2020. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting – Not Applicable

Task 7: Design – Not Applicable

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services – Not Applicable

Task 10: Construction Administration – Not Applicable

Task 11: Implementation

This consumer-based rebate program (Project) targets public agency, residential, commercial, industrial, and institutional landscapes throughout the entire Santa Ana River Watershed by implementing the following nine rebates/programs.

Rebate/Program Activities

(1) Turf Removal: This project will facilitate the removal of approximately 3.6 million square feet (82 acres) of turfgrass and replacement with California native/friendly landscapes. Projects will include stormwater retention features, such as rain gardens, that will capture, retain, and percolate stormwater and will include a plant density minimum of three plants per 100 square feet. Approximately 25% of project sites will receive an in-person quality control inspection, and up to 100% will receive photo verification to ensure the project terms and conditions are being followed.

(2) Smart Timers: The project will facilitate the installation of approximately 11,300 smart irrigation timers, also known as weather-based irrigation controllers (WBICs). These controllers irrigate based on real-time weather data to prevent the common issue of overwatering. Total rebates will not exceed the project cost for each WBIC.

(3) High-Efficiency Rotating Nozzles: This project aims to install up to 276,000 high-efficiency rotating nozzles in residential, commercial, and public landscapes.

(4) Landscape Design and Maintenance Assistance: Approximately 240 residential sites will receive a free customized landscape design and/or receive free landscape maintenance plans.

(5) Spray-to-Drip Irrigation: Approximately 220,000 square feet of landscape irrigated with inefficient spray nozzles will be converted to drip irrigation at residential, commercial, and public properties sites.

(6) Industrial Process: Approximately five industrial sites will improve their processes to be more water efficient. The water savings engineering estimates serving as the basis of the rebate value will be verified through project monitoring and actual metered consumption data.

(7) Pressure Regulation Valve (PRV) Replacement: Pressure will be tested/adjusted and, if necessary, failed PRVs will be replaced at approximately 350 residential sites within high-pressure zones as a free service offered to qualifying customers. Licensed plumbers will first inspect then replace failed PRVs where appropriate.

(8) Native Plants: This project will facilitate the installation of approximately 960 native plants in place of higher water using plants at residential, commercial, and public sites.

(9) Alternative Irrigation (Rain Barrels): This project will facilitate the installation of approximately 60 rain barrels at residential, commercial, and public sites.

Deliverables:

- Photographic Documentation of Progress
- Copy of Application Program Database
- Copy of the example rebate/contract terms

PROJECT 7: Raitt and Myrtle Park**IMPLEMENTING AGENCY:** City of Santa Ana**PROJECT DESCRIPTION:** This project features the construction of an approximately 1,600-square-foot bioretention basin with no underdrain and a large subsurface infiltration gallery (Stormchamber). Combined, the Best Management Practices (BMPs) are designed to capture and infiltrate approximately 5.3 AFY of stormwater from the approximately 9.87-acre drainage area.**Budget Category (a): Project Administration**Task 1: Project Management

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

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

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

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

Deliverables:

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

Budget Category (b): Land Purchase/EasementTask 3: Land Purchase – Not Applicable**Budget Category (c): Planning/Design/Engineering/Environmental Documentation**Task 4: Feasibility Studies

A consultant conducted a percolation test to assess infiltration feasibility at the project location.

Deliverables:

- Percolation Test

Task 5: CEQA Documentation

A Notice of Determination was filed for a Mitigated Negative Declaration with the Office of Planning and Research in October of 2019. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting

The City of Santa Ana filed Notice of Intent (NOI) for coverage under the National Pollutant Discharge Elimination System General Permit for Storm Water Discharges Associated with Construction and Land Disturbance Activities (Order No. 2012-0006-DWQ).

Deliverables:

- Permits as required

Task 7: Design

The City of Santa Ana retained consultants to conduct the topographic survey and provide design engineering services. As of July 2020, the consultant delivered 95% plans and the final Water Quality Management Plan.

The City will contract a subconsultant to review landscaping plans and design public education brochures and interpretive signage.

Deliverables:

- Basis of Design Report
- Final Water Quality Management Plan (WQMP)
- 100% Design Plans and Specifications

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation**Task 9: Contract Services**

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed. Additionally, because this project is larger than \$250,000, it is subject to the City of Santa Ana's Community Workforce Agreement (CWA). A CWA meeting will be held prior to the start of construction to ensure the contractor adheres to the CWA requirements.

Deliverables:

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

Task 10: Construction Administration

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

Deliverables:

- DWR Certificate of Project Completion
- Record Drawings

Task 11: Construction

Construction activities are outlined below.

11(a): Mobilization will include preparatory work and operations including, but not limited to, those necessary for the movement of personnel, equipment, supplies and incidentals to the project site. Mobilization shall additionally include the establishment of any temporary facilities, utilities, construction fencing and barricades, and the provision and installation of construction signage.

11(b): Site preparation will include clearing and grubbing, unclassified excavation, removing and disposing of existing concrete, trees, chain-link fencing, and walls, implementing stormwater BMPs in accordance with the approved Stormwater Pollution Prevention Plan (SWPPP), and rough grading.

11(c): Site development will include construction of the 1,600-square-foot bioretention basin including excavation, backfill with gravel and engineered soil, and the installation of mulch and landscaping; and construction of the Stormchamber system, including the pre-treatment forebay, excavation, backfill with gravel, installation of the Stormchamber system, and maintenance cleanout, inlet pipe connection and compaction. Site development also will include construction of the concrete perimeter wall, drinking water fountains, paving, hardscape, and pathways; and installing waste receptacles, utilities, site drainage, and lighting. Off-site improvements will include the construction of a cross-gutter, parkway culverts, new curb and gutter, sidewalk, and paving.

Landscaping/signage will include soil preparation and weed abatement, fine grading, planting, and installation of cobblestone, boulders, the irrigation system, project acknowledgment signage, interpretive signage, and site furnishings.

Deliverables:

- Photographic Documentation of Progress

PROJECT 8: Replenish Big Bear**IMPLEMENTING AGENCY:** Big Bear Area Regional Wastewater Agency (BBARWA)**PROJECT DESCRIPTION:** Replenish Big Bear (project) includes planning, design, and construction of advanced treatment upgrades at the BBARWA wastewater treatment plant (WWTP), approximately 7 miles of pipeline for product water, and a new pump station in Bear Valley. The upgraded WWTP serves the disadvantaged community of Big Bear. The project will add approximately 1,870 AFY of water to Stanfield Marsh Wildlife and Waterfowl Preserve, providing a consistent water source to sustain habitat and increase educational opportunities for the community and visitors.**Budget Category (a): Project Administration**Task 1: Project Management

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

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

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

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

Deliverables:

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

Budget Category (b): Land Purchase/EasementTask 3: Land Purchase – Not Applicable**Budget Category (c): Planning/Design/Engineering/Environmental Documentation**Task 4: Feasibility Studies

Project feasibility studies were completed as part of the project development process. The feasibility studies identify the selected project, the need for the project, alternatives analysis, environmental analysis, permitting requirements, financial capabilities, and outstanding research needs.

Deliverables:

- Relevant Feasibility Studies

Task 5: CEQA Documentation

Complete environmental review pursuant to CEQA and NEPA. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- All completed NEPA documents as required
- Legal Challenges Letter

Task 6: Permitting

BBARWA will be responsible for acquiring permits needed to implement Replenish Big Bear. The project has two major components: the pipeline to Stanfield Marsh and the BBARWA WWTP advanced treatment upgrades. The following permits are anticipated for the project:

Type of Permit	Permitting Agency
NPDES (discharge to Stanfield Marsh/Big Bear Lake)	Santa Ana Regional Water Quality Control Board
Waste Discharge Requirement (modification for changes in operation for brine disposal in the Lucerne Valley)	Colorado River Basin Regional Board
Recycled Water Use Statewide General Permit	State Water Resources Control Board
General Construction Permit	State Water Resources Control Board
Encroachment Permit	Caltrans
Encroachment Permit	City of Big Bear Lake and/or San Bernardino County
Grading Permit	San Bernardino County
Authority to Construct and Permit to Operate the WWTP Upgrades	South Coast Air Quality Management District (AQMD)
Clean Water Act Section 404 Permit	U.S. Army Corps of Engineers
Lake and Streambed Alteration Agreement	California Department of Fish and Wildlife
401 Water Quality Certification	Regional Water Quality Control Board, Santa Ana Region
Possible State or Federal Incidental Take Permit	US and California Department of Fish and Wildlife

Deliverables:

- Permits as required

Task 7: Design

Preliminary Design includes infiltration testing and water quality analysis, WWTP site planning and condition assessment, wastewater characterization, capacity analysis, recycled water supply and demand analysis and criteria development, distribution infrastructure, reverse osmosis concentrate management strategy, treatment

process screening and alternative analysis, WWTP mass balance model, flood level assessment of Stanfield Marsh and Big Bear Lake, and implementation plan. The Preliminary Design also includes supporting work: geotechnical investigation, topographic survey, and a Facilities Plan. The Facilities Plan will provide the overall project concept for use in the development of final design, plans, specifications, and an updated project cost estimate. A Pilot Plant will be built to test the efficiencies of different treatment technologies with the BBARWA WWTP's conditions. Using this data, recommendations for the full-scale upgrades can be made. The 100% design specs will be included with the bid documents.

Deliverables:

- Geotechnical Report
- Topographical Survey
- Facilities Plan
- Pilot Test Plan
- Pilot Test Results Report

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation**Task 9: Contract Services**

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

Deliverables:

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

Task 10: Construction Administration

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

Deliverables:

- DWR Certificate of Project Completion
- Record Drawings

Task 11: Construction

Construction activities are outlined below.

11(a): General mobilization and demobilization for all components of the project.

11(b): Site preparation will include general safety measures, nuisance control, site containment, and traffic control.

11(c): Construction will include approximately 7 miles of pipeline from BBARWA WWTP to Stanfield Marsh. Construction of an approximately 2,500 gallons per minute (gpm) pumping plant (maximum capacity) to pump advance-treated water from BBARWA WWTP to Stanfield Marsh.

Retrofitting/constructing WWTP upgrades (Treatment capacity to be refined during preliminary engineering: anticipate 2.2 MGD average and 3 MGD peak flow):

- Retrofitting existing oxidation ditch activated sludge process for enhanced nitrogen and phosphorus removal (Biological Nutrient Removal process)
- Tertiary denitrification process
- Ultrafiltration
- Reverse Osmosis
- Ultraviolet disinfection
- Improvements to facility support systems (power, instrumentation, chemical, and Supervisory control and data acquisition (SCADA))

Approximately 80 acres of evaporation ponds and 1 million gallons of reverse osmosis concentrate storage will be built.

Deliverables:

- Photographic Documentation of Progress

PROJECT 9: Well 30 Wellhead Treatment Project**IMPLEMENTING AGENCY:** Monte Vista Water District

PROJECT DESCRIPTION: The project involves constructing an ion exchange and a granular activated carbon wellhead treatment system to remove nitrates, perchlorate, and 1,2,3-trichloropropane present in the groundwater supply. The project will treat up to 4,000 gpm of groundwater and is phased to be expandable to treat up to 6,000 gpm. The project will provide a local and reliable safe drinking water source to residents in Montclair, Chino Hills, and portions of Chino and unincorporated San Bernardino County.

Budget Category (a): Project AdministrationTask 1: Project Management

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

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

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

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

Deliverables:

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

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase – Not Applicable.

Budget Category (c): Planning/Design/Engineering/Environmental DocumentationTask 4: Feasibility Studies

Project feasibility studies were completed as part of the project development process. Specifically, both a Planning Study and a Basis of Design Report have been completed.

Deliverables:

- Relevant Feasibility Studies

Task 5: CEQA Documentation

A Notice of Determination for a Mitigated Negative Declaration was filed with the Office of Planning and Research in September of 2019. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting

The following permits are anticipated for this project. The permits to start the construction have already been acquired.

Permit	Permitting Entity
National Pollutant Discharge Elimination System General Construction Permit	State Water Resources Control Board, Division of Drinking Water
Operating Permit Amendments - DDW (Amendment)	State Water Resources Control Board, Division of Drinking Water
Trenching and Excavation Permit	California Occupational Safety and Health Administration
Building Permit	City of Montclair
Grading Permit	City of Montclair
Water Quality Management Plan	City of Montclair
Encroachment Permit	City of Ontario
Montclair Plan Review Application	Montclair Fire Department
Montclair Fire District Permit	Montclair Fire Department
Joint Industrial Wastewater Discharge Permit	Inland Empire Utilities Agency

Deliverables:

- Permits as required

Task 7: Design

Complete preliminary design includes the following supporting work: geotechnical investigation, topographic survey, and basis of design report (BOD). The BOD will provide the overall project concept for use in development of final design, plans, and specifications, including preliminary earthwork calculations, preliminary design details for tank foundation, preliminary design details for and 100% (Final) design, plans, and specifications.

Deliverables:

- Geotechnical Report
- Topographic Survey
- Basis of Design Report
- 100% Design Plans and Specifications

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation**Task 9: Contract Services**

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

Deliverables:

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

Task 10: Construction Administration

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

Deliverables:

- DWR Certificate of Project Completion
- Record Drawings

Task 11: Construction

11(a): Mobilization and Demobilization shall include preparatory and clean up operations including, but not limited to, those necessary for the movement of personnel, equipment, materials and incidentals to and from the project site, securing a temporary construction yard, providing a temporary field office facility, dust control and maintaining the site in a safe and orderly manner during construction.

This item also includes the costs incurred for securing bonds, insurance, financing, permits and licenses. The work under this item shall also include final project close-out and cleanup operations, including, but not limited to, the work necessary for the removal of equipment, supplies, incidentals and debris, cleaning the site of all soils and construction debris, correction of minor deficiencies in the work and for all other work required by the City.

11 (b): Construct approximately twelve (12) granular activated carbon (GAC) vessels (approximately 10-foot diameter and 20-feet high), approximately four (4) ion exchange treatment vessels (12-foot diameter and off sufficient height to accommodate 378 cubic feet of resin expanding up to 25%), sodium hypochlorite prefabricated metal chemical building, brine maker system, an approximately 50,000 gallon water recovery storage tank and water recovery pump, yard piping, piping between well sites (approximately 4,700 linear feet), brine discharge pipeline, electrical upgrades, and instrumentation and control integration as identified on the plans and within the project specifications.

The transmission mains will be disinfected and bacteriologically tested pursuant to American Water Works Association standard C-651 (latest version). Water quality sampling requirements at the newly constructed water treatment facility have not been determined yet but will be pursuant to permit requirements as identified by the State Water Resources Control Board, Division of Drinking Water (DDW).

Deliverables:

- Photographic Documentation of Progress

PLACEHOLDER PROJECT

As per Paragraph 5 of this Agreement, the following project is included in the Agreement as a placeholder project. Placeholder project is not eligible for grant reimbursement and may not submit invoices to DWR until such time as they are fully included in the Agreement as per Paragraph 5) A.ii.

PROJECT 10: Evans Lake Tributary Restoration and Camp Evans Wilderness Park

IMPLEMENTING AGENCY: San Bernardino Valley Municipal Water District

PROJECT DESCRIPTION: The project includes the planning and installation of native habitat on a degraded open space site in the City of Riverside. Tasks include non-native tree and palm removal (approximately 254 trees) and native revegetation of approximately 100 acres within the 115-acre site. The project includes restoration of Evans Creek, which is a distributary of Evans Lake to the Santa Ana River. Approximately 7,000 linear feet of channels will be enhanced in total, including the main channel, a spillway channel, and a secondary channel within the native habitat area. The main channel will be extended approximately 500 feet to reconnect with the Santa Ana River. An educational interpretive trail will be built that travels through the restoration area and the entire site with focused overlooks and educational signage providing information such as native plant names, species' habitat requirements, and ecological areas of special interest.

EXHIBIT B**BUDGET****PROPOSITION 1 ROUND 1 SANTA ANA IRWM IMPLEMENTATION GRANT****AGREEMENT BUDGET SUMMARY**

	Grant Amount	Required Cost Share: Non-State Fund Source	Other Cost Share	Total Cost	Percent Cost Share	
Grant Administration	\$1,157,000	N/A	\$0	\$1,157,000	N/A	
PROJECTS						
1	Enhancements to Watershed-Wide Water Budget Decision Support Tool	\$500,000	\$864,354	\$364,354	\$1,728,708	50%
2	Santa Ana Mountains Watershed Protection Project	\$497,998	\$0	\$732,144	\$1,230,142	0%
3	Groundwater Replenishment System Final Expansion	\$3,589,553	\$10,000,000	\$2,694,545	\$16,284,098	61%
4	Joint IEUA-JCSD Regional Water Recycling Program	\$2,617,970	\$16,555,000	\$13,937,030	\$33,110,000	50%
5	Physical Harvesting of Algal Biomass in Lake Elsinore – Pilot Program	\$297,000	\$0	\$0	\$297,000	0%
6	Regional Comprehensive Landscape Rebate Program	\$2,767,344	\$2,787,218	\$0	\$5,554,562	50%
7	Raitt & Myrtle Park	\$1,670,000	\$0	\$246,500	\$1,916,500	0%
8	Replenish Big Bear	\$4,563,338	\$0	\$36,853,662	\$41,417,000	0%
9	Well 30 Wellhead Treatment	\$3,431,225	\$9,980,024	\$3,400,000	\$16,811,249	59%
10	Evans Lake Tributary Restoration and Camp Evans Wilderness Park	\$2,000,000	\$3,017,736	\$1,017,735	\$6,035,471	50%
GRAND TOTAL		\$23,091,428	\$43,204,332	\$59,245,970	\$125,541,730	-

Grant Administration

Implementing Agency: Santa Ana Watershed Project Authority

BUDGET CATEGORY		Grant Amount	Required Cost Share: Non-State Fund Source	Other Cost Share	Total Cost
(a)	Project Administration	\$1,157,000	N/A	\$0	\$1,157,000
TOTAL COSTS		\$1,157,000	N/A	\$0	\$1,157,000

PROJECT 1: Enhancements to Watershed-Wide Water Budget Decision Support Tool

Implementing Agency: Santa Ana Watershed Project Authority

Project directly serves a need of a Disadvantaged Community: No

BUDGET CATEGORY		Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share**	Total Cost
(a)	Project Administration	\$257,107	\$0	\$0	\$257,107
(b)	Land Purchase / Easement	\$0	\$0	\$0	\$0
(c)	Planning / Design / Engineering / Environmental Documentation	\$0	\$0	\$0	\$0
(d)	Construction / Implementation	\$242,893	\$864,354	\$364,354	\$1,471,601
TOTAL COSTS		\$500,000	\$864,354	\$364,354	\$1,728,708

NOTES:

Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*Cost Share funds will be provided by project partners and are secured. Project partners include the Santa Ana Watershed Project Authority member agencies: Eastern Municipal Water District, Inland Empire Utilities Agency, Orange County Water District, San Bernardino Valley Municipal Water District and Western Municipal Water District. In addition to the Santa Ana Watershed Project Authority member agencies, the Municipal Water District of Orange County will also be providing cost share funds. The U.S. Bureau of Reclamation's (Reclamation) Basin Study Program will provide \$597,500 in Cost Share.

**Other Cost Share for this project comes from member agency contributions.

PROJECT 2: Santa Ana Mountains Watershed Protection Project

Implementing Agency: Cleveland National Forest

Project directly serves a need of a Disadvantaged Community: No

BUDGET CATEGORY		Grant Amount	Required Cost Share: Non-State Fund Source	Other Cost Share*	Total Cost
(a)	Project Administration	\$0	\$0	\$32,710	\$32,710
(b)	Land Purchase / Easement	\$0	\$0	\$0	\$0
(c)	Planning / Design / Engineering / Environmental Documentation	\$0	\$0	\$18,960	\$18,960
(d)	Construction / Implementation	\$497,998	\$0	\$680,474	\$1,178,472
TOTAL COSTS		\$497,998	\$0	\$732,144	\$1,230,142

NOTES: Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*Other Cost Share for this project comes from congressionally appropriated dollars for management and administration of National Forest System lands for the specific purpose of reducing hazardous fuels.

PROJECT 3: Groundwater Replenishment System Final Expansion

Implementing Agency: Orange County Water District (OCWD)

Project directly serves a need of a Disadvantaged Community: No

BUDGET CATEGORY		Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share**	Total Cost
(a)	Project Administration	\$0	\$0	\$404,545	\$404,545
(b)	Land Purchase / Easement	\$0	\$0	\$0	\$0
(c)	Planning / Design / Engineering / Environmental Documentation	\$0	\$0	\$1,900,000	\$1,900,000
(d)	Construction / Implementation	\$3,589,553	\$10,000,000	\$390,000	\$1,471,601
TOTAL COSTS		\$3,589,553	\$10,000,000	\$2,694,545	\$16,284,098

NOTES: Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*OCWD utilizes \$10,000,000 cash on hand as the required Cost Share for this project

** Other Cost Share for this project is from a Clean Water SRF loan (SWRCB) and a Water Infrastructure Finance and Innovation Act Loan (US EPA).

PROJECT 4: Joint IEUA-JCSD Regional Water Recycling

Implementing Agency: Inland Empire Utilities Agency (IEUA)

Project directly serves a need of a Disadvantaged Community: No

BUDGET CATEGORY		Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share**	Total Cost
(a)	Project Administration	\$0	\$0	\$811,400	\$811,400
(b)	Land Purchase / Easement	\$0	\$0	\$0	\$0
(c)	Planning / Design / Engineering / Environmental Documentation	\$0	\$0	\$2,758,800	\$2,758,800
(d)	Construction / Implementation	\$2,617,970	\$16,555,000	\$10,366,830	\$29,539,800
TOTAL COSTS		\$2,617,970	\$16,555,000	\$13,937,030	\$33,110,000

NOTES: Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

* Required Cost Share for this project will be paid from IEUA's operating budget.

** Other Cost share for this project comes from IEUA's capital budget.

PROJECT 5: Physical Harvesting of Algal Biomass in Lake Elsinore – Pilot Program

Implementing Agency: City of Lake Elsinore

Project directly serves a need of a Disadvantaged Community: No

BUDGET CATEGORY		Grant Amount	Required Cost Share: Non-State Fund Source	Other Cost Share	Total Cost
(a)	Project Administration	\$14,850	\$0	\$0	\$14,850
(b)	Land Purchase / Easement	\$0	\$0	\$0	\$0
(c)	Planning / Design / Engineering / Environmental Documentation	\$12,860	\$0	\$0	\$12,860
(d)	Construction / Implementation	\$269,290	\$0	\$0	\$269,290
TOTAL COSTS		\$297,000	\$0	\$0	\$297,000

NOTES: Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

PROJECT 6: Regional Comprehensive Landscape Rebate Program

Implementing Agency: Municipal Water District of Orange County (MWDOC)

Project directly serves a need of a Disadvantaged Community: No

BUDGET CATEGORY		Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share	Total Cost
(a)	Project Administration	\$138,368	\$158,242	\$0	\$296,610
(b)	Land Purchase / Easement	\$0	\$0	\$0	\$0
(c)	Planning / Design / Engineering / Environmental Documentation	\$0	\$0	\$0	\$0
(d)	Construction / Implementation	\$2,628,976	\$2,628,976	\$0	\$5,257,952
TOTAL COSTS		\$2,767,344	\$2,787,218	\$0	\$5,554,562

NOTES: Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

* Required Cost Share will be provided by MWDOC, the project partners, and Metropolitan Water District of Southern California.

PROJECT 7: Raitt and Myrtle Park

Implementing Agency: City of Santa Ana

Project directly serves a need of a Disadvantaged Community: No

BUDGET CATEGORY		Grant Amount	Required Cost Share: Non-State Fund Source	Other Cost Share*	Total Cost
(a)	Project Administration	\$25,000	\$0	\$0	\$25,000
(b)	Land Purchase / Easement	\$0	\$0	\$0	\$0
(c)	Planning / Design / Engineering / Environmental Documentation	\$20,000	\$0	\$246,500	\$266,500
(d)	Construction / Implementation	\$1,625,000	\$0	\$0	\$1,625,000
TOTAL COSTS		\$1,670,000	\$0	\$246,500	\$1,916,500

NOTES: Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

*\$180,000 of the Design/Topographic Survey (Task 6) funding source is Community Development Block Grant (CDBG) funding. CEQA Documentation (Task 4) costs will be reimbursed to the City by Rancho Santiago Community College District. All other cost share funds are City of Santa Ana funds.

PROJECT 8: Replenish Big Bear

Implementing Agency: Big Bear Area Regional Water Authority

Project directly serves a need of a Disadvantaged Community: Yes

BUDGET CATEGORY		Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share**	Total Cost
(a)	Project Administration	\$225,000	\$0	\$1,370,000	\$1,595,000
(b)	Land Purchase / Easement	\$0	\$0	\$0	\$0
(c)	Planning / Design / Engineering / Environmental Documentation	\$4,018,000	\$0	\$724,000	\$4,742,000
(d)	Construction / Implementation	\$320,338	\$0	\$34,759,662	\$35,080,000
TOTAL COSTS		\$4,563,338	\$0	\$36,853,662	\$41,417,000

NOTES: Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

* This project received a 100% cost share waiver due to the DAC benefit.

**A combination of state and federal grants, low interest loans, bond financing, and stakeholder cost sharing contributions are being considered and pursued. The project received \$500,000 from the IRWM DACI Program which is being applied to Task 4 – Permitting.

PROJECT 9: Well 30 Wellhead Treatment Project

Implementing Agency: Monte Vista Water District

Project directly serves a need of a Disadvantaged Community: No

BUDGET CATEGORY		Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share**	Total Cost
(a)	Project Administration	\$0	\$343,034	\$86,966	\$430,000
(b)	Land Purchase / Easement	\$0	\$0	\$0	\$0
(c)	Planning / Design / Engineering / Environmental Documentation	\$0	\$618,836	\$156,885	\$775,721
(d)	Construction / Implementation	\$3,431,225	\$9,018,154	\$3,156,149	\$15,605,528
TOTAL COSTS		\$3,431,225	\$9,980,024	\$3,400,000	\$16,811,249

NOTES: Eligible costs for each Budget Category will only be approved for reimbursement and Cost Share for the work completed within the date ranges listed in Exhibit C.

* Required Cost Share is provided by the City of Chino Hills.

**Other Cost Share is provided by the City of Chino Hills. Under water supply agreement between the Monte Vista Water District and City, the City pays capacity maintenance charge to the Monte Vista Water District.

PLACEHOLDER PROJECT(s)

This project is included in the Agreement as a placeholder project. A detailed Budget will not be included in the Agreement until the project is fully incorporated into the Agreement as per Paragraph 5) A.ii.

PROJECT 10: Evans Lake Tributary Restoration and Camp Evans Wilderness Park

Implementing Agency: San Bernardino Valley Municipal Water District

**EXHIBIT C
SCHEDULE****PROPOSITION 1 ROUND 1 SANTA ANA IRWM IMPLEMENTATION GRANT****Grant Administration**

BUDGET CATEGORY	Start Date	End Date
a Project Administration	06/03/2020	12/31/2025

Project 1: Enhancements to Watershed-Wide Water Budget Decision Support Tool

BUDGET CATEGORY	Start Date	End Date
a Project Administration	01/01/2020	03/31/2024
b Land Purchase/Easement	N/A	N/A
c Planning/Design/Engineering/Environmental Documentation	N/A	N/A
d Construction/Implementation	01/01/2020	12/31/2023

Project 2: Santa Ana Mountains Watershed Protection Project

BUDGET CATEGORY	Start Date	End Date
a Project Administration	06/02/2020	01/31/2025
b Land Purchase/Easement	N/A	N/A
c Planning/Design/Engineering/Environmental Documentation*	01/01/2009	10/15/2024
d Implementation	11/15/2020	10/15/2024

* Category c and d overlap due to the annual smoke plans that must be completed each fall.

Project 3: Groundwater Replenishment System Final Expansion (GWRS Final Expansion)

BUDGET CATEGORY	Start Date	End Date
a Project Administration	01/01/2015	12/01/2023
b Land Purchase/Easement	N/A	N/A
c Planning/Design/Engineering/Environmental Documentation*	01/01/2015	06/30/2020
d Construction/Implementation	12/01/2018	06/01/2023

*Category c and d overlap due to the large scale of the overall project and contract administration.

Project 4: Joint IEUA-JCSD Regional Water Recycling Program

BUDGET CATEGORY	Start Date	End Date
a Project Administration	04/01/2020	12/31/2022
b Land Purchase/Easement	N/A	N/A
c Planning/ Design/Engineering/Environmental Documentation*	07/31/2015	03/31/2021
d Construction/Implementation	01/13/2021	09/30/2022

*Category c and d overlap due to Post Performance Monitoring Plan.

Project 5: Physical Harvesting of Algal Biomass in Lake Elsinore – Pilot Study

BUDGET CATEGORY	Start Date	End Date
a Project Administration	07/01/2020	08/30/2023
b Land Purchase / Easement	N/A	N/A
c Planning/ Design / Engineering / Environmental Documentation*	07/01/2020	05/15/2021
d Construction/ Implementation	07/01/2020	04/30/2023

*Category c and d overlap due to Post Performance Monitoring Plan.

Project 6: Regional Comprehensive Landscape Rebate Program

BUDGET CATEGORY	Start Date	End Date
a Project Administration	06/02/2020	09/30/2024
b Land Purchase/Easement	N/A	N/A
c Planning/Design/Engineering/Environmental Documentation*	08/01/2020	4/30/2021
d Construction/Implementation	06/02/2020	06/01/2024

*Category c and d overlap due to Post Performance Monitoring Plan.

Project 7: Raitt and Myrtle Park

BUDGET CATEGORY	Start Date	End Date
a Project Administration	07/01/2020	10/01/2022
b Land Purchase/Easement	N/A	N/A
c Planning/Design/Engineering/Environmental Documentation*	12/01/2018	12/31/2021
d Construction/Implementation	05/01/2021	07/01/2022

*Category c and d overlap due to the landscaping plans and public outreach portions of Category c.

Project 8: Replenish Big Bear

BUDGET CATEGORY		Start Date	End Date
a	Project Administration	06/28/2018	09/30/2025
b	Land Purchase/Easement	N/A	N/A
c	Planning/Design/Engineering/ Environmental Documentation	06/28/2018	12/31/2024
d	Construction/Implementation	01/01/2023	06/30/2025

Project 9: Well 30 Wellhead Treatment Plant

BUDGET CATEGORY		Start Date	End Date
a	Project Administration	11/20/2018	11/30/2021
b	Land Purchase/Easement	N/A	N/A
c	Planning/Design/Engineering/Environmental Documentation	11/20/2018	08/31/2020
d	Construction/Implementation	08/31/2020	08/31/2021

PLACEHOLDER PROJECT

This project is included in the Agreement as a placeholder project. Detail Schedule will not be included in the Agreement until the project is fully incorporated into the Agreement as per Paragraph 5) A.ii.

PROJECT 10: Evans Lake Tributary Restoration and Camp Evans Wilderness Park

Implementing Agency: San Bernardino Valley Municipal Water District

EXHIBIT D**STANDARD CONDITIONS**

- D.1. **ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:**
- A. **Separate Accounting of Funding Disbursements:** Grantee shall account for the money disbursed pursuant to this Grant agreement separately from all other Grantee funds. Grantee shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Grantee shall keep complete and accurate records of all receipts and disbursements on expenditures of such funds. Grantee shall require its contractors or subcontractors to maintain books, records, and other documents pertinent to their work in accordance with generally accepted accounting principles and practices. Records are subject to inspection by State at any and all reasonable times.
 - B. **Disposition of Money Disbursed:** All money disbursed pursuant to this Grant agreement shall be deposited in a non-interest bearing account, administered, and accounted for pursuant to the provisions of applicable law.
 - C. **Remittance of Unexpended Funds:** Grantee shall remit to State any unexpended funds that were disbursed to Grantee under this Grant agreement and were not used to pay Eligible Project Costs within a period of sixty (60) calendar days from the final disbursement from State to Grantee of funds or, within thirty (30) calendar days of the expiration of the Grant agreement, whichever comes first.
- D.2. **ACKNOWLEDGEMENT OF CREDIT AND SIGNAGE:** Grantee shall include appropriate acknowledgement of credit to the State for its support when promoting the Project or using any data and/or information developed under this Grant agreement. Signage shall be posted in a prominent location at Project site(s) (if applicable) or at the Grantee's headquarters and shall include the Department of Water Resources color logo and the following disclosure statement: "Funding for this project has been provided in full or in part from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 and through an agreement with the State Department of Water Resources." The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.
- D.3. **AMENDMENT:** This Grant agreement may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any way contrary to applicable law. Requests by the Grantee for amendments must be in writing stating the amendment request and the reason for the request. Requests solely for a time extension must be submitted at least 90 days prior to the work completion date set forth in Paragraph 2. Any other request for an amendment must be submitted at least 180 days prior to the work completion date set forth in Paragraph 2. State shall have no obligation to agree to an amendment.
- D.4. **AMERICANS WITH DISABILITIES ACT:** By signing this Grant agreement, Grantee assures State that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.
- D.5. **AUDITS:** State reserves the right to conduct an audit at any time between the execution of this Grant agreement and the completion of the Project, with the costs of such audit borne by State. After completion of the Project, State may require Grantee to conduct a final audit to State's specifications, at Grantee's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant agreement, and State may elect to pursue any remedies provided in Paragraph 12 or take any other action it deems necessary to protect its interests. The Grantee agrees it shall return any audit disallowances to the State.

Pursuant to Government Code section 8546.7, the Grantee shall be subject to the examination and audit by the State for a period of three (3) years after final payment under this Grant agreement with respect of all matters connected with this Grant agreement, including but not limited to, the cost of administering this Grant agreement. All records of Grantee or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after receipt of the final disbursement under this Agreement. If an audit reveals any impropriety, the Bureau of State Audits or the State Controller's Office may conduct a full audit of any or all of the Grantee's activities. (Water Code, § 79708, subd. (b).)

- D.6. BUDGET CONTINGENCY: If the Budget Act of the current year covered under this Grant agreement does not appropriate sufficient funds for this program, this Grant agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of State to make any payments under this Grant agreement. In this event, State shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Grant agreement and Grantee shall not be obligated to perform any provisions of this Grant agreement. Nothing in this Grant agreement shall be construed to provide Grantee with a right of priority for payment over any other Grantee. If funding for any fiscal year after the current year covered by this Grant agreement is reduced or deleted by the Budget Act, by Executive Order, or by order of the Department of Finance, the State shall have the option to either cancel this Grant agreement with no liability occurring to State, or offer a Grant agreement amendment to Grantee to reflect the reduced amount.
- D.7. CALIFORNIA CONSERVATION CORPS: Grantee may use the services of the California Conservation Corps or other community conservation corps as defined in Public Resources Code section 14507.5.
- D.8. CEQA: Activities funded under this Grant agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA). (Pub. Resources Code, § 21000 et seq.) Any work that is subject to CEQA and funded under this Agreement shall not proceed until documents that satisfy the CEQA process are received by the State's Project Manager and the State has completed its CEQA compliance. Work funded under this Agreement that is subject to a CEQA document shall not proceed until and unless approved by the Department of Water Resources. Such approval is fully discretionary and shall constitute a condition precedent to any work for which it is required. If CEQA compliance by the Grantee is not complete at the time the State signs this Agreement, once State has considered the environmental documents, it may decide to require changes, alterations, or other mitigation to the Project; or to not fund the Project. Should the State decide to not fund the Project, this Agreement shall be terminated in accordance with Paragraph 12, "Default Provisions."
- D.9. CHILD SUPPORT COMPLIANCE ACT: The Grantee acknowledges in accordance with Public Contract Code section 7110, that:
- A. The Grantee recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Family Code section 5200 et seq.; and
 - B. The Grantee, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
- D.10. CLAIMS DISPUTE: Any claim that the Grantee may have regarding performance of this Agreement including, but not limited to, claims for additional compensation or extension of time, shall be submitted to the DWR Project Representative, within thirty (30) days of the Grantee's knowledge of the claim. State and Grantee shall then attempt to negotiate a resolution of such claim and process an amendment to this Agreement to implement the terms of any such resolution.

- D.11. **COMPETITIVE BIDDING AND PROCUREMENTS:** Grantee's contracts with other entities for the acquisition of goods and services and construction of public works with funds provided by State under this Grant agreement must be in writing and shall comply with all applicable laws and regulations regarding the securing of competitive bids and undertaking competitive negotiations. If the Grantee does not have a written policy to award contracts through a competitive bidding or sole source process, the Department of General Services' *State Contracting Manual* rules must be followed and are available at: <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/State-Contracting>.
- D.12. **COMPUTER SOFTWARE:** Grantee certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Grant agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.
- D.13. **CONFLICT OF INTEREST:** All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code section 1090 and Public Contract Code sections 10410 and 10411, for State conflict of interest requirements.
- A. **Current State Employees:** No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
- B. **Former State Employees:** For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.
- C. **Employees of the Grantee:** Employees of the Grantee shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act. (Gov. Code, § 87100 et seq.)
- D. **Employees and Consultants to the Grantee:** Individuals working on behalf of a Grantee may be required by the Department to file a Statement of Economic Interests (Fair Political Practices Commission Form 700) if it is determined that an individual is a consultant for Political Reform Act purposes.
- D.14. **DELIVERY OF INFORMATION, REPORTS, AND DATA:** Grantee agrees to expeditiously provide throughout the term of this Grant agreement, such reports, data, information, and certifications as may be reasonably required by State.
- D.15. **DISPOSITION OF EQUIPMENT:** Grantee shall provide to State, not less than thirty (30) calendar days prior to submission of the final invoice, an itemized inventory of equipment purchased with funds provided by State. The inventory shall include all items with a current estimated fair market value of more than \$5,000.00 per item. Within sixty (60) calendar days of receipt of such inventory State shall provide Grantee with a list of the items on the inventory that State will take title to. All other items shall become the property of Grantee. State shall arrange for delivery from Grantee of items that it takes title to. Cost of transportation, if any, shall be borne by State.
- D.16. **DRUG-FREE WORKPLACE CERTIFICATION:** Certification of Compliance: By signing this Grant agreement, Grantee, its contractors or subcontractors hereby certify, under penalty of perjury under

the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code, § 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:

- A. Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section 8355.
 - B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355 to inform employees, contractors, or subcontractors about all of the following:
 - i. The dangers of drug abuse in the workplace,
 - ii. Grantee's policy of maintaining a drug-free workplace,
 - iii. Any available counseling, rehabilitation, and employee assistance programs, and
 - iv. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
 - C. Provide, as required by Government Code section 8355, that every employee, contractor, and/or subcontractor who works under this Grant agreement:
 - i. Will receive a copy of Grantee's drug-free policy statement, and
 - ii. Will agree to abide by terms of Grantee's condition of employment, contract or subcontract.
- D.17. EASEMENTS: Where the Grantee acquires property in fee title or funds improvements to real property already owned in fee by the Grantee using State funds provided through this Grant agreement, an appropriate easement or other title restriction providing for floodplain preservation and agricultural and/or wildlife habitat conservation for the subject property in perpetuity, approved by the State, shall be conveyed to a regulatory or trustee agency or conservation group acceptable to the State. The easement or other title restriction must be in first position ahead of any recorded mortgage or lien on the property unless this requirement is waived by the State.
Where the Grantee acquires an easement under this Agreement, the Grantee agrees to monitor and enforce the terms of the easement, unless the easement is subsequently transferred to another land management or conservation organization or entity with State permission, at which time monitoring and enforcement responsibilities will transfer to the new easement owner.
Failure to provide an easement acceptable to the State may result in termination of this Agreement.
- D.18. FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED PROFESSIONAL: Upon completion of the Project, Grantee shall provide for a final inspection and certification by a California Registered Professional (i.e., Professional Civil Engineer, Engineering Geologist), that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Grant agreement.
- D.19. GRANTEE'S RESPONSIBILITIES: Grantee and its representatives shall:
- A. Faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A and in accordance with Exhibits B and C.
 - B. Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Grant agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Grantee in the application, documents, amendments, and communications filed in support of its request for funding.
 - C. Comply with all applicable California, federal, and local laws and regulations.
 - D. Implement the Project in accordance with applicable provisions of the law.
 - E. Fulfill its obligations under the Grant agreement and be responsible for the performance of the Project.
 - F. Obtain any and all permits, licenses, and approvals required for performing any work under this Grant agreement, including those necessary to perform design, construction, or operation and maintenance of the Project. Grantee shall provide copies of permits and approvals to State.

- G. Be solely responsible for design, construction, and operation and maintenance of projects within the work plan. Review or approval of plans, specifications, bid documents, or other construction documents by State is solely for the purpose of proper administration of funds by State and shall not be deemed to relieve or restrict responsibilities of Grantee under this Agreement.
- H. Be solely responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Grantee shall be responsible for any and all disputes arising out of its contracts for work on the Project, including but not limited to payment disputes with contractors and subcontractors. The State will not mediate disputes between the Grantee and any other entity concerning responsibility for performance of work.
- D.20. **GOVERNING LAW:** This Grant agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
- D.21. **INCOME RESTRICTIONS:** The Grantee agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Grantee under this Agreement shall be paid by the Grantee to the State, to the extent that they are properly allocable to costs for which the Grantee has been reimbursed by the State under this Agreement. The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.
- D.22. **INDEMNIFICATION:** Grantee shall indemnify and hold and save the State, its officers, agents, and employees, free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Project and this Agreement, including, but not limited to any claims or damages arising from planning, design, construction, maintenance and/or operation of levee rehabilitation measures for this Project and any breach of this Agreement. Grantee shall require its contractors or subcontractors to name the State, its officers, agents and employees as additional insureds on their liability insurance for activities undertaken pursuant to this Agreement.
- D.23. **INDEPENDENT CAPACITY:** Grantee, and the agents and employees of Grantees, in the performance of the Grant agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.
- D.24. **INSPECTION OF BOOKS, RECORDS, AND REPORTS:** During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Grant agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Grant agreement. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant agreement, and State may withhold disbursements to Grantee or take any other action it deems necessary to protect its interests.
- D.25. **INSPECTIONS OF PROJECT BY STATE:** State shall have the right to inspect the work being performed at any and all reasonable times during the term of the Grant agreement. This right shall extend to any subcontracts, and Grantee shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Grant agreement with State.
- D.26. **LABOR CODE COMPLIANCE:** The Grantee agrees to be bound by all the provisions of the Labor Code regarding prevailing wages and shall monitor all contracts subject to reimbursement from this Agreement to assure that the prevailing wage provisions of the Labor Code are being met. Current Department of Industrial Relations (DIR) requirements may be found at: <http://www.dir.ca.gov/lcp.asp>. For more information, please refer to DIR's *Public Works Manual* at: <https://www.dir.ca.gov/dlse/PWManualCombined.pdf>. The Grantee affirms that it is aware of the provisions of section 3700 of the Labor Code, which requires every employer to be insured against liability for workers'

compensation or to undertake self-insurance, and the Grantee affirms that it will comply with such provisions before commencing the performance of the work under this Agreement and will make its contractors and subcontractors aware of this provision.

- D.27. **MODIFICATION OF OVERALL WORK PLAN:** At the request of the Grantee, the State may at its sole discretion approve non-material changes to the portions of Exhibits A, B, and C which concern the budget and schedule without formally amending this Grant agreement. Non-material changes with respect to the budget are changes that only result in reallocation of the budget and will not result in an increase in the amount of the State Grant agreement. Non-material changes with respect to the Project schedule are changes that will not extend the term of this Grant agreement. Requests for non-material changes to the budget and schedule must be submitted by the Grantee to the State in writing and are not effective unless and until specifically approved by the State's Program Manager in writing.
- D.28. **NONDISCRIMINATION:** During the performance of this Grant agreement, Grantee and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital/domestic partner status, and denial of medical and family care leave or pregnancy disability leave. Grantee and its contractors or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and its contractors or subcontractors shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code, § 12990.) and the applicable regulations promulgated there under (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Fair Employment and Housing are incorporated into this Agreement by reference. Grantee and its contractors or subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Grant agreement.
- D.29. **OPINIONS AND DETERMINATIONS:** Where the terms of this Grant agreement provide for action to be based upon, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.
- D.30. **PERFORMANCE BOND:** Where contractors are used, the Grantee shall not authorize construction to begin until each contractor has furnished a performance bond in favor of the Grantee in the following amounts: faithful performance (100%) of contract value, and labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than \$25,000.00. Any bond issued pursuant to this paragraph must be issued by a California-admitted surety. (Pub. Contract Code, § 7103; Code Civ. Proc., § 995.311.)
- D.31. **PRIORITY HIRING CONSIDERATIONS:** If this Grant agreement includes services in excess of \$200,000, the Grantee shall give priority consideration in filling vacancies in positions funded by the Grant agreement to qualified recipients of aid under Welfare and Institutions Code section 11200 in accordance with Public Contract Code section 10353.
- D.32. **PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION:** The Grantee shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Project, or with Grantee's service of water, without prior permission of State. Grantee shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of Grantee meet its obligations under this Grant agreement, without prior written permission of State. State may require that the proceeds from

the disposition of any real or personal property be remitted to State.

- D.33. PROJECT ACCESS: The Grantee shall ensure that the State, the Governor of the State, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of this Agreement.
- D.34. REMAINING BALANCE: In the event the Grantee does not submit invoices requesting all of the funds encumbered under this Grant Agreement, any remaining funds revert to the State. The State will notify the Grantee stating that the Project file is closed and any remaining balance will be disencumbered and unavailable for further use under this Grant Agreement.
- D.35. REMEDIES NOT EXCLUSIVE: The use by either party of any remedy specified herein for the enforcement of this Grant agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.
- D.36. RETENTION: The State shall withhold ten percent (10%) of the funds, for each project, until the project is complete, and a Final Project Report is approved and accepted by DWR. If a project has multiple Components (within a project), at the State's discretion and upon a written request by the Grantee, any retained amount attributable to a single component may be released when that component is complete and the Final Component Completion Report is approved. Upon approval of the Final Project Report and/or Final Component Completion Report, any retained amounts due to the Grantee will be promptly disbursed to the Grantee, without interest.
- D.37. RIGHTS IN DATA: Grantee agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes and other written or graphic work produced in the performance of this Grant agreement shall be made available to the State and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act. (Gov. Code, § 6250 et seq.) Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Grant agreement, subject to appropriate acknowledgement of credit to State for financial support. Grantee shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so. The State shall have the right to use any data described in this paragraph for any public purpose.
- D.38. SEVERABILITY: Should any portion of this Grant agreement be determined to be void or unenforceable, such shall be severed from the whole and the Grant agreement shall continue as modified.
- D.39. SUSPENSION OF PAYMENTS: This Grant agreement may be subject to suspension of payments or termination, or both if the State determines that:
- A. Grantee, its contractors, or subcontractors have made a false certification, or
 - B. Grantee, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Grant agreement.
- D.40. SUCCESSORS AND ASSIGNS: This Grant agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Grant agreement or any part thereof, rights hereunder, or interest herein by the Grantee shall be valid unless and until it is approved by State and made subject to such reasonable terms and conditions as State may impose.
- D.41. TERMINATION BY GRANTEE: Subject to State approval which may be reasonably withheld, Grantee may terminate this Agreement and be relieved of contractual obligations. In doing so, Grantee must provide a reason(s) for termination. Grantee must submit all progress reports summarizing accomplishments up until termination date.

- D.42. TERMINATION FOR CAUSE: Subject to the right to cure under Paragraph 12, "Default Provisions," the State may terminate this Grant agreement and be relieved of any payments should Grantee fail to perform the requirements of this Grant agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 12, "Default Provisions."
- D.43. TERMINATION WITHOUT CAUSE: The State may terminate this Agreement without cause on 30 days' advance written notice. The Grantee shall be reimbursed for all reasonable expenses incurred up to the date of termination.
- D.44. THIRD PARTY BENEFICIARIES: The parties to this Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or any duty, covenant, obligation or understanding established herein.
- D.45. TIMELINESS: Time is of the essence in this Grant agreement.
- D.46. TRAVEL – DAC, EDA, TRIBES PROJECT: Travel is only an eligible reimbursable expense for projects providing at least 75% of benefits to DACs, EDAs, and/or Tribes (based on population or geographic area). Only ground transportation and lodging are eligible for grant reimbursement. Per diem costs will not be eligible for grant reimbursement. Any reimbursement for necessary travel shall be at rates not to exceed those set by the California Department of Human Resources. These rates may be found at: <http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx>. Reimbursement will be at the State travel amounts that are current as of the date costs are incurred. No travel outside of the IRWM region shall be reimbursed unless prior written authorization is obtained from the State.
- D.47. UNION ORGANIZING: Grantee, by signing this Grant agreement, hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Grant agreement. Furthermore, Grantee, by signing this Grant agreement, hereby certifies that:
- A. No State funds disbursed by this Grant agreement will be used to assist, promote, or deter union organizing.
 - B. Grantee shall account for State funds disbursed for a specific expenditure by this Grant agreement to show those funds were allocated to that expenditure.
 - C. Grantee shall, where State funds are not designated as described in (b) above, allocate, on a pro rata basis, all disbursements that support the program.
 - D. If Grantee makes expenditures to assist, promote, or deter union organizing, Grantee will maintain records sufficient to show that no State funds were used for those expenditures and that Grantee shall provide those records to the Attorney General upon request.
- D.48. VENUE: The State and the Grantee hereby agree that any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Agreement.
- D.49. WAIVER OF RIGHTS: None of the provisions of this Grant agreement shall be deemed waived unless expressly waived in writing. It is the intention of the parties here to that from time to time either party may waive any of its rights under this Grant agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Grant agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.

EXHIBIT E
AUTHORIZING RESOLUTION

RESOLUTION NO. 2019.7

A RESOLUTION OF THE COMMISSION OF THE SANTA ANA WATERSHED PROJECT AUTHORITY AUTHORIZING THE GENERAL MANAGER, OR DESIGNEE, TO SUBMIT A PROPOSAL AND EXECUTE THE NECESSARY AGREEMENTS FOR THE PROPOSITION 1 ROUND 1 INTEGRATED REGIONAL WATER MANAGEMENT IMPLEMENTATION GRANT

WHEREAS, the Santa Ana Watershed Project Authority is the accepted Regional Water Management Group within the Santa Ana Funding Area of the California Integrated Regional Water Management Program;

WHEREAS, the One Water One Watershed Plan Update 2018, adopted by the Commission on February 19, 2019, has the subtitle "Moving Forward Together" which reflects the OWOW Program's commitment to ensuring that in the Santa Ana River Watershed no one is left behind as progress is made, and that progress somewhere in the watershed does not cause any undue burden elsewhere in the watershed;

WHEREAS, SAWPA recently conducted a collaborative and competitive process with all interested watershed stakeholders and OWOW project applications as part of its One Water One Watershed Proposition 1 Round 1 Implementation grant solicitation to identify the most beneficial upper watershed and watershed-wide projects;

WHEREAS, the One Water One Watershed process drew 30 project submittals that included projects focused on generating new sources of water for the watershed, improving important aquatic habitat, removing pollutants from the region's groundwater resources, improving stormwater abatement in a disadvantaged community and preventing the spread of catastrophic wildfires;

WHEREAS, SAWPA deferred to the Orange County parties, which include the County of Orange, Orange County Water District, and Orange County Sanitation District, identified in the recently adopted Cooperative Agreement for Integrated Regional Water Management Funding in the Santa Ana Funding Area to develop their list of Orange County projects for the Proposition 1 Round 1 Implementation grant solicitation;

WHEREAS, SAWPA and the Orange County parties have worked together to combine the eight upper watershed and watershed-wide projects, with the three Orange County projects in order to develop a complete One Water One Watershed Proposition 1 Round 1 Implementation grant proposal to the Department of Water Resources;

NOW, THEREFORE, BE IT RESOLVED that the Commission of the Santa Ana Watershed Project Authority, pursuant to Section 22050 of the California Public Contract Code, hereby resolves that:

The General Manager, or Designee, is authorized to prepare the necessary data, conduct investigations, file such proposal, and execute a grant agreement with the State of California, Department of Water Resources, and associated sub-agreements, to accept and conduct the work of Proposition 1 Round 1 Integrated Regional Water Management Implementation and Grant pursuant to the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Water Code Section 79700 *et seq.*)

ADOPTED THIS 1st day of October 2019.

Resolution No. 2019-7
October 1, 2019
Page 2

SANTA ANA WATERSHED PROJECT AUTHORITY

By: 

Ronald W. Sullivan, Chair

Attest:


Kelly Berry, CMC
Clerk of the Board

EXHIBIT F

REPORT FORMATS AND REQUIREMENTS

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

PROGRESS REPORTS

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

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

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

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

PROJECT COMPLETION REPORT

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

Executive Summary

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

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

Reports and/or Products

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

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

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

- Record drawings
- Final geodetic survey information
- Project photos

Cost & Disposition of Funds

A list showing:

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

Additional Information

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

GRANT COMPLETION REPORT

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

- Executive Summary: consisting of a maximum of ten (10) pages summarizing information for the grant as well as the individual projects.
- Brief discussion of: each project completed and how they achieved IRWM Plan objectives and/or Regional goals and whether the level, type, or magnitude of benefits of the project are comparable to the original project proposal; any remaining work to be completed and mechanism for their implementation; the benefits to DAC and/or EDA as part of this Grant Agreement if a DAC or EDA Cost Share Waiver was approved for a project; and a summary of final funds disbursement for each project.

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

POST-PERFORMANCE REPORT

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

Reports and/or products

- Header including the following:
 - Grantee Name
 - Implementing Agency (if different from Grantee)
 - Grant Agreement Number

- Project Name
- Funding grant source (i.e., 2019 Proposition 1 IRWM Implementation Grant)
- Report number
- Post-Performance Report schedule
- Time period of the annual report (e.g., January 2018 through December 2018)
- Project Description Summary
- Discussion of the project benefits
- An assessment of any differences between the expected versus actual project benefits as stated in the original application. Where applicable, the reporting should include quantitative metrics (e.g., new acre-feet of water produced that year, etc.).
- Summary of any additional costs and/or benefits deriving from the project since its completion, if applicable.
- Any additional information relevant to or generated by the continued operation of the project.

EXHIBIT G

REQUIREMENTS FOR DATA SUBMITTAL

Surface and Groundwater Quality Data:

Groundwater quality and ambient surface water quality monitoring data that include chemical, physical, or biological data shall be submitted to the State as described below, with a narrative description of data submittal activities included in project reports.

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

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

Groundwater Level Data

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

EXHIBIT H**STATE AUDIT DOCUMENT REQUIREMENTS FOR THE GRANTEE**

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

State Audit Document RequirementsInternal Controls

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

State Funding:

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

Contracts:

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

Invoices:

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

Cash Documents:

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

Accounting Records:

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

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

Personnel:

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

Project Files:

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

EXHIBIT I**LOCAL PROJECT SPONSORS AND PROJECT LOCATIONS**

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

Local Project Sponsor Agency Designation

Sponsored Project: Project 1: Enhancements to Watershed-Wide Water Budget Decision Support Tool
Sponsor Agency: Santa Ana Watershed Project Authority (SAWPA)

Agency Address: 11615 Sterling Ave, Riverside, CA 92503

Project Location: Santa Ana Funding Area (34.225278, -116.870833)

Sponsored Project: Project 2: Santa Ana Mountains Watershed Protection Project

Sponsor Agency: Cleveland National Forest

Agency Address: 10845 Rancho Bernardo Road, Suite 200 San Diego, CA 92127

Project Location: Cleveland National Forest (33.775278, -117.571667)

Sponsored Project: Project 3: Groundwater Replenishment System - Final Expansion

Sponsor Agency: Orange County Water District

Agency Address: 18700 Ward Street, Fountain Valley, California 92708 USA

Project Location: Fountain Valley, California (33.693889, -117.945278)

Sponsored Project: Project 4: Joint IEUA-JCSD Regional Water Recycling Program

Sponsor Agency: Inland Empire Utilities Agency

Agency Address: 6075 Kimball Ave, Chino, CA 91708

Project Location: Eastvale, California (33.971667, -117.593333)

Sponsored Project: Project 5: Physical Harvesting of Algal Biomass in Lake Elsinore

Sponsor Agency: City of Lake Elsinore

Agency Address: 130 S Main St, Lake Elsinore, CA 92530

Project Location: Lake Elsinore, California (33.775278, -117.571667)

Sponsored Project: Project 6: Regional Comprehensive Landscape Rebate Program

Sponsor Agency: Municipal Water District of Orange County

Agency Address: 18700 Ward Street, Fountain Valley CA 92708

Project Location: Riverside, California (33.896111, -117.483056)

Sponsored Project: Project 7: Raitt and Myrtle Park

Sponsor Agency: City of Santa Ana

Agency Address: 20 Civic Center Plaza, Santa Ana, CA 92701

Project Location: Santa Ana, California (33.741944, -117.892222)

Sponsored Project: Project 8: Replenish Big Bear

Sponsor Agency: Big Bear Area Regional Water Authority

Agency Address: 121 Palomino Dr, Big Bear, CA 92314

Project Location: Big Bear, California (34.225278, -116.870833)

Sponsored Project: Project 9: Well 30 Wellhead Treatment Project

Sponsor Agency: Monte Vista Water District

Agency Address: 10575 Central Ave, Montclair, CA 91763

Project Location: Montclair, California (34.053889, -117.701389)

Placeholder Project

Sponsored Project: Project 10: Evans Lake Tributary Restoration and Camp Evans Recreation

Sponsor Agency: San Bernardino Valley Municipal Water District

Agency Address: 380 E Vanderbilt Way, San Bernardino, CA 92408

Project Location: Riverside, California (33.996161, -117.380025)

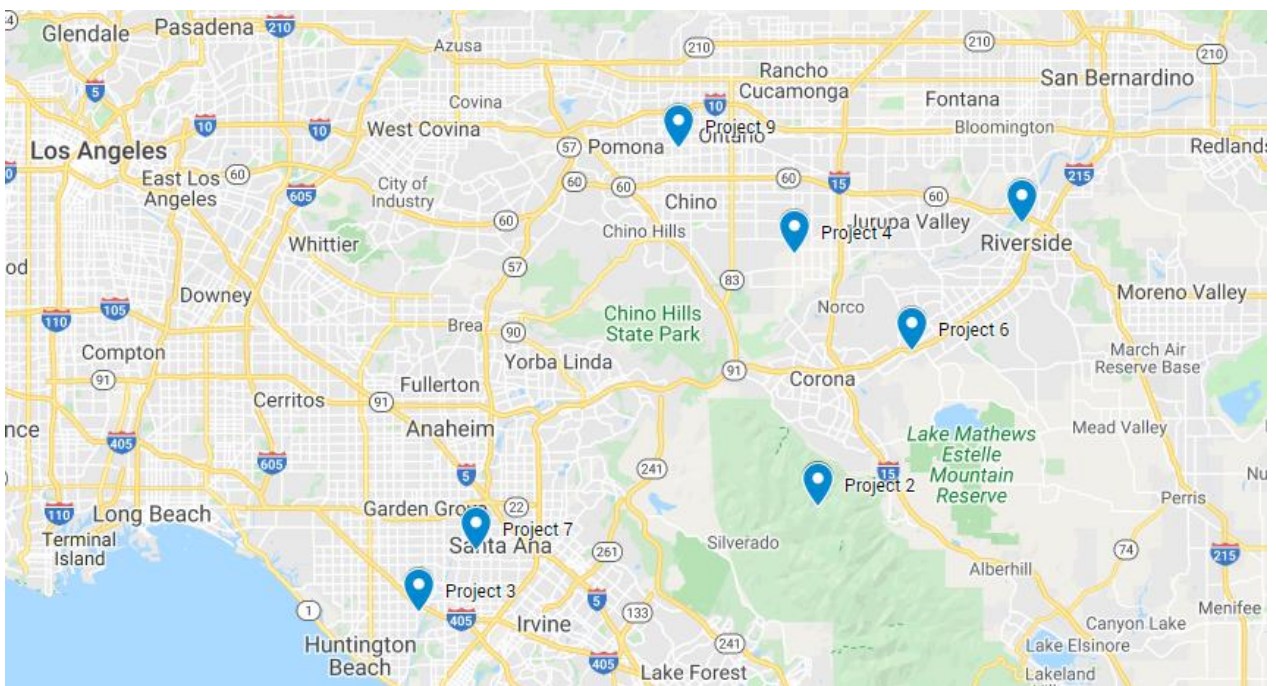


EXHIBIT J

Project Monitoring Plan Guidance

Introduction

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

Project Monitoring Plan Requirements

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

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

NOTICE OF EXEMPTION

<p>TO:</p> <p><input checked="" type="checkbox"/> Office of Planning and Research P. O. Box 3044, Room 113 Sacramento, CA 95812-3044</p>	<p>FROM: Name: Big Bear Area Regional Wastewater Agency</p> <p>Address: P.O. Box 517 122 Palomino Drive Big Bear City, CA 92314</p> <p>Telephone: (909) 584-4018</p>
<p><input checked="" type="checkbox"/> Clerk of the Board of Supervisors 385 N. Arrowhead Ave. 2nd Floor San Bernardino, CA 92415-0130</p>	

<p>1. Project Title:</p>	<p>Proposition 1 Round 1 Integrated Regional Water Management Implementation Grant, Grant Funding Contract (Sub-Grant) Between the Santa Ana Watershed Project Authority and Big Bear Area Regional Wastewater Agency and Memorandum of Understanding</p>
<p>2. Project Applicant:</p>	<p>Big Bear Area Regional Wastewater Agency (“BBARWA”)</p>
<p>3. Project Location – Identify street address and cross streets or attach a map showing project site (preferably a USGS 15’ or 7 1/2’ topographical map identified by quadrangle name):</p>	<p>The Sub-Grant Agreement has no specific physical location. The agreement provides BBARWA with funding to cover costs BBARWA has incurred and will incur in connection with permitting for the Replenish Big Bear project, which is a recycled water project in Big Bear Valley, San Bernardino County, California. The Memorandum of Understanding also relates to funding provisions regarding the Replenish Big Bear project.</p>
<p>4. (a) Project Location – City: Click to enter City</p>	<p>(b) Project Location – County: San Bernardino County</p>
<p>5. Description of nature, purpose, and beneficiaries of Project:</p>	<p>In April 2021, the California Department of Water Resources (DWR) and the Santa Ana Watershed Project Authority (SAWPA) entered into a Proposition 1 Round 1 Integrated Regional Water Management (IRWM) Implementation Grant agreement, providing that SAWPA would serve as the program manager for \$23 million in IRWMP grant funds to be disbursed to sub-grantees, consistent with IRWMP and California Environmental Quality Act (“CEQA”) requirements and ensuring that the maximum benefit of such funds are realized in the Santa Ana River Watershed. SAWPA seeks to disburse up to \$4,563,338 of this funding to BBARWA through the Sub-Grant Agreement.</p> <p>The Sub-Grant Agreement provides BBARWA with funding to cover costs for Replenish Big Bear. Work performed after January 1, 2015 is eligible to be counted as local match and work performed after June 2, 2020 is eligible for grant reimbursement. Tasks under the agreement include project management; reporting; relevant feasibility studies; CEQA documentation; permitting with the Santa Ana Regional Water Quality Control Board, Colorado River Basin Regional Board, State Water Resources Control Board, Caltrans, San Bernardino County, South Coast Air Quality Management District, U.S. Army Corps of Engineers, and the California Department of Fish and Wildlife; design; the project monitoring plan; contract services; construction administration; and construction of approximately seven</p>

	<p>miles of pipeline from BBARWA to Stanfield Marsh, a 2,500 gallon-per-minute pumping plant to pump advance-treated water to Stanfield Marsh, and retrofitting/constructing treatment plant upgrades.</p> <p>The Sub-Grant Agreement is not subject to the California Environmental Quality Act (CEQA). It constitutes a government funding mechanism or other government fiscal activity which does not involve any commitment to any specific project. The Sub-Grant Agreement merely constitutes an agreement by which BBARWA may obtain funds from IRWM to cover the costs it has incurred or will incur in connection with the Replenish Big Bear Project. BBARWA's approval of the Sub-Grant Agreement in no way commits BBARWA to the Replenish Big Bear Project. The Sub-Grant Agreement is thus not subject to CEQA. (State CEQA Guidelines, §§ 15060, subd. (c)(3), 15378, subd. (b)(4).) Even assuming the Sub-Grant Agreement is a "project" under CEQA, it will have no significant effect on the environment, as it is a government funding mechanism and is therefore covered by the common sense exemption. (State CEQA Guidelines, § 15061, subd. (b)(3).)</p>
6. Name of Public Agency approving project:	BBARWA and SAWPA are both signatories to the Sub-Grant Agreement. BBARWA approved the Sub-Grant Agreement and authorized negotiation and execution of the MOU on May 26, 2021.
7. Name of Person or Agency undertaking the project, including any person undertaking an activity that receives financial assistance from the Public Agency as part of the activity or the person receiving a lease, permit, license, certificate, or other entitlement of use from the Public Agency as part of the activity:	BBARWA. BBARWA, GSA, DWP, CSD, and MWD are contributing funding in advance of grant fund disbursement under the Sub-Grant Agreement.
8. Exempt status: (check one)	
(a) <input type="checkbox"/> Ministerial project.	(Pub. Resources Code § 21080(b)(1); State CEQA Guidelines § 15268)
(b) <input checked="" type="checkbox"/> Not a project.	State CEQA Guidelines sections 15060, subd. (c)(3) & 15378, subd. (b)(4)
(c) <input type="checkbox"/> Emergency Project.	(Pub. Resources Code § 21080(b)(4); State CEQA Guidelines § 15269(b),(c))
(d) <input type="checkbox"/> Categorical Exemption. State type and section number:	
(e) <input type="checkbox"/> Declared Emergency.	(Pub. Resources Code § 21080(b)(3); State CEQA Guidelines § 15269(a))
(f) <input type="checkbox"/> Statutory Exemption. State Code section number:	
(g) <input checked="" type="checkbox"/> Other. Explanation:	State CEQA Guidelines § 15061(b)(3)
9. Reason why project was exempt:	<p>BBARWA approved the Sub-Grant Agreement on May 26, 2021. The Sub-Grant Agreement is exempt from, and otherwise not subject to, CEQA for the following reasons.</p> <p>First, the Sub-Grant Agreement is not subject to CEQA under State CEQA Guidelines section 15060, which provides that "[a]n activity is not subject to CEQA if ... [t]he activity is not a project as defined in [State CEQA Guidelines] Section 15378." (State CEQA Guidelines, §</p>

	<p>15060, subd. (c)(3).) State CEQA Guidelines section 15378, in turn, expressly excludes from the definition of “project” the “creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.” (State CEQA Guidelines, § 15378, subd. (b)(4).) Here, the Sub-Grant Agreement is not subject to CEQA because it constitutes a government funding mechanism or other government fiscal activity which does involve any commitment to any specific project. Notably, the Sub-Grant Agreement merely constitutes an agreement by which BBARWA may obtain funds from the Integrated Regional Water Management Grant Program to cover the costs it has incurred or will incur in connection with permitting, planning, design, and construction process for the Replenish Big Bear Project. BBARWA’s approval of the Sub-Grant Agreement in no way commits BBARWA to the Replenish Big Bear Project. The MOU also constitutes a government funding mechanism which does not involve commitment to a specific project as it sets forth repayment provisions should the Replenish Big Bear Project not proceed and does not authorize any construction or development. The Sub-Grant Agreement and MOU are thus not subject to CEQA. (State CEQA Guidelines, §§ 15060, subd. (c)(3), 15378, subd. (b)(4).)</p> <p>Second, the Sub-Grant Agreement and MOU are not subject to CEQA under the “common sense exemption” set forth in State CEQA Guidelines section 15061. The common sense exemption provides that an “activity is not subject to CEQA” where “it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.” (State CEQA Guidelines, § 15061, subd. (b)(3).) Here, approval of the Sub-Grant Agreement will not result in any activity that could potentially impact the environment. Rather, approval of the Sub-Grant Agreement will merely serve to fund BBARWA’s efforts to obtain the necessary permits, and the planning, design, and construction process for the Replenish Big Bear Project. Approval of the MOU sets forth funding repayment provisions should the Replenish Big Bear Project not proceed. The activity does not constitute an approval of the Replenish Big Bear Project or any other activity that could possibly result in a significant effect on the environment.</p>
<p>10. Lead Agency Contact Person: Telephone:</p>	<p>David Lawrence, P.E., General Manager 909-584-4521</p>
<p>11. If filed by applicant: Attach Preliminary Exemption Assessment (Form “A”) before filing.</p>	
<p>12. Has a Notice of Exemption been filed by the public agency approving the project? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>	
<p>13. Was a public hearing held by the Lead Agency to consider the exemption? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, the date of the public hearing was: Click to enter date</p>	

Signature _____

Date: [Click to enter date](#)

David Lawrence
Name

Title: General Manager of the Big Bear Area Regional
Wastewater Agency

Signed by Lead Agency

Signed by Applicant

Date Received for Filing: [Click to enter date](#)

(Clerk Stamp Here)

Authority cited: Sections 21083 and 21110, Public Resources Code.
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (“MOU”) is dated _____, 2021 (the “Effective Date”) and is made by and among the Big Bear Area Regional Wastewater Agency (“BBARWA”), the Bear Valley Basin Groundwater Sustainability Agency (“GSA”), the City of Big Bear Lake, Department of Water and Power (“DWP”), the Big Bear City Community Services District (“CSD”), and the Big Bear Municipal Water District (“MWD”). BBARWA, GSA, DWP, CSD, and MWD are jointly referred to as the “Parties,” and individually as a “Party.”

WHEREAS, BBARWA is a wastewater agency that operates the wastewater treatment facility in the Big Bear area.

WHEREAS, BBARWA has entered into a Grant Funding Contract (“Contract”) with the Santa Ana Watershed Project Authority (“SAWPA”) to assist in the funding for the Replenish Big Bear Project (“Project”), as depicted in the document attached as Exhibit A;

WHEREAS, the Contract provides that SAWPA shall disburse grant funds for the Project in a sum not-to-exceed Four Million Five Hundred Sixty-Three Thousand Three Hundred Thirty Eight dollars (\$4,563,338) (the Contract Amount).

WHEREAS, BBARWA, DWP, CSD and MWD have each agreed to contribute up to \$1,140,834.50 to fund Project expenses in advance of the grant fund reimbursement.

WHEREAS, the Contract also provides that if BBARWA fails or refuses to proceed with or complete the Project, SAWPA shall consider such failure or refusal to be a material violation and breach of this Contract, whereby BBARWA will be required to pay back the grant funds received.

WHEREAS, the Parties are all equal participants in this Project and benefit from the Contract and its grant funding.

WHEREAS, this MOU is being executed to document the intent of the Parties regarding the contributions of the Parties should grant funds be disbursed to BBARWA, and the Parties decide not to proceed with or complete the Project.

NOW, THEREFORE, the Parties agree as follows:

1. **CONTRIBUTIONS.**
 - a. BBARWA will invoice each of the DWP, CSD and MWD, for 25% of the costs of the Project as incurred, up to the Contract Amount. Along with such invoice, BBARWA will provide an accounting of total costs paid to date and the remaining available Contributions. Upon receipt of an invoice from BBARWA, each Party will reimburse BBARWA according to the payment terms presented by BBARWA.

b. Should the Parties decide not to proceed with or complete the Project, and BBARWA is notified by SAWPA that repayment of grant funds is required, the Parties shall contribute equally to the amount of the grant funds required to be repaid to SAWPA within the time period allowed; provided, however, that any Party will not be required to repay more than the amount of grant funds that was disbursed to that Party.

2. **CONSIDERATION.**

a. In consideration for the Contributions, and assuming the Project is eventually implemented successfully, BBARWA, CSD, DWP and MWD will negotiate in good faith to agree upon a distribution of benefits produced by the Project including treated water.

b. Nothing in this MOU is intended to change any of the Parties' existing water rights.

3. **COSTS.** With respect to all activities undertaken in preparation and adoption of this MOU, each Party shall bear its own costs and expenses.

4. **THIRD PARTY RIGHTS.** Nothing in this MOU shall be construed to give any rights or benefits to anyone other than the Parties hereto.

5. **COUNTERPARTS.** This MOU may be executed in counterparts, each of which shall have the effect of and be considered as an original of this MOU.

IN WITNESS WHEREOF, this Memorandum of Understanding has been executed by the Parties.

BEAR VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY

By: _____

Name: _____

Title: _____

BIG BEAR AREA REGIONAL WASTEWATER AGENCY

By: _____

Name: _____

Title: _____

BIG BEAR CITY COMMUNITY SERVICES DISTRICT

By: _____

Name: _____

Title: _____

BIG BEAR MUNICIPAL WATER DISTRICT

By: _____

Name: _____

Title: _____

CITY OF BIG BEAR LAKE, DEPARTMENT OF WATER AND POWER

By: _____

Name: _____

Title: _____

EXHIBIT A

**Grant Funding Contract Between the
Santa Ana Watershed Project Authority**

And

Big Bear Area Regional Wastewater Agency



Big Bear Area Regional
Wastewater Agency
Jim Miller – Chair
Rick Herrick – Vice Chair
Karyn Oxandaboure – Secretary
David Caretto – Director
John Green – Director

AGENDA ITEM: 10.B.

MEETING DATE: May 26, 2021

TO: Governing Board of the Big Bear Area Regional Wastewater Agency

FROM: David Lawrence, P.E., General Manager

REVIEWED BY: Jennifer McCullar, Finance Manager

SUBJECT: Reject All Bids for the Headworks Grit System Rehabilitation Project and Re-Bid the Project

BACKGROUND:

The first stage of treatment at the plant is the headworks area, which removes bulky items. Equipment in the headworks area has been scheduled for replacement and was split into two projects: 1) the Bar Screen Replacement Project completed on February 26, 2020, and 2) the Headworks Grit System Rehabilitation Project (Project). The Project is in-lieu of a full replacement of headworks, which has been determined to be rather difficult due to by-passing the beginning treatment process for more than a year, and not necessary based on the assessment of the system. The full replacement project was estimated to cost \$4,500,000, whereas the rehabilitation Project was estimated to cost approximately \$900,000. On March 24, 2021, the Governing Board authorized the General Manager to proceed with a Notice Inviting Bids for the Project.

DISCUSSION:

On March 31, 2021, a Notice Inviting Bids was published in the Big Bear Grizzly Newspaper, posted to the Agency website, and sent to three construction trade journals. Five bids were received and publicly opened on May 3, 2021. All bids greatly exceeded the Project budget.

Company	Proposal Amount
Metro Builder & Engineers Group, LTD.	\$1,075,861
Abhe & Svoboda, Inc.	1,181,856
Re Chaffee Construction, Inc.	1,197,600
Caliagua, Inc.	1,392,860
Cora Constructors, Inc.	1,415,000

Staff will work with Water Systems Consulting, Inc. to reduce the scope of work while retaining the essential elements of the original Project design. Agency counsel recommends rejecting all

bids per Public Contract Code section 22038, and re-bidding the Project with a reduced scope of work.

FINANCIAL IMPACT:

The Agency is unable to fund the project as bid, even after careful consideration of the capital budget and the potential to defer projects. Re-bidding the project will require additional engineering costs estimated at approximately \$15,000. These costs are currently covered under the existing budget.

RECOMMENDATION:

Authorize the General Manager to reject all bids received for the Headworks Grit System Rehabilitation Project and direct the General Manager to re-bid the Project.



Big Bear Area Regional
Wastewater Agency
Jim Miller – Chair
Rick Herrick – Vice Chair
Karyn Oxandaboure – Secretary
David Caretto – Director
John Green – Director

AGENDA ITEM: 10.C.

MEETING DATE: May 26, 2021

TO: Governing Board of the Big Bear Area Regional Wastewater Agency

FROM: David Lawrence, P.E., General Manager

REVIEWED BY: Jennifer McCullar, Finance Manager

SUBJECT: Appointment of Secretary to the Governing Board

BACKGROUND & DISCUSSION:

The Board has expressed the desire to appoint a staff person as Secretary to the Governing Board rather than have a Board member serve in such capacity. The terms of the original JPA provide for this: “The Governing Board shall elect its own officers, which shall include a Chairman, Vice-Chairman, and Secretary. The Chairman and Vice-Chairman shall be members of the Governing Board and the Secretary may, but need not, be a member of the Governing Board.”

On April 28, 2021, the Governing Board approved the reclassification of the Management Analyst to Management Analyst/Board Secretary with a revised scope of duties and responsibilities and as a result, the Governing Board may now formally appoint this position to serve as Secretary to the Governing Board.

FINANCIAL IMPACT:

There is no financial impact.

RECOMMENDATION:

Staff is requesting the Governing Board consider appointing the Management Analyst to serve as Secretary to the Governing Board.



Big Bear Area Regional
Wastewater Agency
Jim Miller – Chair
Rick Herrick – Vice Chair
Karyn Oxandaboure – Secretary
David Caretto – Director
John Green – Director

AGENDA ITEM: 10.D.

MEETING DATE: May 26, 2021

TO: Governing Board of the Big Bear Area Regional Wastewater Agency

FROM: Sonja Kawa, Human Resources Coordinator/Accounting Technician

REVIEWED BY: David Lawrence, P.E., General Manager;
Jennifer McCullar, Finance Manager

SUBJECT: General Manager Employment Agreement Amendment

BACKGROUND & DISCUSSION:

The Governing Board completed a performance evaluation of the General Manager in closed session at the April 28, 2021 Board Meeting and as a result has requested an amendment to the Employee Agreement between the Agency and Mr. Lawrence.

As required by the Brown Act, the Governing Board shall provide an oral report that summarizes the salary, salary schedule, and compensation paid in the form of fringe benefits to the General Manager before taking a final action to approve his contract or amendment. The following changes to the financial terms shall be read orally at the meeting:

Salary

- The Governing Board and Employee agree that, during the term of the Agreement, Employee shall receive an annual salary increase for a cost-of-living adjustment (COLA) based on the change in the consumer price index (the CPI). The method used to calculate the change in the CPI shall be the same as that used by the Agency to calculate a cost-of-living adjustment for all employees. The COLA adjustment for Employee shall occur on an annual basis and be effective on the first day of the first full pay period in July each year.

FINANCIAL IMPACT:

The budget and five-year projection assume annual merit and COLA adjustments of 5% and 3%, respectively, with merit adjustments occurring until the top of scale is reached. This is consistent with the Agency's current compensation structure. Incorporating an automatic COLA into the General Manager's contract is therefore not expected to impact the current budget or five-year projection.

RECOMMENDATION:

Authorize the Governing Board Chair to execute an Employment Agreement Amendment with the approved changes.

ATTACHMENT:

Employment Agreement Amendment No. 4

**AMENDMENT NO. 4
TO EMPLOYMENT AGREEMENT
GENERAL MANAGER**

1. Parties and Date.

This Amendment No. 4 to the Employment Agreement (“Agreement”) is made and entered into effective as of the 26th day of May 2021, by and between the Big Bear Area Regional Wastewater Agency, a municipal organization organized under the laws of the State of California (“Agency”) and David Lawrence (“General Manager” or “Employee”). Agency and General Manager are sometimes individually referred to as “Party” and collectively as “Parties.”

2. Recitals.

2.1 Amendment Purpose. The Agency and General Manager desire to amend the aforesaid Agreement to revise compensation terms and conditions of said employment.

2.2 Amendment Authority. This Amendment No. 4 is authorized pursuant to Section XI(C) of the Agreement.

3. Terms.

3.1 Section 4. Section 4.1 (Salary and Expenses) of the Agreement is hereby amended to provide and clarify entitlement to annual cost of living increases:

“4.1 Governing Board agrees to pay Employee for services rendered pursuant to this Agreement a base salary of Sixteen Thousand, Three-Hundred Seventy-Six Dollars and Twenty-Seven Cents (\$16,376.27) per month, beginning on April 25, 2020, in installments at the same time as other employees of the Agency are paid. Further, the parties agree that, during the term of this Agreement, Employee shall receive an annual salary increase for a cost-of-living adjustment (COLA) based on the change in the consumer price index (the CPI). The method used to calculate the change in the CPI shall be the same as that used by the Agency to calculate a cost-of-living adjustment for all employees. The COLA adjustment for Employee shall occur on an annual basis and be effective on the first day of the first full pay period in July each year. The Governing Board shall also have the right to grant merit and benefit increases as it deems appropriate, at its sole discretion.”

Except as modified herein and by the preceding three Amendments, the original Employment Agreement, dated March 22, 2017 and effective April 25, 2017, shall remain in full force and effect.

**BIG BEAR AREA REGIONAL
WASTEWATER AGENCY**

DAVID LAWRENCE

By: _____
Chair of the Governing Board

By: _____
David Lawrence

Dated: _____, 2021

Dated: _____, 2021

Attest: _____
Secretary of the Governing Board



Big Bear Area Regional
Wastewater Agency
Jim Miller – Chair
Rick Herrick – Vice Chair
Karyn Oxandaboure – Secretary
David Caretto – Director
John Green – Director

AGENDA ITEM: 10.E.

MEETING DATE: May 26, 2021

TO: Governing Board of the Big Bear Area Regional Wastewater Agency

FROM: David Lawrence, P.E., General Manager

PREPARED BY: Jennifer McCullar, Finance Manager

SUBJECT: FY 2021 Other Post Employment Benefits (OPEB) Lump-Sum Contribution

BACKGROUND:

The Agency budgeted for a lump-sum OPEB contribution of \$200,000 (the Contribution) during FY 2021 (to be made by June 30, 2021), as part of a 5-year plan approved by the Board to increase the funded ratio of the Agency's OPEB liability. During the FY 2021 budget discussions, the Governing Board directed staff to return to the Board prior to making future lump-sum OPEB contributions.

DISCUSSION:

While the Agency is currently performing under the projection for FY 2021, the uncertainty surrounding the costs associated with the Grit System Rehabilitation Project (the Project), prevent the Agency from making the full lump-sum contribution of \$200,000 that was budgeted for FY 2021. Considering the Project's current bid levels combined with the current environment of higher prices and uneven supplies, it is prudent to wait until the Project has been completed and the Agency's available cash flow is more certain before making a lump-sum payment.

The Agency's proposal is to make a smaller "excess" contribution than the lump-sum amount. The Agency's actuarially determined contribution (ADC) or the minimum required contribution for FY 2021 is \$205,464. This contribution is made during the year as the Agency pays monthly retiree medical premiums, and currently the total annual contribution is expected to exceed the ADC by approximately \$50,000. The Agency has the option of taking a distribution from the trust for the excess contribution or it can simply keep the funds in the trust and not seek a refund. Since the Agency is still working towards increasing its funded position, and the amount is affordable, we believe it is prudent to not seek a refund and make the excess payment.

FINANCIAL IMPACT:

The Agency budgeted for a \$200,000 lump-sum contribution in the current budget year. By lowering this amount to approximately \$50,000, the Agency will increase its available cash flow by

approximately \$150,000 and provide additional flexibility if needed to fund the Headworks Grit System Rehabilitation Project.

RECOMMENDATION:

Approve an excess OPEB contribution of up to \$50,000 for FY 2021.