

June 18, 2007

Honorable Mayor and Members of
The Hermosa Beach City Council

Regular Meeting of
June 26, 2007

CLEAN BEACHES INITIATIVE GRANT AGREEMENT AND RESOLUTIONS

Recommendation:

It is recommended that the City Council adopt the attached resolutions entitled:

1. "RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH TO ADOPT AN ENVIRONMENTAL NEGATIVE DECLARATION FOR THE HERMOSA STRAND INFILTRATION TRENCH, PHASE I, TO DIVERT STORM WATER RUN-OFF TO AN INFILTRATION TRENCH INSTALLED BELOW-GRADE AGAINST THE OCEAN SIDE OF THE CUTOFF WALL"; and
2. "RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH TO AUTHORIZE A GRANT AGREEMENT BETWEEN THE CITY AND THE STATE OF CALIFORNIA FOR THE PURPOSE OF RECEIVING STATE BOND FUNDS UNDER PROPOSITION 50 CLEAN BEACHES INITIATIVE GRANT PROGRAM FOR THE DESIGN AND CONSTRUCTION OF THE HERMOSA STRAND INFILTRATION TRENCH PROJECT" to be executed by the Director of Public Works.

Background:

In January 2007, the City of Hermosa Beach submitted a concept proposal in response to the Clean Beaches Initiative Grant Program Proposition 50 solicitation for the design and construction of the Hermosa Strand Infiltration Trench Project (Project), a storm drain diversion and infiltration trench system which will utilize native sands to filter and infiltrate year-round low flow urban runoff from ten storm drains along a 1.5 mile stretch of beach in Hermosa Beach. The Hermosa Strand Infiltration Trench Project (Project) was proposed in order to eliminate shoreline water quality exceedances of bacteria standards for human body contact recreational activities such as swimming and surfing (REC-1) attributed to storm drain discharges during summer dry weather (i.e., summer dry weather bacteria TMDL exceedances). The project will also eliminate odor and vector problems caused by standing water in the storm drains and should achieve measurable reductions in winter dry weather bacteria TMDL exceedances. The project is phased to allow the Phase I pilot to demonstrate that the technology is effective for southern California beaches before constructing the majority of the project in Phase II. Phase I will be implemented for Hermosa Pier storm drain which drains a relatively small but intensely developed downtown commercial area. Phase I will include a comprehensive monitoring plan to demonstrate the effectiveness of native sand filtration for treating indicator bacteria in urban runoff and achieving compliance with the bacteria TMDL. Construction of Phase II of the project will occur only after post-construction Phase I monitoring has demonstrated effectiveness and upon approval of the grant manager.

On April 18, 2007 the California Water Resources Control Board approved the Recommended Project List for the Clean Beaches Initiative Grant Program which included the Hermosa Strand Infiltration Trench project for funding in the amount of \$1,720,800.00. Applicants with projects on the Recommended Projects List were invited to submit detailed applications. Funding commitments will be issued by the State Water Resources Control Board Division of Financial Assistance in the order that complete detailed applications are received until the funding is exhausted.

In order to complete the detailed application process and to encumber the funds available from the above grant, City Council must adopt the resolution authorizing the execution of a Grant Agreement with the State Water Resources Control Board.

Staff requests that the City Council adopt and approve the submittal of the resolution to the State so that these grant funds can be encumbered via execution of the Grant Agreement as needed for design and construction of the Hermosa Strand Infiltration Trench.

Environmental Impact:

On June 14, 2007, the Environmental Review Committee (ERC) held a public hearing in regard to the proposed Hermosa Strand Infiltration Trench, Phase I Project. At that meeting, the Staff ERC, based on the Initial Study (Attachment 4), recommended an Environmental Negative Declaration for the proposal. There were no concerns raised by residents at that time, and the Negative Declaration has been noticed and circulated through the State Clearinghouse and no comments have been received.

Fiscal Impact:

As detailed in item 3 of Exhibit B of the attached Grant Agreement, Phase I of the Project (Hermosa Pier drain) is budgeted at a total cost of \$800,000 of which \$640,000 will be provided from the CBI Grant and the balance of \$160,000 will be a required match provided through a combination of general fund and in-kind services. Because the Hermosa Pier Drain is owned by the County of Los Angeles, the County will be providing in-kind services for design of the project including: survey, geotechnical testing as well as design and preparation of technical specifications (approximately \$70,000-\$80,000 of the match). CIP Project No. 07-420 Stormwater Treatment, Phase I was approved in the FY 07-08 budget and it includes \$73,000 in matching funds from the 301 Capital Improvement Fund.

The City will be responsible for administering the project and for design and implementation of the monitoring program, environmental permitting, construction oversight and preparation of project reports—this effort will be achieved through a combination of staff in-kind services and contracted consulting services and is estimated to represent approximately \$80,000-90,000 of the required match to be incurred during fiscal year 2007-08. The City will also assume operation and maintenance costs associated with the infiltration trench while the County will continue to operate and maintain the storm drain.

Phase II of the Project will not proceed unless and until the State's Grant Manager finds that the monitoring program has demonstrated the effectiveness of the technology and gives approval to go forward with Phase II. At that time the City will look to its neighboring cities to provide the required match for significant portions of the Phase II project, namely the part of the project that will serve the Herondo Drain. It is also anticipated that the County will again provide in-kind design services for the four storm drains that it owns in Phase II. Thus, Staff estimates that of the required \$270,000 match required in Phase II, the City would be responsible for approximately \$100,000, a combination of staff in-kind services and contracted consulting services; this would be incurred during fiscal years 2008-09 and 2009-10.

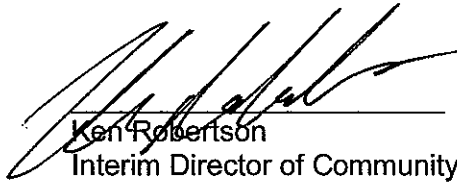
- Attachments: 1) Draft Resolution for the Environmental Negative Declaration
2) Draft Resolution for the Clean Beaches Initiative Grant Program
3) Draft Grant Agreement
4) Initial Study

Respectfully submitted,

Concur:



Richard D. Morgan, P.E.
Director of Public Works/City Engineer



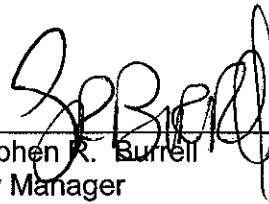
Ken Robertson
Interim Director of Community Development

Noted for Fiscal Impact:

Concur:



Viki Copeland
Finance Director



Stephen R. Burrell
City Manager

RESOLUTION NO. 07-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH TO ADOPT AN ENVIRONMENTAL NEGATIVE DECLARATION FOR THE HERMOSA STRAND INFILTRATION TRENCH, PHASE I, TO DIVERT STORM WATER RUN-OFF TO AN INFILTRATION TRENCH INSTALLED BELOW-GRADE AGAINST THE OCEAN SIDE OF THE CUTOFF WALL

The City Council of the City of Hermosa Beach does hereby resolve and order as follows:

Section 1. An application was filed by the City of Hermosa Beach seeking approval of a Environmental Negative Declaration for the Hermosa Strand Infiltration Trench Project (Project), Phase I, to divert storm water run-off to an infiltration trench installed below-grade against the ocean side of the cutoff wall.

Section 2. Pursuant to the California Environmental Quality Act ("CEQA") and the City's local CEQA Guidelines, the Staff Environmental Review Committee prepared an Initial Study of the potential environmental effects of the proposed project. Based upon the Initial Study, the Committee determined that there was no substantial evidence, in light of the whole record before the City, that the project would have a significant effect on the environment as long as certain mitigation measures are incorporated into the project to address parking issues. City staff thereafter prepared a Mitigated Negative Declaration for the project and duly provided public notice of the public comment period and of the intent to adopt the Negative Declaration. A copy of the Initial Study and Mitigated Negative Declaration are attached hereto and incorporated herein by reference.

PASSED, APPROVED and ADOPTED this 26th day of June, 2007, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

PRESIDENT of the City Council and MAYOR of the City of Hermosa Beach

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney

RESOLUTION NO. 07 - _____

**Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002
CLEAN BEACHES INITIATIVE GRANT PROGRAM**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH TO AUTHORIZE A GRANT AGREEMENT BETWEEN THE CITY AND THE STATE OF CALIFORNIA FOR THE PURPOSE OF RECEIVING STATE BOND FUNDS UNDER PROPOSTION 50 CLEAN BEACHES INITIATIVE GRANT PROGRAM FOR THE DESIGN AND CONSTRUCTION OF THE HERMOSA STRAND INFILTRATION TRENCH PROJECT

WHEREAS, the people of the State of California have enacted the Clean Beaches Initiative Grant Program to fund a variety of water quality improvement projects through grants to local agencies, non-profit organizations, and public agencies to implement projects that protect and restore California's coastal water quality.

WHEREAS, on April 18, 2007 the California Water Resources Control Board approved the Recommended Project List for the Clean Beaches Initiative Grant Program which included the Hermosa Strand Infiltration Trench project for funding in the amount of \$1,720,800.00.

WHEREAS, the California Water Resources Control Board has been delegated the responsibility for the administration of the grant program, setting up necessary procedures;

WHEREAS, said procedures established by the California Water Resources Control Board require the Grantee's Governing Body to certify by resolution the approval of the Grantee to enter into a Grant Agreement wherein the Grantee accepts and agrees to comply with the terms, provisions, conditions and commitments of the Grant Agreement.

Whereas, the CITY OF HERMOSA BEACH will enter into a Grant Agreement with the State of California;

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Hermosa Beach hereby:

1. Authorizes the City Manager or designee to execute the Grant Agreement, and any amendments thereto;
2. Authorizes City of Hermosa Beach Department of Public Works to fund the operation and maintenance of the Hermosa Strand Infiltration Trench for a minimum period of 20 years after completion of the project;

PASSED, APPROVED and ADOPTED this 26th day of June, 2007, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

PRESIDENT of the City Council and MAYOR of the City of Hermosa Beach

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney

FOR STATE USE ONLY DGS REGISTRATION NO.
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PROPOSITION 50 CLEAN BEACHES INITIATIVE GRANT PROGRAM
GRANT AGREEMENT
BETWEEN THE
STATE WATER RESOURCES CONTROL BOARD, hereinafter called "State" or "State Water Board"
AND

City of Hermosa Beach, hereinafter called "Grantee"

for implementation of the
Hermosa Strand Infiltration Trench, hereinafter called "Project"

AGREEMENT NO.

State and Grantee hereby agree as follows:

PROVISION(S). WC § 79543 (Proposition 50 Coastal Nonpoint Source Pollution Control) authorizes the State Water Board to enter into this type of Grant Agreement.

PURPOSE. State shall provide a grant to and for the benefit of Grantee for the purpose of design and construction of a storm drain diversion and infiltration trench system which will utilize native sands to filter and infiltrate year-round low flow urban runoff from ten storm drains along a 1.5 mile stretch of beach in Hermosa Beach.

GRANT AMOUNT. The maximum amount payable under this Agreement shall not exceed \$1,720,800. Global Positioning System (GPS) locations for any monitoring must be identified for this Project prior to any disbursements.

TERM OF AGREEMENT. The term of the Agreement shall begin on October 26, 2006 and continue through Project completion plus twenty-three (23) years unless otherwise terminated or amended as provided in the Agreement. **HOWEVER, ALL WORK SHALL BE COMPLETED BY March 31, 2010. ABSOLUTELY NO FUNDS MAY BE REQUESTED AFTER APRIL 1, 2010.**

PROJECT REPRESENTATIVES. The Project Representatives during the term of this Agreement will be:

State Water Board	Grantee: City of Hermosa Beach
Name: Kari Holmes, Grant Manager	Name: Richard Morgan, Director, Public Works
Address: 1001 I Street, 16 th Floor	Address: 1315 Valley Drive
City, Zip: Sacramento, CA 95814	City, Zip: Hermosa Beach, CA 90254
Phone: 916-341-5636	Phone: 310-318-0211
Fax: 916-341-5707	Fax: 310-937-5015
e-mail: kholmes@waterboards.ca.gov	e-mail: rmorgan@hermosabch.org

Direct all inquiries to:

State Water Board	Grantee: City of Hermosa Beach
Section: Division of Financial Assistance	Section: Department of Public Works
Attention: Barbara Walton, Program Analyst	Name: Homayoun Behboodi
Address: 1001 "I" Street, 17th Floor	Address: 1315 Valley Drive
City, Zip: Sacramento, CA 95814	City, Zip: Hermosa Beach, CA 90254
Phone: (916) 341-5461	Phone: 310-318-0212
Fax: (916) 341-5296	Fax: 310-937-5015

e-mail: bwalton@waterboards.ca.gov	e-mail: rmorgan@hermosabch.org
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Either party may change its Project Representative upon written notice to the other party.

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

- Exhibit A SCOPE OF WORK

- Exhibit B INVOICING, BUDGET DETAIL AND REPORTING PROVISIONS

- Exhibit C GENERAL CONDITIONS – 2005-06 CONSOLIDATED GRANTS

- Exhibit D SPECIAL CONDITIONS – 2005-06 CONSOLIDATED GRANTS

- Exhibit E TRAVEL AND PER DIEM EXPENSES

GRANTEE REPRESENTATIONS. The Grantee accepts and agrees to comply with all terms, provisions, conditions, and commitments of this Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and commitments made by the Grantee in its application, accompanying documents, and communications filed in support of its request for grant funding. Grantee shall comply with and require its contractors and subcontractors to comply with all applicable laws, policies and regulations.

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

By: _____
Grantee Signature
Richard Morgan
Director Public Works

Date

Approved as to form:
Michael Jenkins
City Attorney

Date:

By: _____
Esteban Almanza, Deputy Director
State Water Resources Control Board,
Division of Administrative Services

Date

Reviewed by:
Office of Chief Counsel

Date:

EXHIBIT A – SCOPE OF WORK

1. Quality Assurance Project Plan and Monitoring Plan

- 1.1 Grantee shall prepare and maintain a Quality Assurance Project Plan (QAPP) in accordance with the SWRCB's QAPP for the Surface Water Ambient Monitoring Program (SWAMP). The QAPP must be approved by the SWRCB's Quality Assurance (QA) Officer prior to implementation of any sampling or monitoring activities. No monitoring may occur prior to QAPP approval. Any costs related to monitoring data collected prior to and not supported by the approved QAPP will not be reimbursed. Guidance for preparing the QAPP is available at <http://www.wateboards.ca.gov/swamp/docs/swamp/qapp.html>.
- 1.1 Grantee shall prepare and maintain a Monitoring Plan (MP) that describes the types of constituents to be monitored and the frequency/schedule for the monitoring activities under Phase I of the project. The MP shall be prepared in accordance with Exhibit D, Section 7, and be approved by the Grant Manager prior to implementation of any sampling or monitoring activities. No monitoring may occur prior to MP approval. The Grant Manager must approve any changes to the MP prior to implementation.
- 1.2 Grantee shall prepare and maintain a Phase II performance monitoring plan to confirm that the performance of the Project is in accordance with design requirements.
- 1.3 State Disclosure Requirements – Include the following disclosure statement in any document, written report, or brochure prepared in whole or in part pursuant to this Agreement:

“Funding for this Project has been provided in full or in part through an agreement with the State Water Resources Control Board. The contents of this document do not necessarily reflect the views and policies of the State Water Resources Control Board, nor does mention of trade names or commercial products constitute endorsement or recommendation for use.” (Gov. Code 7550, 40 CFR 31.20)

Signage shall be posted in a prominent location at Project site (if applicable) and shall include the State Water Board logo (available from Program Analyst) and the following disclosure statement:

“Funding for this Project has been provided in full or in part through an agreement with the State Water Resources Control Board.”
- 1.4 The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this work item. (Gov. Code 7550)

2 Work To Be Performed by Grantee:

2.1 Phase I Project Design

- 2.1.1 Prepare construction documents for the construction of the diversion and infiltration trench identified in the Phase I detailed project description. Construction documents shall include construction drawings and specifications, engineer's construction cost estimate, and shall be prepared so that a completely operational system can be constructed. Construction documents will also incorporate specific conditions identified in the Coastal Development Permit.
- 2.1.2 Submit the as-advertised Phase I construction documents to the Grant Manager.
- 2.1.3 Perform bid assistance and select a construction contractor.
- 2.1.4 Provide a copy of bid summary, proof of advertising, and construction Notice to Proceed to the Grant Manager.

2.1 Project Implementation—Phase I

- 2.1.1 Conduct Phase I baseline water quality monitoring as described in the Monitoring Plan.
- 2.1.2 Construct the Phase I diversion and infiltration trench per the construction documents.
- 2.1.3 Conduct photo documentation of the Phase I construction work and submit to the Grant Manager.
- 2.1.4 Conduct a minimum of one (1) year of post construction monitoring to evaluate project effectiveness, in accordance with the approved monitoring and reporting plan. Monitoring results shall be included in the Phase I Interim Project Report and the draft and final Project Reports.

2.2 Phase II Project Design

- 2.2.1 Upon approval of the Clean Beaches Task Force and favorable findings of the Phase I Interim Project Report, prepare construction documents for the construction of Phase II of the diversion and infiltration trench. Construction documents shall include construction drawings and specifications, engineer's construction cost estimate, and shall be prepared so that a completely operational system can be constructed. Construction documents will also incorporate specific conditions identified in the Coastal Development Permit.
- 2.2.2 Submit the as-advertised Phase II construction documents to the Grant Manager.
- 2.2.3 Perform bid assistance and select a construction contractor for Phase II.
- 2.2.4 Provide a copy of bid summary, proof of advertising, and construction Notice to Proceed to the Grant Manager.

2.3 Project Implementation—Phase II

- 2.3.1 Construct the Phase II diversions and infiltration trench per the construction documents.
- 2.3.2 Conduct photo documentation of the Phase II construction work at all phases and submit to the Grant Manager.
- 2.3.3 Conduct a minimum of one (1) year of post construction performance monitoring to evaluate project effectiveness, in accordance with the approved Phase II performance monitoring and reporting plan. Monitoring results shall be included in the draft and final Project Reports.

3 Reporting

- 3.1 Prepare a Phase I Interim Project Report to include results of the Phase I Monitoring Plan and findings regarding the effectiveness of the Phase I project along with recommendations for proceeding with Phase II project implementation. Phase I Interim Project Report will include:
 - 3.1.1 A summary of the conditions the Project is meant to alleviate, the Project's objective, the scope of the Project, and a description of the approach used to achieve the Project's objective.
 - 3.1.2 A summary of the progress made to date, significant milestones achieved, and the current schedule of completing the Project.
 - 3.1.3 An evaluation of the effectiveness of the Project to date in preventing or reducing pollution and alleviating the Project's original conditions.

- 3.2 Prepare a draft final Project Report upon completion of Phase II in accordance with Exhibit D, Section 6. In addition, include the following and submit to Grant Manager for review and comment:
- 3.2.1 An introduction section including a summary of the Project's objective, the scope of the Project, and a brief description of the approach and techniques used during the Project.
 - 3.2.2 A list of submittals previously submitted as outlined in the Table of Items for Review.
 - 3.2.3 Any additional information that is deemed appropriate by the Grant Manager or Grantee.
- 3.3 Prepare and submit one (1) reproducible master, one (1) electronic copy and two (2) copies of the final Project Report that addresses comments from the Grant Manager.

TABLE OF ITEMS FOR REVIEW BY GRANT MANAGER
(Submittals to be delivered to Grant Manager to verify Project progress.)

Item	Description	Due Date
Exhibit A—Scope of Work		
1. Quality Assurance Project Plan and Monitoring Plan		
1.1	Quality Assurance Project Plan	June 2007
1.2	Phase I Monitoring Plan	June 2007
1.3	Phase II Performance Monitoring Plan	Dec 2008
2. Work to be Performed by Grantee		
2.1.2	Phase I As-Advertised Construction Documents	Jan 2008
2.1.4	Phase I Bid Summary, Proof of Advertising	Mar 2008
2.2.3	Photo Documentation of Phase I Construction	June 2008
2.3.2	Phase II As-Advertised Construction Documents	Jan 2009
2.3.4	Phase II Bid Summary, Proof of Advertising	Feb 2009
2.4.2	Photo Documentation of Phase II Construction	June 2009
3. Reporting		
3.1	Phase I Interim Project Report	Sep 2008
3.2	Draft Project Report	Jan 2010
3.3	Final Project Report	Mar 2010
Exhibit B—Invoicing, Budget Detail and Reporting Provisions		
5. Reports		
5.1	Progress Reports with accompanying invoice by 20 th of the month following end of calendar quarter (Mar, Jun, Sept, Dec)	Quarterly
5.2	Grant Summary Form	Day 90
5.3	Natural Resource Projects Inventory Project Survey Form	Before final invoice
Exhibit C—SWRCB General conditions		
	Phase II Final CEQA Documentation	Dec 2008
	Signed Cover Sheets for all permits	As needed

EXHIBIT B
INVOICING, BUDGET DETAIL AND REPORTING PROVISIONS

1. Invoicing

- 1.1 Invoices shall be submitted in the format provided by the SWRCB. The original invoice shall be submitted to the Grant Manager on a quarterly basis consistent with the reporting schedule in Section 5.1 of this exhibit. The address for submittal is: Grant Manager, SWRCB, Division of Financial Assistance, 1001 I Street, 16th Floor, Sacramento, CA 95814
- 1.2 Payment of any invoice shall be made only after receipt of a complete, adequately supported, properly documented and accurately addressed invoice. Receipt of invoices in any other format than the one provided by the SWRCB will be cause for the invoice to be disputed. In the event of an invoice dispute, the Grant Manager will notify the Grantee by initiating an "Invoice Dispute Notification" form. Payment will not be made until the dispute is resolved and a corrected invoice submitted. Failure to use the address exactly as provided above may result in return of the invoice to the Grantee. Payment shall be deemed complete upon deposit of the payment, properly addressed, postage prepaid, in the United States mail. All invoices must be approved by the Grant Manager.
- 1.3 Notwithstanding any other provision of this 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.
- 1.4 Notwithstanding any other provision of this Agreement, the Grantee agrees that the SWRCB may retain an amount equal to ten percent (10%) of the grant amount specified in this Agreement until completion of the Project to the reasonable satisfaction of the SWRCB. Approved invoices will be paid in full until the 90% has been reached. Any retained amounts due to the Grantee will be promptly disbursed to the Grantee, without interest, upon completion of the Project.
- 1.5 The invoice shall contain the following information:
 - 1.5.1 The date of the invoice
 - 1.5.2 The time period covered by the invoice, i.e., the term "from" and "to";
 - 1.5.3 The total amount due; and
 - 1.5.4 Original signature and date (in ink) of the Grantee or its authorized representative.
 - 1.5.5 Final invoice shall be clearly marked "FINAL INVOICE" and submitted NO LATER THAN APRIL 1, 2010.

2. Budget Contingency Clause

The maximum amount to be encumbered under this Agreement for the 2006-07 fiscal year ending June 30, 2007 shall not exceed one million seven hundred twenty thousand eight hundred dollars (\$1,720,800).

If the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of the SWRCB to make any payments under this Agreement. In this event, the State shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Agreement and Grantee shall not be obligated to perform any provisions of this Agreement. Nothing in this Agreement shall be construed to provide the Grantee with a right of priority for payment over any other Grantee.

If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an Agreement amendment to Grantee to reflect the reduced amount.

3. LINE ITEM BUDGET

	CBI	MATCH	TOTAL
Phase I Analytical Costs	\$150,000		\$ 150,000
Phase I Monitoring equipment and installation (six well points and an automatic sampler)		\$75,000	\$ 75,000
Phase I Professional and Consultant Services @ 25% of construction (Engineering Design, Construction Inspection, Geological Testing, Environmental Permitting, Monitoring Plan Design, Project Reporting)	\$30,000	\$85,000	\$115,000
Phase I Construction	\$460,000	-	\$ 460,000
PHASE I SUBTOTAL	\$640,000	\$160,000	\$800,000
Phase II Professional and Consultant Services @ 15% of construction (Engineering Design, Construction Inspection, Geological Testing, Environmental Permitting, Project Reporting)		\$176,000	\$176,000
Phase II Construction	\$1,080,000	94,200	\$1,175,000
PHASE II SUBTOTAL	\$1,080,000	\$270,200	\$1,351,000
TOTAL PROJECT	1,720,800	\$430,200	\$2,151,000

4. Budget Line Item Flexibility

- 4.1 Line Item Adjustment(s). Subject to the prior review and approval of the Grant Manager, adjustments between existing line item(s) may be used to defray allowable direct costs up to fifteen percent (15%) of the grant funds including any amendment(s) thereto. Line item adjustments in excess of fifteen percent (15%) shall require a formal Agreement amendment.
- 4.2 Procedure to Request an Adjustment. Grantee may submit a request for an adjustment in writing to the SWRCB. Such adjustment may not increase or decrease the total grant amount allocated per fiscal year. The Grantee shall submit a copy of the original Agreement Budget sheet reflecting the requested changes. Changes shall be noted by striking the original amount(s) followed with revised change(s) in bold and underlined. Budget adjustments deleting a budget line item or adding a new budget line item requires a formal amendment and are not permissible under this provision. The SWRCB may also propose adjustments to the budget.

5. Reports.

- 5.1 Grantee shall submit quarterly progress reports to the Grant Manager by the twentieth (20th) of the month following the end of the calendar quarter (March, June, September, and December). The progress reports shall provide a brief description of the work performed, accomplishments during the quarter, milestones achieved, and any problems encountered in the performance of the work under this Agreement. Grantee shall document all contractor activities and expenditures in progress reports. The invoice accompanying the progress report must explain the method used to compute the amount due. Invoices must be itemized based on the categories specified in the Budget. 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).
- 5.2 Grantee shall complete a one (1) page Grant Summary Form within three (3) months of the Agreement execution <http://www.waterboards.ca.gov/funding/docs/grantinfo/grantsum.doc>. A hard copy shall be submitted to the Grant Manager and an electronic copy for posting on the SWRCB website.
- 5.3 At the completion of this Project, the Grantee shall complete and submit electronically a Natural Resource Projects Inventory (NRPI) Project Survey Form <http://www.ice.ucdavis.edu/nrpi>. A hard copy shall be submitted to the Grant Manager prior to final payment.
- 5.4 The Grantee agrees to expeditiously provide, during work on the Project and throughout the term of this Agreement, such reports, data, information, and certifications, as may be reasonably required by the SWRCB.

- 6 Payment of Project Costs. The Grantee agrees that it will provide for payment of its full share of Project costs and that all costs connected with the Project will be paid by the Grantee on a timely basis.
- 7 Audit Disallowances. The Grantee agrees it shall return any audit disallowances to the SWRCB.

EXHIBIT C
GENERAL CONDITIONS

1. **AMENDMENT:** No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or agreement not incorporated in the Agreement is binding on any of the parties.
2. **APPROVAL:** The Grantee will not proceed with any work on the Project until authorized in writing by the State Water Board.
3. **ASSIGNMENT:** This grant is not assignable by the Grantee, either in whole or in part, without the consent of the State Water Board.
4. **AUDIT:** Grantee agrees that the awarding department, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. The Grantee agrees to maintain such records for a possible audit for a minimum of twenty-three (23) years after final payment, unless a longer period of records retention is stipulated. Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Grantee agrees to include a similar right of the State to audit records and interview staff in any contract related to performance of this Agreement.
5. **BONDING:** Where contractors are used, Grantee shall not authorize construction to begin until each such contractor has furnished a performance bond in favor of the Grantee in the following amounts: faithful performance (100%) of contract value; labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than \$20,000.00.
6. **CALFED PROGRAM CONSISTENCY.** If this Project assists in meeting any of the CALFED Bay-Delta Program Goals, this Project shall be consistent with the CALFED Programmatic Record of Decision and must be implemented, to the maximum extent possible, through local and regional programs.
7. **CEQA/NEPA:**
 - a. No work that is subject to the California Environmental Quality Act (CEQA) or National Environmental Policy Act (NEPA) may proceed under this Agreement until documents that satisfy the CEQA/NEPA process are received by the Grant Manager and the State Water Board has given environmental clearance. No work that is subject to an Environmental Impact Report or a Mitigated Negative Declaration may proceed until and unless approved by the Deputy Director of the State Water Board's Division of Financial Assistance (Division). Such approval is fully discretionary and shall constitute a condition precedent to any work for which it is required.
 - b. If this Project includes modification of a river or stream channel, it must fully mitigate environmental impacts resulting from the modification. The Grantee must provide documentation that the environmental impacts resulting from such modification will be fully mitigated considering all of the impacts of the modification and any mitigation, environmental enhancement, and environmental benefit resulting from the Project, and whether, on balance, any environmental enhancement or benefit equals or exceeds any negative environmental impacts of the Project.

8. **COMPLIANCE WITH LAW, REGULATIONS, ETC.:** The Grantee agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and state laws, rules, guidelines, regulations, and requirements. Without limitation of the foregoing, the Grantee agrees that, to the extent applicable, the Grantee will comply with the provisions of the adopted environmental mitigation plan for the term of this Agreement, or the useful life of the Project, whichever is longer.
9. **COMPUTER SOFTWARE:** The Grantee certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.
10. **CONFLICT OF INTEREST.** Grantee certifies that it is in compliance with applicable state and/or federal conflict of interest laws.
11. **CONTINUOUS USE OF PROJECT; LEASE OR DISPOSAL OF PROJECT:** The Grantee agrees that, except as provided in the Agreement, it will not abandon, substantially discontinue use of, lease, or dispose of the Project or any significant part or portion thereof during the useful life of the Project without prior written approval of the Division. Such approval may be conditioned as determined to be appropriate by the Division, including a condition requiring repayment of all or any portion of all remaining grant Project funds covered by this Agreement together with accrued interest and any penalty assessments which may be due.
12. **DAMAGES FOR BREACH AFFECTING TAX EXEMPT STATUS:** In the event that any breach of any of the provisions of this Agreement by the Grantee shall result in the loss of tax exempt status for any state bonds, or if such breach shall result in an obligation on the part of the State to reimburse the federal government by reason of any arbitrage profits, the Grantee shall immediately reimburse the state in an amount equal to any damages paid by or loss incurred by the state due to such breach.
13. **DATA MANAGEMENT.** This Project includes appropriate data management activities so that Project data can be incorporated into appropriate statewide data systems.
14. **DISPUTES:** Grantee shall continue with the responsibilities under this Agreement during any dispute. Any dispute arising under this Agreement which is not otherwise disposed of by agreement shall be decided by the Deputy Director of the Division, or his or her authorized representative. The decision shall be reduced to writing and a copy thereof furnished to the Grantee and to the State Water Board's Executive Director. The decision of the Division shall be final and conclusive unless, within thirty (30) calendar days after mailing of the Division decision to the Grantee, the Grantee mails or otherwise furnishes a written appeal of the decision to the State Water Board's Executive Director. The decision of the State Water Board's Executive Director shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal under this clause, the Grantee shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the Grantee shall continue to fulfill and comply with all the terms, provisions, commitments, and requirements of this Agreement. This clause does not preclude consideration of legal questions, provided that nothing herein shall be construed to make final the decision of the State Water Board, or any official or representative thereof, on any question of law.
15. **FISCAL MANAGEMENT SYSTEMS AND ACCOUNTING STANDARDS:** The Grantee agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracing

of grant funds to a level of expenditure adequate to establish that such funds have not been used in violation of state law or this Agreement. The Grantee further agrees that it will maintain separate Project accounts in accordance with generally accepted accounting principles.

16. **GOVERNING LAW:** This grant is governed by and shall be interpreted in accordance with the laws of the State of California.
17. **GRANT MODIFICATIONS:** The State Water Board may, at any time, without notice to any sureties, by written order designated or indicated to be a "grant modification", make any change in Exhibit A, for the work to be performed under this Agreement so long as the modified work is within the general scope of work called for by this Agreement, including but not limited to changes in the specifications or in the method, manner, or time of performance of work. If the Grantee intends to dispute the change, the Grantee must, within ten (10) days after receipt of a written "grant modification", submit to the State Water Board a written statement setting forth the disagreement with the change.
18. **INCOME RESTRICTIONS:** The Grantee agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Grantee under this 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.
19. **INDEPENDENT ACTOR:** The Grantee, and its agents and employees, if any, in the performance of this Agreement, shall act in an independent capacity and not as officers, employees or agents of the State Water Board.
20. **INSPECTION:** Throughout the life of the Project, the State Water Board shall have the right to inspect the Project area to ascertain compliance with this Agreement. Grantee acknowledges that the Project records and location are public records.
21. **INSURANCE:** Throughout the life of the Project, the Grantee shall provide and maintain insurance against fire, vandalism and other loss, damage, or destruction of the facilities or structures constructed pursuant to this Agreement, if any. This insurance shall be issued by a company or companies admitted to transact business in the State of California. The insurance policy shall contain an endorsement specifying that the policy will not be cancelled or reduced in coverage without thirty days' prior written notice to the State Water Board. In the event of any damage to or destruction of the Project or any larger system of which it is a part, the net proceeds of insurance shall be applied to the reconstruction, repair or replacement of the damaged or destroyed parts of the Project or its larger system. The Grantee shall begin such reconstruction, repair, or replacement as expeditiously as possible and shall pay out of such net proceeds all costs and expenses in connection with such reconstruction, repair or replacement so that the same shall be completed and the larger system shall be free of all claims and liens.
22. **NONDISCRIMINATION:** During the performance of this Agreement, the Grantee and its contractors shall not unlawfully discriminate against, harass, or allow harassment against any employee or applicant for employment because of sex, race, religion, color, national origin, ancestry, disability, sexual orientation, medical condition, marital status, age (over 40) or denial of family-care leave, medical-care leave, or pregnancy-disability leave. The Grantee and its contractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination and harassment.
23. **NO THIRD PARTY RIGHTS:** The parties to this grant Agreement do not create rights in, or grant remedies to, any third party as a beneficiary of this grant Agreement, or of any duty, covenant, obligation or undertaking established herein.
24. **NOTICE:**

- a. The Grantee shall notify the State Water Board prior to conducting construction, monitoring, demonstration, or other implementation activities such that State Water Board and/or Regional Water Board staff may observe and document such activities.
 - b. The Grantee shall promptly notify the State Water Board of events or proposed changes that could affect the scope, budget, or work performed under this Agreement. The Grantee agrees that no substantial change in the scope of the Project will be undertaken until written notice of the proposed change has been provided to the State Water Board, and the State Water Board has given written approval for such change.
 - c. The Grantee shall notify the State Water Board at least ten (10) working days prior to any public or media event publicizing the accomplishments and/or results of this Agreement and provide the opportunity for attendance and participation by State Water Board's representatives.
 - d. The Grantee shall promptly notify the State Water Board in writing of completion of work on the Project.
 - e. The Grantee shall promptly notify the State Water Board in writing of any cessation of all major construction work on the Project where such cessation of work is expected to or does extend for a period of thirty (30) days or more and of any circumstance, combination of circumstances, or condition, which is expected to or does delay completion of construction for a period of ninety (90) days or more beyond the estimated date of completion of construction previously provided.
25. OPERATIONS & MAINTENANCE: The Grantee shall maintain and operate the facility and structures constructed or improved as part of the Project throughout the life of the Project, consistent with the purposes for which this Grant was made. The Grantee assumes all operations and maintenance costs of the facilities and structures; the State Water Board shall not be liable for any cost of such maintenance, management or operation. The Grantee may be excused from operations and maintenance only upon the written approval of the Grant Manager. For purposes of this Agreement, "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses. "Maintenance costs" include ordinary repairs and replacements of a recurring nature necessary to prolong the life of capital assets and basic structures, and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures.
26. PERMITS, CONTRACTING, WAIVER, REMEDIES AND DEBARMENT: The Grantee shall procure all permits and licenses necessary to accomplish the work contemplated in this Agreement, pay all charges and fees, and give all notices necessary and incidental to the due and lawful prosecution of the work. Any contractors, outside associates, or consultants required by the Grantee in connection with the services covered by this Agreement shall be limited to such individuals or firms as were specifically identified and agreed to during negotiations for this Agreement, or as are specifically authorized by the State Water Board's Grant Manager during the performance of this Agreement. Any substitutions in, or additions to, such contractors, associates, or consultants, shall be subject to the prior written approval of the State Water Board's Grant Manager. Any waiver of rights with respect to a default or other matter arising under the Agreement at any time by either party shall not be considered a waiver of rights with respect to any other default or matter. Any rights and remedies of the State provided for in this Agreement are in addition to any other rights and remedies provided by law. The Grantee shall not contract with any party who is debarred or suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, "Debarment and Suspension". The Grantee shall not contract with any individual or organization on USEPA's List of Violating Facilities. (40 CFR, Part 31.35, Gov. Code 4477) www.epls.gov. The Grantee certifies to the best of its knowledge and belief, that it and its principals:
- a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or Grantee;
 - b. Have not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract

under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

- c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and
 - d. Have not within a three (3)-year period preceding this application/proposal had one or more public transactions (federal, state or local) terminated for cause or default.
27. **PREVAILING WAGES AND LABOR COMPLIANCE:** If applicable, the Grantee agrees to be bound by all the provisions of State Labor Code regarding prevailing wages. If applicable, the Grantee shall monitor all agreements subject to reimbursement from this Agreement to assure that the prevailing wage provisions of State Labor Code are being met. The Grantee certifies that it has a labor compliance program in place pursuant to section 1771.8 of the Labor Code, where applicable.
28. **PROFESSIONALS:** The Grantee agrees that only licensed professionals will be used to perform services under this Agreement where such services are called for.
29. **RECORDS:** Without limitation of the requirement to maintain Project accounts in accordance with generally accepted accounting principles, the Grantee agrees to:
- a. Establish an official file for the Project which shall adequately document all significant actions relative to the Project;
 - b. Establish separate accounts which will adequately and accurately depict all amounts received and expended on this Project, including all grant funds received under this Agreement;
 - c. Establish separate accounts which will adequately depict all income received which is attributable to the Project, especially including any income attributable to grant funds disbursed under this Agreement;
 - d. Establish an accounting system which will adequately depict final total costs of the Project, including both direct and indirect costs;
 - e. Establish such accounts and maintain such records as may be necessary for the state to fulfill federal reporting requirements, including any and all reporting requirements under federal tax statutes or regulations; and
 - f. If Force Account is used by the Grantee for any phase of the Project, establish an account that documents all employee hours, and associated tasks charged to the Project per employee.
30. **RELATED LITIGATION:** Under no circumstances may a Grantee use funds from any disbursement under this Grant Agreement to pay costs associated with any litigation the Grantee pursues against the State Water Board or any Regional Water Board. Regardless of the outcome of any such litigation, and notwithstanding any conflicting language in this Agreement, the Grantee agrees to complete the Project funded by this Agreement or to repay all of the grant funds plus interest.
31. **RIGHTS IN DATA:** The Grantee agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes, and other written or graphic work produced in the performance of this Agreement shall be in the public domain. The Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected, and developed under this Agreement, subject to appropriate acknowledgement of credit to the State Water Board for financial support. The Grantee shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so.

32. **STATE REVIEWS AND INDEMNIFICATION:** The parties agree that review or approval of Project applications, documents, permits, plans and specifications or other Project information by the State Water Board is for administrative purposes only and does not relieve the Grantee of its responsibility to properly plan, design, construct, operate, maintain, implement, or otherwise carry out the Project. To the extent permitted by law, the Grantee agrees to indemnify, defend and hold harmless the State Water Board and the State against any loss or liability arising out of any claim or action brought against the State Water Board and/or the State from and against any and all losses, claims, damages, liabilities or expenses, of every conceivable kind, character and nature whatsoever arising out of, resulting from, or in any way connected with (1) the Project or the conditions, occupancy, use, possession, conduct or management of, work done in or about, or the planning, design, acquisition, installation or construction, of the Project or any part thereof; (2) the carrying out of any of the transactions contemplated by this Agreement or any related document; (3) any violation of any applicable law, rule or regulation, any environmental law (including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the California Hazardous Substance Account Act, the Federal Water Pollution Control Act, the Clean Air Act, the California Hazardous Waste Control Law and California Water Code Section 13304, and any successors to said laws), rule or regulation or the release of any toxic substance on or near the System; or (4) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements required to be stated therein, in light of the circumstances under which they were made, not misleading with respect to any information provided by the Grantee for use in any disclosure document utilized in connection with any of the transactions contemplated by this Agreement. To the fullest extent permitted by law, the Grantee agrees to pay and discharge any judgment or award entered or made against the State Water Board and/or the State with respect to any such claim or action, and any settlement, compromise or other voluntary resolution. The provisions of this section shall survive the term of this Agreement.
33. **SUPPLEMENTAL ENVIRONMENTAL PROJECTS:** Grant Funds shall not be used for supplemental environmental projects required by Regional Boards.
34. **STATE WATER BOARD ACTION, COSTS, AND ATTORNEY FEES:** The Grantee agrees that any remedy provided in this Agreement is in addition to and not in derogation of any other legal or equitable remedy available to the State Water Board as a result of breach of this Agreement by the Grantee, whether such breach occurs before or after completion of the Project, and exercise of any remedy provided by this Agreement by the State Water Board shall not preclude the State Water Board from pursuing any legal remedy or right which would otherwise be available. In the event of litigation between the parties hereto arising from this Agreement, it is agreed that the State Water Board shall be entitled to such reasonable costs and/or attorney fees as may be ordered by the court entertaining such litigation.
35. **TERMINATION, IMMEDIATE REPAYMENT, INTEREST:** This Grant Agreement may be terminated by written notice at any time prior to completion of the Project, at the option of the State Water Board, upon violation by the Grantee of any material provision after such violation has been called to the attention of the Grantee and after failure of the Grantee to bring itself into compliance with the provisions of this Agreement within a reasonable time as established by the State Water Board. In the event of such termination, the Grantee agrees, upon demand, to immediately repay to the State Water Board an amount equal to the amount of grant funds disbursed to the Grantee prior to such termination. In the event of termination, interest shall accrue on all amounts due at the highest legal rate of interest from the date that notice of termination is mailed to the Grantee to the date of full repayment by the Grantee.
36. **TIMELINESS:** Time is of the essence in this Agreement. The Grantee shall proceed with and complete the Project in an expeditious manner.
37. **TRAVEL AND PER DIEM:** Any reimbursement for necessary travel and per diem shall be at rates not to exceed those amounts set forth in Exhibit E. No travel outside the State of California shall be reimbursed unless prior written authorization is obtained from the State Water Board.
38. **UNENFORCEABLE PROVISION:** In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement shall continue to have full force and effect and shall not be affected thereby.

39. **URBAN WATER MANAGEMENT PLAN.** The Grantee certifies that this Project complies with the Urban Water Management Planning Act (Water Code § 10610 et seq.). This shall constitute a condition precedent to this grant agreement.
40. **USEFUL LIFE OF PROJECT:** For the purpose of this Agreement, the useful life of any constructed portions of this Project begins upon completion of construction and continues until fifty (50) years thereafter for pipelines and structures and twenty (20) years for all else.
41. **VENUE:** The State Water Board 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.
42. **WATERSHED MANAGEMENT PLAN CONSISTENCY.** Grantee certifies that any watershed protection activity undertaken as part of this Project will be consistent with the applicable, adopted, local watershed management plans and the applicable Water Quality Control Plan (Basin Plan) adopted by a Regional Water Board, where such plans exist. Any such activity occurring in the San Gabriel and Los Angeles watersheds shall be consistent with the San Gabriel and Los Angeles River Watershed and Open Space Plan as adopted by the San Gabriel and Lower Los Angeles Rivers and Mountain Conservancy and the Santa Monica Mountains Conservancy.
43. **WITHHOLDING OF GRANT DISBURSEMENTS:** The State Water Board may withhold all or any portion of the grant funds provided for by this Agreement in the event that the Grantee has materially violated, or threatens to materially violate, any term, provision, condition, or commitment of this Agreement; or the Grantee fails to maintain reasonable progress toward completion of the Project.

**EXHIBIT D
SPECIAL CONDITIONS**

Proposition 50 Coastal Nonpoint Source Pollution Control Program [WC § 79543]

1. The Grantee certifies that this is a Project to restore and protect the water quality and environment of coastal waters, estuaries, bays and nearshore waters, or groundwater.
2. The Grantee certifies that, for the purposes of this Project, it has not received, will not apply for, and hereby withdraws outstanding applications for money through the Prop 13 Coastal Nonpoint Source Program (Water Code § 79148 et seq.) or the Prop 13 Nonpoint Source Pollution Control Program (Water Code § 79110 et seq.).
3. The Grantee certifies that it is an entity defined under Section 79543 of the California Water Code.
4. The Grantee certifies that this Project is intended to produce sustained, long-term water quality or environmental restoration or protection benefits for a period of twenty (20) years.
5. The Grantee certifies that this Project is intended to address the causes of degradation, rather than symptoms.
6. The Grantee in good faith represents that this Project is consistent with water quality and resource protection plans prepared, implemented, or adopted by the State Water Board, the applicable Regional Water Board, and the California Coastal Commission.
7. Notwithstanding Exhibit A, the Grantee shall submit a monitoring and reporting plan that will do all of the following:
 - a. Identify the nonpoint source or sources of pollution to be prevented or reduced by Project
 - b. Describe the baseline water quality or quality of the environment to be addressed

- c. Describe the manner that Project will prevent or reduce pollution and demonstrate desired environmental results.
8. Notwithstanding Exhibit A, upon completion of the Project, the Grantee shall submit a report to the State Water Board that summarizes the completed activities and indicates whether the purposes of the Project have been met. The report shall include information collected by the recipient in accordance with the Project monitoring and reporting plan, including a determination of the effectiveness of the Project in preventing or reducing pollution.
9. The Grantee shall inform the State Water Board with regard to necessary public agency approvals, entitlements, and permits that may be necessary to implement the Project. The Grantee shall certify to the State Water Board, at the appropriate time, that it has obtained those approvals, entitlements, and permits.
10. The Grantee certifies that if a recovery plan for coho, steelhead, or other threatened or endangered aquatic species exists, this Project is consistent with such a plan and, if feasible, implements actions in such a plan.
11. Where applicable, the Grantee shall include a monitoring component as part of this Project that allows the integration of data into statewide monitoring effort, including but not limited to the State Water Board's Surface Water Ambient Monitoring Program (SWAMP) or Groundwater Ambient Monitoring and Assessment (GAMA) Program.
12. The Grantee certifies that it is providing a match in the amount of at least 20% (for projects from \$1,000,000 to \$5,000,000) of the capital costs to be spent on this Project, as such costs are defined under Section 32025 of the Public Resources Code.
13. The Grantee certifies that in no event will it complete this Project later than March of 2010. It acknowledges that this condition is a material condition of this grant agreement.
14. The Grantee certifies that its Project area falls under the jurisdiction of the California Coastal Commission and/or the San Francisco Bay Conservation and Development Commission.
15. The Grantee certifies that this Project addresses at least one of the State Water Board Clean Beaches Initiative priorities as identified in the Clean Beaches Initiative Program Guidelines.

**EXHIBIT E
TRAVEL AND PER DIEM EXPENSES**

I. SHORT-TERM PER DIEM EXPENSES

A. In computing reimbursement for continuous short-term travel of more than 24 hours and less than 31 consecutive days, that is at least 50 miles from the main office, headquarters or primary residence, the employee will be reimbursed for actual costs up to the maximum allowed for each meal, incidental, and lodging expense for each complete 24 hours of travel, beginning with the traveler's times of departure and return, as follows:

1. On the first day of travel on a trip of 24 hours or more:

Trip begins at or before 6 a.m.	Breakfast may be claimed on the first day.
Trip begins at or before 11 a.m.	Lunch may be claimed on the first day.
Trip begins at or before 5 p.m.	Dinner may be claimed on the first day.

2. On the fractional day of travel at the end of a trip of more than 24 hours:

Trip ends at or after 8 a.m.	Breakfast may be claimed.
Trip ends at or after 2 p.m.	Lunch may be claimed.
Trip ends at or after 7 p.m.	Dinner may be claimed.

If the fractional day includes an overnight stay, receipted lodging may also be claimed. No meal or lodging expense may be claimed or reimbursed more than once on any given date or during any 24-hour period.

3. Reimbursement shall be for actual expenses, subject to the following maximum rates:

Meals:

Breakfast	\$ 6.00	Receipts are not required for regular short-term travel meals
Lunch	\$ 10.00	
Dinner	\$ 18.00	
Incidentals	\$ 6.00	

Lodging:

Statewide	Actual up to \$84.00 plus tax
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When required to conduct State business and obtain lodging in the counties of Los Angeles and San Diego, reimbursement will be for actual receipted lodging to a maximum of \$110 plus tax.

When required to conduct State business and obtain lodging in the counties of Alameda, San Francisco, San Mateo, and Santa Clara, reimbursement will be for actual receipted lodging to a maximum of \$140 plus tax.

If lodging receipts are not submitted, reimbursement will be for meals only at the rates and time frames set forth in B.1 below.

In circumstances where the contractor cannot obtain the state per diem lodging rate, verification from the hotel that such a rate was not available to the contractor may be submitted to substantiate lodging costs above the per diem rate.

No meal or lodging expenses will be reimbursed for any period of travel that occurs within normal working hours, unless expenses are incurred at least 50 miles from the main office, headquarters or primary residence.

B. In computing reimbursement for continuous travel of less than 24 hours, actual expenses, up to the maximums in A.3 above, will be reimbursed for breakfast and/or dinner and/or lodging in accordance with the following time frames:

1. Travel begins at or before 6 a.m. and ends at or after 9 a.m.: Breakfast may be claimed. Travel begins at or before 4 p.m. and ends at or after 7 p.m.: Dinner may be claimed. If the trip of less than 24 hours includes an overnight stay, receipted lodging may be claimed. No lunch or incidentals may be reimbursed on travel of less than 24 hours.
2. Employees on short-term travel who stay in commercial lodging establishments or commercial campgrounds will be reimbursed for actual lodging expenses substantiated by a receipt. Employees who stay with friends or relatives, or who do not produce a lodging receipt, will be eligible to claim meals only.

II. LONG-TERM TRAVEL AND PER DIEM EXPENSES

A. Employee maintains a separate residence in the headquarters area:

Long-term travelers who maintain a permanent residence at their primary headquarters may claim daily long-term lodging up to \$24.00 with a receipt, and long-term meals of \$24.00 for each period of travel from 12 to 24 hours at the long-term location. For travel of less than 12 hours, the traveler may claim either \$24.00 in receipted lodging or \$24.00 in long-term meals.

B. Employee does not maintain a separate residence in headquarters area:

Long-term travelers who do not maintain a permanent residence at their headquarters may claim daily receipted lodging up to \$12.00, and long-term meals of \$12.00 for each period of travel from 12 to 24 hours at the long-term locations. For travel of less than 12 hours, the travelers may claim either \$12.00 in receipted lodging or \$12.00 in long-term meals.

III. MILEAGE REIMBURSEMENT

Reimbursement for personal vehicle mileage is 44.5 cents per mile.

IV. VEHICLE RENTAL

Reimbursement for vehicle rental shall be for actual and necessary costs of such rental and airplane usage shall be allowed at the lowest fare available. Claims for reimbursements shall be allowed upon submittal of the appropriate receipt. Refer to California Code of Regulations, Title 2, Sections 599.627 and 599.628.