

STAFF

Jennifer Spaletta - General Counsel
Roger Masuda - Special Counsel
Shasta Burns - Deputy Secretary
Daniel de Graaf - District Engineer
Steve Schwabauer–General Manager

BOARD OF DIRECTORS

President - Joe Valente
Vice President – Jason Colombini
Secretary - David Simpson
Treasurer - Charles Starr II
Director - Marden Wilber

**NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT
NOTICE OF MEETING AND PUBLIC HEARING AND AGENDA FOR
REGULAR MEETING OF THE BOARD OF DIRECTORS**

**Monday, October 30, 2023
2:00 p.m.
Lodi Grape Festival Grounds- Barrel Room
413 E. Lockeford St, Lodi CA 95240
Also Available via Zoom**

Join Zoom Meeting

<https://us02web.zoom.us/j/87883217427>

Meeting ID: 878 8321 7427

One tap mobile

+16699006833,,87883217427# US (San Jose)

Dial by your location

+1 669 900 6833 US (San Jose)

Meeting ID: 878 8321 7427

The agenda and all noted documentation may be viewed and downloaded at www.nsigroundwater.org . Requests to receive the agenda and documentation by e-mail may be submitted in writing to the Secretary of the Board. The NSJWCD printed agendas are posted at the District’s location of business at: 498 E. Kettleman Lane, Lodi. The District’s mailing address is: PO Box E, Victor CA 95253.

NOTICE: Members of the public may address the Board of Directors concerning any agenda item during the Board’s consideration of that item. The public may address non-agenda items at the end of the regular meeting. No action will be taken on those items; however, the Board may agendaize items for future consideration.

1. Call to Order - Roll Call - Acceptance of Agenda

2. Correspondence/Announcements

3. Action Items

Any and all of **the following agenda items are subject to action** being taken by the Board of Directors by motion, resolution or ordinance.

Action items may be added to the agenda upon determination by a majority vote of the Board that an emergency exists, as defined by state law, or by a 2/3 vote of the Board that (1) there is a need to take immediate action; and (2) that the need for action came to the District’s attention after the agenda was posted.

A. CONSENT CALENDAR

1. Approval of the Minutes for the Regular Scheduled Board Meeting on September 25, 2023 (*attachment 1*). **pages 5-8**

B. FINANCIAL

1. Receive and Approve October 2023 NSJWCD Monthly Treasurer's Report and Summary of Accounts and Transfers (*attachment 2*) **pages 9, 10**
2. Approve Payment of Bills (*attachment 3*) **pages 11, 12**
3. Resolution 2023-___ Approving Warrant Agreement with Farmers and Merchants Bank for Line of Credit (*attachment 4*) **pages 13-24**

C. CONTRACTS

1. Review Response to RFP for North System Phase 1B and Award Contract (*attachment 5*) **pages 25-34**
2. Temporary Construction Easement – North System (*attachment 6*) **pages 35-39**
3. North System Groundwater Monitoring Well Easements and Drilling Contract (*attachment 7*) **pages 40-43**
4. Arnaudo South System Phase II Contract Change Orders
 - i. Additional Pump(s) (*attachment 8*) **pages 44-46**
5. Sierra Controls – Cal Fed Change Order (*attachment 9*) **pages 47-49**

D. SYSTEM AND PROJECTS

1. Engineer's Report and Operations Plan (*attachment 10*) *-handout at meeting*
2. North System
 - i. Reynolds Recharge Update
 - ii. Progressive Design-Build Procurement Update (*attachment 11*)
3. South System **page 50**
 - i. South System Phase II Update
 - ii. Miller Recharge Update
 - iii. Tecklenburg Recharge Update
4. Update on Temporary Water Right for November 2023
5. Cal-Fed/Woodbridge Operations
6. Tracy Lake ID

E. Grant Activity

1. Consero report (*attachment 12*) **pages 51-60**
2. Resolution 2023-___ Regarding North System Habitat Improvement Grant Agreement (*attachment 13*) **pages 61-97**

F. Strategic Plan Activity

1. Newsletter – Fall 2023
2. Website Update

G. Groundwater Charge

1. Discuss Online Appeal Form

2. Discuss and provide Staff Direction on Rules for Making Appeals Last 3-5 Years with Penalties for Failure to Notify of Change in Use (*attachment 14*) **page 98**
3. Discuss and provide Staff Direction on Outsourcing Charge Administration
- H. Appointment to Advisory Water Commission (*attachment 15*) **pages 99-105**
- I. Sustainable Groundwater Management Act/ GWA Activity
- J. SJC Mokelumne River Application Update
- K. Bay Delta Flow Program Update/Voluntary Agreements
- L. Landowner communications
- M. Board Planning Calendar

4. Director and Staff Reports

- A. Directors Reports
- B. Committee Reports
- C. Other

5. Public Comment on Items Not on the Agenda

Interested persons in the audience are welcome to introduce any topic within the jurisdiction of the NSJWCD Board. The time allowed for each speaker for comments made by the public is limited to 3 minutes. Matters presented under this agenda item may be discussed, but no action can be taken by the Board at this meeting except as follows:

- Briefly respond to statements made or questions raised.
- Ask a question for clarification.
- Provide a reference to staff or other resources for factual information.
- Request staff to report back at a subsequent meeting.
- An individual Board member or the Board itself may have the matter placed on a future agenda.

6. Closed Session – 5 items

Closed Session pursuant to Section 54956.9(a) Existing Litigation
 CONFERENCE WITH LEGAL COUNSEL – *Woodbridge Irrigation District v. East Bay Municipal Utility District*, Sacramento County Superior Court Case No. 34-2018-00232142-CU-CO-GDS

Closed Session pursuant to Section 54956.9(a) Anticipated Litigation – one case

Closed Session pursuant to Section 54956.8 Real Property Negotiations – North System Easements – Negotiators General Counsel Jennifer Spaletta District Engineer Daniel deGraaf

Closed Session pursuant to Section 54956.8 Real Property Negotiations – Recharge Parcels North and South System – Negotiators General Counsel Jennifer Spaletta District Engineer Daniel deGraaf

Return to Open Session

All reportable actions taken in closed session will be announced in open session following the closed session and will be duly noted in the official minutes of the meeting.

7. Motion to Adjourn

Next Regular Meeting November 27, 2022 from 2:00 PM- 4:00 PM

Lodi Grape Festival Grounds- Barrel Room

413 E. Lockeford St, Lodi CA 95240

Also Available via Zoom

Action may be taken on any item

Agendas and Minutes may also be found at [http:// www.NSJGroundwater.org](http://www.NSJGroundwater.org)

Note: If you need disability-related modification or accommodation in order to participate in this meeting, please contact North San Joaquin Water Conservation District Staff at (209) 712-1693 at least 48 hours prior to the start of the meeting

NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS

Lodi Grape Festival Grounds – Barrel Room
413 E. Lockeford Street, Lodi CA
Zoom - Teleconference Meeting

Monday, September 25, 2023

REGULAR MEETING MINUTES

**CONDUCTED BY TELECONFERENCE IN COMPLIANCE WITH GOVERNOR NEWSOM'S
EXECUTIVE ORDER RELAXING BROWN ACT REQUIREMENTS DUE TO COVID-19**

- 1. Call to Order - Roll Call - Acceptance of Agenda** - The meeting was called to order by President Valente at 2:03 pm. A motion for the acceptance of the Agenda, made by Secretary Simpson, second by Vice President Colombini. Motion passed unanimously 3/0/0.

President Joe Valente - Area 3
Vice President Jason Colombini - Area 2
Secretary David Simpson – Area 1
Treasurer Charles Starr – Area 4 -Absent
Director Marden Wilber – Area 5 - Absent

General Counsel Jennifer Spaletta
Special Counsel Roger Masuda - Absent
Daniel de Graaf – District Engineer
Deputy Secretary Shasta Burns

- 2. Correspondence/Announcements-** Marden Wilber was selected into the Agriculture Hall of Fame by the Stockton Chamber of Commerce. Dinner will be October 19, 2023. EBMUD Pardee BBQ is on October 6, 2023.

- 3. Action Items** Note: Votes recorded as: For/Against/Abstention (name)

A. CONSENT CALENDAR

1. Approval of the Minutes of the Regular Scheduled Board meeting on August 28, 2023- A motion to approve the Regular Scheduled Board Meeting Minutes on August 28, 2023, made by Secretary Simpson, second by Vice President Colombini. Motion passed 3/0/0.

B. Financial Matters

1. Receive and File September 2023 NSJWCD Monthly Treasurer's Report and Summary of Accounts and Transfers presented to the board. Perla from Butterfield + Company prepared financial statements for Board action. A motion to approve September 2023 NSJWCD Monthly Treasurer's Report, by Vice President Colombini, second by Secretary Simpson. Motion passed 3/0/0

2. Approve Payment of Bills- A motion to approve payment of bills recommendation listed on page 11-13 in the board meeting packet with the addition of a late Arnaudo Invoice presented by BobGranberg in the amount of \$53,460.34 for class GW Recharge Operations and Maintenance Reynolds Recharge- Summary of Bills made by Vice President Colombini, second by Secretary Simpson. Motion passed 3/0/0.

3. ACWA Fall Conference Registration – Review of memo in the board meeting packet from General Counsel Spaletta. Vice President Colombini is interested in attending as well. A motion to approve Registration and Travel Expenses for General Manager Schwaubauer and Vice President Columbini to attend Fall ACWA Conference in the amount not to exceed \$6,000, made by Secretary Simpson, second by Vice President Colombini. Motion passed 3/0/0.
4. Resolution 2023-11 Approving Warrant Agreement with Farmers and Merchants Bank for Line of Credit- Authorize the negotiation of the Warrant Agreement. No resolution at this time. Will table until October Board Meeting. Direction to have General Counsel Spaletta negotiate terms with Farmers and Merchants Bank.

C. Contracts

1. General Manager Employment Contract – General Counsel reviewed unclear severance pay to clarify termination without a clause reviewed in board meeting memo. A motion to revise provision 8.1 in revised Final General Manager Employment Contract made by Secretary Simpson, second by Vice President Colombini. Motion passed 3/0/0
2. Recharge Project Lease Agreements – General Counsel reviewed Lease Agreements for direct groundwater recharge projects in 2023 that auto-renew unless the district provides notice to terminate. Direct staff regarding renewal or changes to Reynolds and Miller Recharge Lease Agreements. Will discuss again at the October and November Board Meeting. Miller recharge lease discussion and pump option discussion. Will reviewed electric pump costs at the October Board Meeting.

D. System and Projects

1. Engineer's Report – Engineer deGraaf gave an overview of where the district stands on each project – Report was presented at the start of the board meeting and is available upon request.
2. North System -
 - i. Reynolds Recharge Update- Update above in the Lease Agreement Action Item. District Engineer de Graaf reviewed in District Engineer's Report. No standing water at this time and will continue to operate.
 - ii. Progressive Design-Build Procurement Update – Bob Granberg updated board and will have Progressive Design Build done and ready for posting at the end of the week.
3. South System
 - i. South System Phase II Update -
 1. Arnaudo Contract Change Orders
 - a. South System Second Pump – District Engineer de Graaf reviewed South System Pump Addition. Direction for Arnaudo to prepare a revised Change Order including electrical costs and costs for a large Hp second and smaller Hp third pump with individual flow meters.
 - b. Extend Pipe North to Next Standpipe and Adjust Time Schedule- A motion to approve

Change Order PCO 06a in the amount of \$156,400 for an additional 340 Linear Feet for of pipe made by Secretary Simpson, second by Vice President Colombini. Motion passed 3/0/0.

c. Sierra Controls SCADA/Meters Contract – A motion to approve proposal from Sierra Controls for the amount of \$376,110.72 made by Secretary Simpson, second by Vice President Colombini. Motion Passed 3/0/0.

d. DREAM Extraction Pipeline Repair (Exigency Item added to agenda due to critical timeliness) - A motion to approve Change Order PCO 08 in the amount of \$33,864.16 for repair of air vents on DREAM extraction pipeline as long as repairs are approved by the landowners and EBMUD made by Vice president Colombini, second by Secretary Simpson. Motion passed 3/0/0.

ii. South System Improvements Phase III Design Plan – Daniel de Graaf presented South System Improvements Phase III Design plan. End of the week 30% plans will be completed to submit with WaterSmart grant application.

iii. Update on Stockton East Exchange Deliveries – District Engineer is working with Stockton East and working on estimates for measuring water coming in and out of the District.

4. Cal-Fed/Woodbridge – Water has been run through the system and final run will be done with water is applied to the Costa Recharge project. This will allow measuring of the system and what is being applied and where the flow is going.
5. Tracy Lake ID – Sierra Controls has finished the new system and it is functional. District Engineer will make sure that meters are working, and everything is functioning correctly for the district.

E. Grant Activity

1. Consero report – Bob Granberg presented grant activity report for Consero Solutions in the board meeting packet. The district and SSJID were awarded a SWEEP Block Grant of \$5 million dollars. SWEEP eligibility and application details will be provided in the coming months.

2. **Resolution 2023-11 (Note: Resolution renumbered)** Regarding South System Phase IV/ WaterSmart Grant- A motion to approve **Resolution 2023-11** Authorizing and Directing that application be made to obtain a grant under the United States Bureau of Reclamation WaterSmart Drought Response Grant Program and Authorization to Provide Assurances and Enter Into an Agreement Related to the Grant made by Vice President Colombini, second by Secretary Simpson. Roll call vote: Colombini; Aye, Simpson; Aye. Valente; Aye. Absent; Starr and Wilber. Resolution passed 3/0/0.

3. **Resolution 2023-12 (Note: Resolution renumbered)** Regarding Local Project Sponsor Agreement for IRWM Grant for South System Phase III Project- A motion to approve **Resolution 2023-12** Authorizing Execution of Local Project Sponsor Agreement for Grant Under the 2021 Integrated Regional Water Management Implementation Grant Program – Round 2 made by Vice President Colombini, second by Secretary Simpson. Roll call vote: Colombini; Aye, Simpson; Aye. Valente; Aye. Absent; Starr and Wilber. Resolution passed 3/0/0.

F. Strategic Plan Activity

1. Newsletter – Fall 2023- Newsletters will be mailed in November
2. Website Update -New website will be launched at the end of October 2023.

G. Groundwater Charge- Few additional appeals have been received.

H. Sustainable Groundwater Management Act/GWA Activity – Vice President Colombini attended the last meeting of the year.

I. SJC Mokelumne River Application Update – General Counsel Spaletta reviewed a tour will be scheduled at the end of October.

J. Bay Delta Flow Program Update/Voluntary Agreements – Project description for Habitat Improvement goals for North Fish Screen and intake meets funding agreement in the amount of \$3 million dollars will be sent in.

K. Landowner Communications – No update at this time

L. Board Planning Calendar- No update at this time

4. Director and Staff Reports

A. Director’s Report – No report at this time.

B. General Counsel Spaletta – No report at this time.

C. District Manager/Engineer – No report at this time.

D. Consero Solutions – No report at this time.

E. Committee Reports – No report at this time.

F. Other – No additional reports at this time.

5. Public Comment – No comments at this time.

6. Closed Session – The Board entered closed session at 3:58 PM, came out of closed session at **4:12 PM** and returned to Open Session. President Valente reported there was no reportable action in Closed Session.

7. Adjournment - Motion to adjourn the NSJWCD Regular Meeting on September 25, 2023 made by Vice President Colombini, second by Secretary Simpson. Motion passed 3/0/0. Meeting adjourned at 4:13 PM.

The next regular scheduled Board Meeting October 30, 2023, from 2:00 PM - 4:00 PM. Location and method TBA due to COVID-19 Executive Order.

The above minutes of the North San Joaquin Water Conservation District Board of Directors Meeting of September 25, 2023.

Respectfully submitted:

Shasta Burns, Deputy Secretary

North San Joaquin Water Conservation District
Treasurer's Report
October 2023 – Monthly Summary of Accounts
As of October 30, 2023

The chart below is a summary of account information including account balances and transactions since the last scheduled Board meeting (September 2023). The attached reports are prepared by Butterfield + Co., CPAs, Inc. for the month of October 2023. Additional attachments that follow include accounts payable, recommendations for bill payments and transfers as noted herein.

NSJWCD Accounts Summary - October 30, 2023	Beginning Balance as of 09/25/23 with approved transfers		Payments after last meeting	Revenue Received after last meeting	Current Balance October 25, 2023	Proposed bills to be paid today	Advance Payment Requested by AVID	Proposed transfers	Ending balance October 30, 2023
F&M Checking	140,150.36	-	(71,038.21)	-	69,112.15	(169,175.78)	(50,000.00)	237,000.00	86,936.37
County Groundwater Fund	289,573.76	-	-	-	289,573.76	-	-	(25,000.00)	264,573.76
County Account Fund	237,561.19	-	-	-	237,561.19	-	-	(212,000.00)	25,561.19
ID#3	134,567.02	-	-	5.72	134,572.74	-	-	-	134,572.74
Tracy Lake Assessment Bond	439.97	-	-	0.02	439.99	-	-	-	439.99
Tracy Lake O&M	4,687.32	-	(67.94)	-	4,619.38	-	-	-	4,619.38
Totals	\$ 806,979.62	\$ -	\$ (71,106.15)	\$ 5.74	\$ 735,879.21	\$ (169,175.78)	\$ (50,000.00)	\$ -	\$ 516,703.43



	Payments after last meeting	Classes	Proposed bills to be paid today
		General Exp	(19,165.77)
Amazon	(77.04)	Dream Project	(4,918.60)
Arnaudo Const.	(62,460.34)	Groundwater Mgmt	(1,450.00)
Association of CWA	(1,920.00)	Handel Lateral	(10,956.00)
AT&T	(162.55)	N. System Phase 1	(24,963.25)
Coloring Book	(349.59)	Operations Fund	(24,032.57)
Costco	(2,210.63)	Planning Fund	(11,675.00)
Dropbox	(11.99)	Woodbridge-Cal Fed	(25,075.94)
Embassy Suites	(477.36)	Recharge Tecklenburg	(7,966.69)
Microsoft	(48.00)	South System 2	(7,283.50)
PG&E	(782.97)	South System 3	(19,358.46)
Southwest Airlines	(212.96)	South System 4	(12,330.00)
State Comp Ins.	(2,308.79)		
Zoom	(15.99)		
PG&E TLID	(67.94)		
Total	\$ (71,106.15)	Total	\$ (169,175.78)

1. SEE ATTACHMENT 1 - ACCOUNTS PAYABLE REPORT.

2. AUGUST PAYMENT RECOMMENDATIONS - SEE TABLE BELOW:

ACWA	\$ 5,585.00	2024 Annual Dues
BaseCamp Environmental	731.25	September Invoice
Butterfield & Co	3,975.00	September Invoice
Consero Solutions	11,225.00	September Services
de Graaf Engineering, Inc.	52,073.80	September Services
Grandberg & Associates	9,405.00	September Services
Hydrofocus	20,333.57	September Invoice
Joe Peterson	300.00	November Rent
Moore Biological	11,377.38	Permits
Pacific Southwest Irrigation	5,467.20	September Invoice
PG&E	12,604.02	September Invoice
RGMK	211.00	September Invoice
Richard Rodriguez Farms	7,850.00	September-October Invoices
Shasta Burns	2,561.62	October Invoice
Sierra Controls, LLC	25,075.94	August Invoice
Weber, Ghio & Associates	400.00	September Services
Total payments recommended	\$ 169,175.78	

3. REMAINING ACCOUNTS PAYABLE – (\$18,114.50)

- a. \$31,885.50 – Retention due to Arnaudo Construction, Inc.
- b. (\$50,000.00) – Advance payment to AVID Water, LLC.

North San Joaquin Water Conservation District Unpaid Bills by Vendor All Transactions

Type	Date	Num	Source Name	Memo	Account	Class	Open Balance
ACWA							
Bill	10/04/2023	10042...	ACWA	2024 Annual Agency Dues	6120 · Dues & Memberships	-G&A	5,585.00
Total ACWA							5,585.00
Arnaudo Construction, Inc.							
Bill	05/31/2023	RET- ...	Arnaudo Constructio...	Progress Billing	6115.5 · Pipeline	Capital Outlay:South System Phase 2	31,885.50
Total Arnaudo Construction, Inc.							31,885.50
BaseCamp Environmental, Inc.							
Bill	09/30/2023	52287	BaseCamp Environm...	Environmental	6180.3 · Consulting	Capital Outlay:North System Phase 1	731.25
Total BaseCamp Environmental, Inc.							731.25
Butterfield & Co.							
Bill	09/29/2023	106022	Butterfield & Co.	Accounting	6180.1 · Accounting	-G&A	3,975.00
Total Butterfield & Co.							3,975.00
Consero Solutions							
Bill	09/30/2023	1932	Consero Solutions	Grant Funding Development	6180.34 · Grant Development	-Planning Fund	9,435.00
Bill	09/30/2023	1932	Consero Solutions	Community Engagement	6180.38 · Public Outreach	-Planning Fund	1,790.00
Total Consero Solutions							11,225.00
de Graaf Engineering, Inc.							
Bill	10/13/2023	1101	de Graaf Engineering...	General Eng	6180.42 · General Engineering	-G&A	2,331.00
Bill	10/13/2023	1101	de Graaf Engineering...	Mileage	6180.42 · General Engineering	-G&A	497.15
Bill	10/13/2023	1101	de Graaf Engineering...	Dream	6180.42 · General Engineering	Capital Outlay:Dream Project Pipeline	1,843.10
Bill	10/13/2023	1101	de Graaf Engineering...	South System Handel Lateral	6180.42 · General Engineering	Capital Outlay:Handel Lateral	10,956.00
Bill	10/13/2023	1101	de Graaf Engineering...	SS Phase II	6180.42 · General Engineering	Capital Outlay:South System Phase 2	1,170.00
Bill	10/13/2023	1101	de Graaf Engineering...	SS Phase III	6180.42 · General Engineering	Capital Outlay:South System Phase 3	14,454.00
Bill	10/13/2023	1101	de Graaf Engineering...	Grant Funding	6180.44 · Grant Application Expense	-Planning Fund	450.00
Bill	10/13/2023	1101	de Graaf Engineering...	SS Phase IV	6180.42 · General Engineering	Capital Outlay:South System Phase 4	12,330.00
Bill	10/13/2023	1101	de Graaf Engineering...	South System	6180.42 · General Engineering	.Operations Fund:South System O&M	1,656.00
Bill	10/13/2023	1101	de Graaf Engineering...	NS Phase I	6180.42 · General Engineering	Capital Outlay:North System Phase 1	4,464.00
Bill	10/13/2023	1101	de Graaf Engineering...	Cal-Fed Operations	6180.42 · General Engineering	.Operations Fund:Woodbridge/Cal-Fed O&M	1,922.55
Total de Graaf Engineering, Inc.							52,073.80
Granberg & Associates							
Bill	10/09/2023	14	Granberg & Associates	General	6180.7 · Project Management	-G&A	3,705.00
Bill	10/09/2023	14	Granberg & Associates	SS Phase II	6180.7 · Project Management	Capital Outlay:South System Phase 2	855.00
Bill	10/09/2023	14	Granberg & Associates	North System	6180.7 · Project Management	Capital Outlay:North System Phase 1	4,275.00
Bill	10/09/2023	14	Granberg & Associates	USDA Grant	6180.7 · Project Management	Capital Outlay:South System Phase 2	570.00
Total Granberg & Associates							9,405.00
HydroFocus, Inc							
Bill	10/17/2023	5658-13	HydroFocus, Inc	Hydrologist	6180.5 · Hydrologist	Capital Outlay:North System Phase 1	5,530.81
Bill	10/17/2023	5658-13	HydroFocus, Inc	Hydrologist	6180.5 · Hydrologist	Capital Outlay:South System Phase 3	3,737.94
Bill	10/17/2023	5658-13	HydroFocus, Inc	Hydrologist	6180.5 · Hydrologist	Capital Outlay:Recharge Tecklenburg Basin	2,499.49
Bill	10/18/2023	5658-14	HydroFocus, Inc	Hydrologist	6180.5 · Hydrologist	Capital Outlay:North System Phase 1	7,398.81
Bill	10/18/2023	5658-14	HydroFocus, Inc	Hydrologist	6180.5 · Hydrologist	Capital Outlay:South System Phase 3	1,166.52
Total HydroFocus, Inc							20,333.57

North San Joaquin Water Conservation District Unpaid Bills by Vendor All Transactions

Type	Date	Num	Source Name	Memo	Account	Class	Open Balance
Joe Peterson							
Bill	10/17/2023	Nove...	Joe Peterson	November Rent	6200 · Rent	-G&A	300.00
Total Joe Peterson							300.00
Moore Biological Consultants							
Bill	07/07/2023	3524/0...	Moore Biological Con...	South System Improvements	6166.2 · Permits	Capital Outlay:South System Phase 2	4,688.50
Bill	10/10/2023	4241/0...	Moore Biological Con...	North System Permits	6166.2 · Permits	Capital Outlay:North System Phase 1	2,163.38
Bill	10/20/2023	4328/0...	Moore Biological Con...	Biologist	6166.2 · Permits	-Groundwater Management	1,450.00
Bill	10/20/2023	3591/0...	Moore Biological Con...	Follow-up Dream Project	6166.2 · Permits	Capital Outlay:Dream Project Pipeline	3,075.50
Total Moore Biological Consultants							11,377.38
Pacific Southwest Irrigation							
Bill	09/19/2023	260254	Pacific Southwest Irri...	Installation Air Vent	6115.5 · Pipeline	Capital Outlay:Recharge Tecklenburg Basin	5,467.20
Total Pacific Southwest Irrigation							5,467.20
PG&E							
Bill	09/25/2023	Septe...	PG&E	September Invoice	6235.1 · Gas & Electricity	.Operations Fund:South System O&M	12,604.02
Total PG&E							12,604.02
RGMK							
Bill	09/30/2023	23-008...	RGMK	Prof Services	6180.36 · HR Consultant	-G&A	211.00
Total RGMK							211.00
Richard Rodriguez Farms							
Bill	09/22/2023	4994	Richard Rodriguez F...	Labor	6225 · Teklenburg Recharge Project	.Operations Fund:Recharge Project O&M	2,600.00
Bill	10/17/2023	10172...	Richard Rodriguez F...		6210 · Reynolds Recharge Project	.Operations Fund:Recharge Project O&M	4,481.25
Bill	10/17/2023	10172...	Richard Rodriguez F...	Labor	6225 · Teklenburg Recharge Project	.Operations Fund:Recharge Project O&M	768.75
Total Richard Rodriguez Farms							7,850.00
Shasta Burns							
Bill	10/17/2023	207-Mi...	Shasta Burns	October Invoice	6228 · Travel	-G&A	199.12
Bill	10/17/2023	207	Shasta Burns	October Invoice	6180.8 · Secretary	-G&A	2,362.50
Total Shasta Burns							2,561.62
Sierra Controls, LLC							
Bill	08/31/2023	124443	Sierra Controls, LLC	22-6748 CAL-FED Pump	6115.1 · Automation/SCADA	Capital Outlay:Woodbridge/Cal Fed	25,075.94
Total Sierra Controls, LLC							25,075.94
Weber, Ghio & Associates, Inc.							
Bill	10/11/2023	12367	Weber, Ghio & Asso...	Design Plans	6180.42 · General Engineering	Capital Outlay:North System Phase 1	400.00
Total Weber, Ghio & Associates, Inc.							400.00
TOTAL							201,061.28

From: Steve Schwabauer, General Manager

RECOMMENDED ACTION: Approve Resolution Authorizing Treasurer to Enter Master Agreement for Purchase/Sale of Warrants with F&M Bank not to exceed \$1.5 million

BACKGROUND: The District collects approximately \$2.5 million annually in groundwater charge revenue, paid in January and June. The District is also building projects pursuant to grant agreements that are paid on a reimbursement basis. The District is incurring costs for groundwater recharge project investments to be funded by the groundwater charge revenue, and project costs to be reimbursed by the grants. In order to have sufficient funds to timely pay expenses for these projects as they are incurred, the District needs a line of credit. The District issued a Request for Proposal for terms for a line of credit on 9/1/23 to three financial institutions. One recipient did not respond. One recipient responded and indicated that they could not lend money to the district. The third recipient, F&M Bank, responded with proposed terms as follows:

Borrower:	North San Joaquin Water Conservation District
Type:	Revolving Line of Credit
Commitment Amount:	\$1,500,000
Loan Purpose:	To finance capital outlay projects to modernize infrastructure and build groundwater recharge capacity pending collection of landowner assessments and State & Federal grants.
Loan Fee:	0.10% of the loan amount (estimate \$1,500).
Line Expiration & Maturity:	The subject line of credit availability will have a 2-year maturity with all outstanding warrants to be paid off within forty-eight (48) months from issuance.
Interest Rate:	The interest rate will be based upon the F&M Bank Base Rate minus one percent (B-1.00%). If the rate were to be set today it would be 7.50% . The interest rate shall be fixed for the term of each warrant purchased under this commitment until the warrant is either paid in full or matures.
Repayment:	Registered Warrants will be retired in sequential order as Landowner Assessments and/or FEMA, State of California Subvention Funds, or other funds come available. Interest shall accrue on 365/360 basis. Warrants shall mature 4 years from the date of issuance
Collateral:	Warrants issued by the District with Farmers and Merchants Bank (FMB) and/or registered with the County of San Joaquin payable to FMB.

Other Charges: All third party and out-of-pocket fees including title, legal, appraisal, environmental surveys, etc. are to be paid by borrower

Note: **Legal Documentation and Review Fees may be applicable.**

Guarantor(s): N/A

Prepayment Penalty: Not Applicable

The Board authorized staff to negotiate with F&M Bank to bring a form of agreement back for final approval on the above terms. The resulting Agreement is attached as Exhibit A and mirrors the terms above. The agreement settles the initially blank processing fees at \$495 and legal fees at a not to exceed of \$2,000. The Board currently has six other warrants outstanding with F&M, five of which have \$100,000 principal owing and \$1,364.25 in accrued interest and one with principal of \$99,988.17 and interest of \$1,364.09 all payable exclusively from the South System Improvement District revenues

RECOMMENDATION:

1. Authorize the Treasurer to enter into the Master Agreement for Purchase/Sale of Warrants.

FISCAL IMPACT: Once approved, \$1,500 fee, \$495 processing fee and legal fees not to exceed \$2,000 plus interest on borrowed funds.

MASTER AGREEMENT FOR PURCHASE/SALE OF WARRANTS

This Master Agreement for Purchase/Sale of Warrants ("Agreement") dated as of _____, 2023, by and between the **North San Joaquin Water Conservation District**, an improvement district of the State of California ("District") and **Farmers and Merchants Bank of Central California**, a California banking corporation ("F&M Bank"), is made with reference to the following:

RECITALS

WHEREAS, District is a public entity (a Water Conservation District formed and empowered under California Water Code sections 74000 et seq.) that was formed in 1948 covering approximately 150,000 acres of productive agricultural land in and around the City of Lodi.

WHEREAS, the District is currently working on several capital outlay projects to modernize infrastructure and build groundwater recharge capacity (the "Projects").

WHEREAS, the District has requested financial assistance from F&M for financing the Projects.

WHEREAS, the District is governed by a five-person Board of Directors.

WHEREAS, in _____, after notice and public hearing, the District approved the Board of Directors to seek financing of up to \$1,500,000 in order to fund the Projects.

WHEREAS, the District now desires short-term financial assistance beginning _____, 2023, to enable it to finance construction costs for the Projects, which financing will be repaid with the revenue generated from the annual District-wide groundwater assessments as well as from Federal and State grants (collectively, the "Repayment Sources").

WHEREAS, subject to the terms and conditions of this Agreement, F&M Bank remains willing to provide to the District a short-term loan through the issuance by the District of registered demand warrants pursuant to law including the provisions of California Water Code Sections 74950 et seq.

WHEREAS, in consideration of funds loaned by F&M Bank, the District is authorized by the applicable provisions of the California Water Code to issue to F&M Bank registered demand warrants in the maximum amount set forth in this Agreement, and to repay the demand warrants with the funds derived from the Repayment Sources.

WHEREAS, the District has issued \$_____ in outstanding warrants as of the date of this Agreement which, with an additional \$_____ in accrued interest calculated through _____ ("Existing Warrants"), which will NOT be included within this agreement and instead be governed by the terms of the documents executed in connection with such issuance(s).

NOW, THEREFORE, the District and F&M Bank agree as follows:

AGREEMENT

1. Incorporation of Recitals. The foregoing Recitals are incorporated in this Agreement

and are represented by the District to be true and correct.

2. Term. F&M Bank agrees to purchase from the District, from time to time but no later than October __, 2025 up to an estimated maximum of One Million Five Hundred Thousand and 00/100 Dollars (\$1,500,000.00) ("Maximum Amount") of registered demand warrants from the District substantially in the form set forth in Exhibit A (the "Warrants"). The Warrants shall be issued by the District with a minimum amounts of ten thousand dollars (\$10,000.00) and shall be registered by the Treasurer of the County of San Joaquin on or before the date funds are disbursed by F&M Bank. All Warrants, original or replacement, sold and/or issued to F&M Bank pursuant to this Agreement shall be redeemed by F&M Bank and paid in full along with accrued interest by District on or before the earlier of (i) four (4) years from the date of issuance of each applicable Warrant or October __, 2029 (the "Maturity Date"). Any other existing warrants issued to the District by F&M shall be governed by the terms of each separate Warrant Agreement entered into in connection with the issuance of such warrants.

3. Checking Account. District shall, at any time any Warrants are outstanding under the terms of this Agreement, maintain their checking and savings account(s) ("Accounts") with F&M Bank at its branch offices located at 121 West Pine Street, Lodi, California, 95240. Upon the issuance and registration of Warrants, funds from F&M Bank for such warrants shall be deposited in the Account(s) and then used to pay the District's creditors in the normal course of business.

4. Interest Rate. The interest rate on the warrant purchases will be based on an adjustable interest rate equal to one percent (1.00%) below F&M Bank's Base Rate, then in effect on the date of purchase of a specific Warrant by F&M Bank. F&M's Base Rate is the "Prime Rate" as defined when first published in The Wall Street Journal, Western Edition as such "Prime Rate" changes from time to time. The Base Rate is currently is 8.500% per annum, resulting in an interest rate pursuant to the terms of this Agreement of 7.50% per annum. The interest rate for each individual warrant purchase shall be fixed for the term of the warrant.

5. Form of Warrant. The District will issue to F&M Bank a Warrant in increments of \$10,000, substantially in the form of Exhibit A attached hereto, that sets forth the economic terms of this Agreement.

6. Repayment. F&M Bank may at any time register and redeem Warrants issued pursuant to this Agreement to the extent funds are made available for such redemption from the Trustee Account. All outstanding Warrants and unpaid accrued interest must be paid in full on the Maturity Date (as defined below).

7. No Other Warrants. At all times that any Warrants or Replacement Warrants remain outstanding, the District agrees that it will not issue any other warrants of any kind (including demand warrants and time warrants), registered or otherwise, to any other person or entity without the prior written consent of F&M Bank. In the event that the District wishes to issue additional warrants, it will repay the Warrants held by F&M Bank in full prior to such additional issuance.

8. Annual Assessments. Subject to the limitations of propositions 26, 218 and other applicable law, during all times any Warrants issued to F&M Bank pursuant to this Agreement remain outstanding, the District agrees to continue collect revenue from the Repayment Sources, including levying an annual assessment on the landowners within the boundary of the District for groundwater in an amount equal to or greater than the amount of its current voluntary annual assessment, of \$15/acre/year (based on approved assessment per District), which sources collectively are sufficient to re-pay all outstanding warrants when due plus all accrued interest at the Interest Rate set forth in Section 4 of this Agreement.

9. Transfers to General Fund. To the extent permitted by law, and to facilitate F&M Bank's redemption of outstanding Warrants, the District agrees to transfer to its general fund, as soon as practicable, all funds received as reimbursements from the sources described in this

Agreement, all other funds received that are initially deposited in a special fund pursuant to customary practice or pursuant to law, as well as all future annual assessments. So long as the District is not in default under this Agreement or the Warrant, District may use its checking accounts with F&M Bank to pay routine and monthly bills, in the District's discretion, such as utility, engineering, secretarial, office and legal invoices.

10. Annual Financial Reports. During all times any Warrants issued to F&M Bank remain outstanding, the District agrees to provide to F&M Bank a copy of the District's annual audit prepared by the District's accountant within 120 days of the fiscal year end of June 30. The financial report shall show, among other things, the amount held in the District's general fund.

11. Board Resolution: Tax Exempt Status. The District shall provide to F&M Bank a certified copy of a resolution of the Board of Directors of the District approving this Agreement and authorizing its execution by a designated officer of the District. In addition, the District shall provide F&M Bank with a current letter or other confirmation satisfactory to F&M Bank that the District is exempt from Federal and State income taxes.

12. Fees and Expenses of Issuance. As a condition to the purchase of the Warrants by F&M Bank, the District shall be liable for payments of the following fees and expenses of F&M Bank in connection with this Agreement: payment of an issuance fee to F&M Bank in the amount of \$1,500.00, an administrative processing charge of \$495.00 and the reasonable attorney's fees of F&M Bank's counsel, not to exceed \$2,000.00.

13. ARBITRATION. Each party to this agreement, on behalf of themselves and each of their respective subsidiaries, affiliates, and all of their respective shareholders, directors, officers, employees, agents, representatives, successors and assigns, agree that all disputes, claims and controversies between them whether individual, joint, or class in nature, arising from this Agreement or otherwise, including without limitation contract and tort disputes against any party or any such party's shareholders, directors, officers, employees, agents, representatives, successors and assigns, shall be arbitrated pursuant to the Rules of the American Arbitration Association in effect at the time the claim is filed, upon request of either party. No act to take or dispose of any Collateral shall constitute a waiver of this arbitration agreement or be prohibited by this arbitration agreement. This includes, without limitation, obtaining injunctive relief or a temporary restraining order; invoking a power of sale under any deed of trust or mortgage; obtaining a writ of attachment or imposition of a receiver; or exercising any rights relating to personal property, including taking or disposing of such property with or without judicial process pursuant to Article 9 of the Uniform Commercial Code. Any disputes, claims, or controversies concerning the lawfulness or reasonableness of any act, or exercise of any right, concerning any Collateral, including any claim to rescind, reform, or otherwise modify any agreement relating to the Collateral, shall also be arbitrated, provided however that no arbitrator shall have the right or the power to enjoin or restrain any act of any party. All parties agree that in the event of an action for judicial foreclosure pursuant to California Code of Civil Procedure Section 726, or any similar provision in any other state, the commencement of such an action will not constitute a waiver of the right to arbitrate and the court shall refer to arbitration as much of such action, including counterclaims, as lawfully may be referred to arbitration. Judgment upon any award rendered by any arbitrator may be entered in any court having jurisdiction. Nothing in this Agreement shall preclude any party from seeking equitable relief from a court of competent jurisdiction. The statute of limitations, estoppel, waiver, laches, and similar doctrines which would otherwise be applicable in an action brought by a party shall be applicable in any arbitration proceeding, and the commencement of an arbitration proceeding shall be deemed the commencement of an action for these purposes. The Federal Arbitration Act shall apply to the construction, interpretation, and enforcement of this arbitration provision. Any such arbitration shall be conducted at a location determined by the arbitrator in San Joaquin County, California, and administered by the American Arbitration Association ("AAA") in accordance with the California Arbitration Act (Title 9, California Code of Civil Procedure Section 1280 et. seq.) and the then existing Commercial Rules of the AAA.

14. Waiver Of Jury Trial. To the extent permitted by applicable law, each party to this agreement, on behalf of themselves and each of their respective subsidiaries, affiliates, and all of their

respective shareholders, directors, officers, employees, agents, representatives, successors and assigns, hereby irrevocably waives, to the fullest extent permitted by applicable law, any right such party may have to a trial by jury in any legal proceeding directly or indirectly arising out of or relating to this agreement or any other document or the transactions contemplated hereby or thereby (whether based on contract, tort or any other theory), whether by claim or counterclaim, and whether against any party or any such party's shareholders, directors, officers, employees, agents, representatives, successors and assigns. Each party hereto acknowledges that it and the other parties hereto have been induced to enter into this agreement and the other documents by, among other things, the mutual waivers and certifications in this section.

15.Collection Costs. Upon default, F&M Bank will have the following rights in addition to any other rights provided in this Agreement or by law. F&M Bank may require District to pay, on demand, any of its internal costs or the costs of third parties which F&M Bank reasonably determines were incurred because of the default. This includes internal costs such as the allocable cost of in-house counsel, staff appraisers, collection personnel, accounting personnel or other salaried employees, and the overtime or regular-time compensation of F&M Bank's hourly employees, that is reasonably incurred as a result of my default. It further includes any fees or costs paid to third parties as a result of or on account of the default, including fees to appraisers, collection agencies, foreclosure services, title services and other reasonably incurred amounts. Amounts due under this paragraph shall be due on demand, or F&M Bank may, at its option, add them to the balance of the Warrant, in which case they shall bear interest at the interest rate set forth herein.

16.Miscellaneous Provisions. The following miscellaneous provisions are a part of this Agreement:

(a) Amendments. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

(b) Attorneys' Fees; Expenses. The District agrees to pay upon demand all of F&M Bank's costs and expenses, including F&M Bank's attorneys' fees and F&M Bank's legal expenses, incurred in connection with the enforcement of this Agreement. F&M Bank may hire or pay someone else to help enforce this Agreement, and the District shall pay the costs and expenses of such enforcement. Costs and expenses include F&M Bank's attorneys' fees and legal expenses whether or not there is a lawsuit, including attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. The District also shall pay all court costs and such additional fees as may be directed by the court. In the event of a lawsuit, the prevailing party as determined by the court in such proceeding shall be entitled to an award of its attorney's fees and costs in accordance with California Civil Code Section 1717.

(c) Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

(d) Governing Law. This Agreement will be governed by federal law applicable to F&M Bank and, to the extent not preempted by federal law, the laws of the State of California without regard to its conflicts of law provisions. This Agreement has been accepted by F&M Bank in the State of California.

(e) Choice of Venue. If there is a lawsuit, District agrees upon F&M Bank's request to submit to the jurisdiction of the courts of San Joaquin County, State of California.

(f) No Waiver by F&M Bank. F&M Bank shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by F&M Bank. No delay or omission on the part of F&M Bank in exercising any right shall operate as a waiver of such right or any other right. A waiver by F&M Bank of a provision of this Agreement shall not

prejudice or constitute a waiver of F&M Bank's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by F&M Bank, nor any course of dealing between F&M Bank and District shall constitute a waiver of any of F&M Bank's rights or of any of District's obligations as to any future transactions. Whenever the consent of F&M Bank is required under this Agreement, the granting of such consent by F&M Bank in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of F&M Bank.

(g) Notices. Any notice required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, the District agrees to keep F&M Bank informed at all times of the District's current address. Unless otherwise provided or required by law, if there is more than one District, any notice given by F&M Bank to any District is deemed to be notice given to all District.

(h) Severability. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

IN WITNESS WHEREOF, F&M Bank and the District have entered into this Agreement as of the date first above written.

Farmers & Merchants Bank of
Central California

North San Joaquin Water Conservation
District

By: _____

By: _____

EXHIBIT A-FORM OF WARRANT

NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT
SAN JOAQUIN COUNTY
STATE OF CALIFORNIA
UNITED STATES OF AMERICA
WARRANT

NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT (the "District"), a water conservation district duly organized and existing in San Joaquin County, California and an improvement of the State of California, hereby promises to pay to Farmers and Merchants Bank of Central California, a California banking corporation, or registered assigns (the "Registered Owner"), but solely from moneys on deposit in the Warrant Interest and Principal Fund hereinafter referred to and not otherwise, the principal amount of [One Million Five Hundred Thousand Dollars (\$1,500,000.00), on the first day of _____ 2027) until the payment of such principal amount in full at the rate of [____ %-tax exempt][____ % tax equivalent] per annum. Interest is payable on the first day of January and the first day of July in each year (each such interest payment date being a "Record Date"), by check mailed to the Registered Owner hereof at his address as it appears on the Warrant register kept pursuant to the Resolution hereinafter referred to as of each such Record Date. Principal and interest on this Warrant are payable in lawful money of the United State of America.

This Warrant is one of a duly authorized issue of Warrants of the District aggregating in principal amount One Million Five Thousand Dollars (\$1,500,000.00) and numbered ___ to _____, inclusive, all of like tenor and date (except for such variations as may be required to designate varying numbers, denominations and maturities) and is issued under the authority of the Water Code of the State of California, and pursuant to a resolution of the North San Joaquin Water Conservation District adopted on _____ (the "Resolution"). Reference is hereby made to the Resolution, a copy of which is on file at the Office of the Secretary of the Board of Directors of the North San Joaquin Water Conservation District and to all of the provisions of which the Registered Owner of this Warrant by his acceptance hereof thereby assents, for a description of the assessment on certain land, payments on the unpaid portion of which assessment are pledged as securities for the Warrants under the Resolution, and for the terms and conditions upon which this Warrant is issued, and for the other terms and provisions thereof.

This Warrant shall be transferrable only upon the District Warrant register to be kept for that purpose at the above-mentioned Office of the Treasurer of the Board of Directors of the District and only by the Registered Owner hereof in person or by his duly authorized attorney upon surrender of this Warrant together with a written instrument of transfer satisfactory to such Treasurer duly executed by such Registered Owner or his duly authorized attorney, and thereupon a new fully registered Warrant or Warrants in the same aggregate principal amount will be issued to the transferee in exchange therefore, upon payment of any charges prescribed by the Resolution. No such transfer shall be required to be made by the District during the fifteen (15) days preceding each Warrant interest payment date. The Treasurer of

the Board of Directors of the District may deem and treat the person in whose name this Warrant is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the interest hereon and principal hereof, and for all other purposes.

It is hereby recited, certified and declared that this Warrant is issued in strict conformity with the Constitution and laws of the State of California and with proceedings of the District authorizing the same, and that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Warrant have existed, happened and been performed in regular and due time, form and manner as required by law, and that this Warrant, together with all other indebtedness and obligations of the District, do not exceed the limit prescribed by the Constitution or laws of said State.

It is further recited, certified and declared that the principal of this Warrant and the interest accruing hereon shall be paid solely from revenue derived from Federal and State grants as well as the unpaid installments of an assessment levied upon the lands within the District for improvement purposes, or from the proceeds of a supplemental assessment levied upon such lands in accordance with Sections 75210-75214 of the Water Code of the State of California, all as provided in the Resolution, which amounts, when received, are to be deposited in the North San Joaquin Water Conservation District Warrant Interest and Principal Fund established under the Resolution. No other funds of the North San Joaquin Water Conservation District is liable, and neither the full faith and credit nor the taxing power of the North San Joaquin Water Conservation District is pledged, for the payment of the interest on or principal of the Warrants.

This Warrant shall not become valid or obligatory for any purpose until the certificate of authentication and registration hereon endorsed shall have been signed by the Treasurer of the Board of Directors of the North San Joaquin Water Conservation District.

IN WITNESS WHEREOF the North San Joaquin Water Conservation District has caused this Warrant to be signed as provided by the law by the President and Secretary of its Board of Directors, and the seal of said District to be affixed hereto, and this Warrant to be dated _____ day of _____, 20__.

NORTH SAN JOAQUIN WATER
CONSERVATION DISTRICT

President of the Board of Directors
of the North San Joaquin
Water Conservation District

(Form of Treasurer's Certificate of Authentication
and Registration to Appear on Registered Warrant)

This is one of the Warrants described in the within mentioned Resolution which has been authenticated and registered this ____ of _____, 20__.

Treasurer of the Board of Directors
of the North San Joaquin
Water Conservation District

(Form of Assignment to Appear on Registered Warrants)

For value received _____ hereby sells, assigns and transfers unto

(Please print or type name and address of Assignee)

(Please insert social security or other identifying number of Assignee)

The within mentioned Warrant and hereby irrevocably constitutes and appoints _____, attorney-in-fact to transfer the same on the District Warrant register in the Office of the Treasurer of the North San Joaquin Water Conservation District, Lodi, California, with full power of substitution in the premises.

Dated: _____

NOTE: The signature to this assignment must correspond with the name as written on the face of the within Warrant in every particular, without alteration, enlargement or any change whatsoever.

RESOLUTION 2023-__
of the Board of Directors of the
NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT

**AUTHORIZING EXECUTION OF MASTER AGREEMENT FOR PURCHASE/SALE
OF WARRANTS**

WHEREAS, the District is a public entity (a Water Conservation District formed and empowered under the California Water Code Sections 74000 et seq.) that was formed in 1948 covering approximately 150,000 acres of productive Agricultural land in and around the City of Lodi; and

WHEREAS, the District is currently working on several capital outlay projects to modernize infrastructure and build groundwater recharge capacity (the “Projects”).

WHEREAS, the District has requested financial assistance from F&M for financing the Projects.

WHEREAS, the District is governed by a five-person Board of Directors.

WHEREAS, on October 23, 2023, after notice and public hearing, the District approved the Board of Directors to seek financing of up to \$1,500,000 in order to fund the Projects.

WHEREAS, the District now desires short-term financial assistance beginning November 1, 2023, to enable it to finance construction costs for the Projects, which financing will be repaid with the revenue generated from the annual District-wide groundwater assessments as well as from Federal and State grants (collectively, the “Repayment Sources”).

WHEREAS, subject to the terms and conditions of this Agreement, F&M Bank remains willing to provide to the District a short-term loan through the issuance by the District of registered demand warrants pursuant to law including the provisions of California Water Code Sections 74950 et seq.

WHEREAS, in consideration of funds loaned by F&M Bank, the District is authorized by the applicable provisions of the California Water Code to issue to F&M Bank registered demand warrants in the maximum amount set forth in this Agreement, and to repay the demand warrants with the funds derived from the Repayment Sources.

WHEREAS, the District has issued \$599,998.17 in outstanding warrants as of the date of this Agreement which, with an additional \$8,185.31 in accrued interest calculated through October 24, 2023_ (“Existing Warrants”), which will NOT be included within this agreement and instead be governed by the terms of the documents executed in connection with such issuance(s); and

NOW, THEREFORE, BE IT RESOLVED by the North San Joaquin Water Conservation District (District), as follows:

1. The District President is authorized to execute the attached Master Agreement for Purchase/Sale of Warrants.
2. District staff are directed to take all action necessary to carry out the purposes of this Resolution.

PASSED and ADOPTED this _____, 2023 upon motion by Director _____, seconded by Director _____, and passed by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CERTIFICATE OF SECRETARY

I do hereby certify that I am the Secretary of the North San Joaquin Water Conservation District, a water conservation district organized and existing under the laws of the State of California, and that the foregoing Resolution was duly adopted by the Board of Directors of said District at a meeting thereof duly and regularly held at Grape Festival Barrel Room, Lodi, California on the _____, 2023, at which meeting a quorum of said Board of Directors was at all times present and acting, and that said Resolution has not been rescinded or amended in whole or any part thereof, and remains in force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and the Seal of the North San Joaquin Water Conservation District this _____, 2023

David Simpson, Secretary

BOARD OF DIRECTORS
P.O. Box E, Victor, CA 95253

From: Steve Schwabauer, General Manager

RECOMMENDED ACTION: Award Bid for the North System Phase 1b project to _____

Staff received bid response on Tuesday October 24 at 4 pm and has not had adequate time to evaluate the highest value proposal. Staff sent an RFI for further information and will provide an oral recommendation to the Board for award on the 30th.

The Phase 1b project is CEQA compliant through the operation of Executive order N-7-22, Action 13 (EO13). The Department of Water Resources certified that the Phase 1b project meets the requirements of EO 13 via letter of September 27, 2023 attached.

RECOMMENDATION:

Award Bid for the North System Phase 1b project to _____.

FISCAL IMPACT: \$1,654,804 to \$2,396,310 depending on successful bidder funded through the SGMA grant.

DEPARTMENT OF WATER RESOURCES

P.O. BOX 942836
SACRAMENTO, CA 94236-0001
(916) 653-5791



9/27/2023

Ms. Jennifer Spaletta
Consolidated Irrigation District
P.O. Box E
Victor, CA 95253

RE: Self-Certification Form for Executive Order N-7-22, Action 13

Dear Ms. Spaletta:

The Department of Water Resources (DWR) has reviewed the self-certification form submitted by North San Joaquin Water Conservation District consistent with the intent and requirements of the Executive Order N-7-22, Action 13 (EO 13). Based upon the unpredictable and severe circumstances created by the state's increasingly hotter and drier climate, Governor Newsom enacted EO 13 to suspend the California Environmental Quality Act for groundwater recharge projects that capture available water for the purposes of recharging groundwater basins through the application on open and working lands to help mitigate drought impacts on groundwater conditions.

The submitted self-certification form (Attachment A) identifies the North San Joaquin Water Conservation District Recharge Project as a project that meets the criteria of EO 13. DWR has reviewed the project information in the submitted self-certification form and has determined that the project is consistent with the requirements of EO 13. As your project efforts progress, all other necessary permits or areas of compliance should be upheld. Please retain a copy of this letter as documentation of DWR's concurrence on your project eligibility.

If you have any questions, please contact our Sustainable Groundwater Management Office at SGMPS@water.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Cindy Messer".

Cindy Messer
Lead Deputy Director

Attachment

Attachment A

**Agency: North San Joaquin Water Conservation District
Drought Executive Order N-7-22, Action 13
Self-Certification Form**

BACKGROUND: *Consistent with the March 28, 2022 Drought Executive Order N-7-22 Action 13, the California Department of Water Resources (DWR) developed this self-certification form to allow local agencies to submit their proposed recharge projects to DWR and that the project is eligible for the CEQA suspension. After reviewing the information submitted via this self-certification form, DWR will review and may concur. A list of activities eligible for the CEQA suspension is maintained on DWR's website at: <https://water.ca.gov/Water-Basics/Drought>.*

INSTRUCTIONS: *Entities carrying out a proposed recharge project that may meet the objectives of Executive Order N-7-22 Action 13 should complete this self-certification form as soon as possible to initiate DWR's review and potential concurrence that the project is eligible for the CEQA suspension. Please submit one self-certification form for each individual project. For questions, please email SGMPS@water.ca.gov.*

- 1. Please provide a short description of the proposed recharge project in which you are seeking a CEQA suspension, demonstrating how it is consistent with Executive Order N-7-22, Action 13 (include historical land use and current land use on the proposed project location):**

The project includes the development of on-farm Flood MAR and small groundwater recharge sites, and recharge activity along existing North San Joaquin Water Conservation District water delivery systems. Proposed sites include Tecklenburg Recharge Site, Reynolds Paddleton Ranch Recharge Site, Lakso Recharge Site, Costa/Manassero Recharge site, and additional sites as identified through operations in 2023-2025. See attached chart with details for each recharge site location.

- 2. Please describe the anticipated benefits and the basis of those benefits from implementing the proposed recharge project (in acre-feet/year or estimated volume of water, if possible):**

Recharge rates along these systems range from 1-4 af/ac/day. District will select up to 200 acres of sites for recharge using District's existing Permit 10477 Mokelumne River right which includes an underground storage supplement to store up to 17,000 afa. District also working on a temporary application to allow diversions to recharge to occur in November 2023 if high water conditions (including Delta in excess condition) persist.

- 3. Please identify the category this proposed recharge project would fall under (multiple answer can be selected):**

- Flood Managed Aquifer Recharge. (selected option).
- DWR Sustainable Groundwater Management Grant Program. (selected option).
- Other.

- 4. Please identify which of the objectives the proposed recharge project meets as described in the Executive Order (multiple answers can be selected):**

Projects is on Open Lands (which are those lands that are native or largely undeveloped from agricultural or industrial practices. These lands could include flood bypasses, natural areas, wildlife preserves, or existing managed wetlands.)

Project is on Working Lands (which are those lands that have been previously developed for agricultural or other industrial practices. These lands could include active or fallowed agricultural lands, gravel and sand operations, open storage fields, or other similar working lands.) (selected option).

5. Please describe how the proposed recharge project meets the following objectives as described in the Executive Order:

Project will help mitigate groundwater conditions impacted by the drought (To mitigate groundwater conditions impacted by drought, projects should include the replenishment of groundwater resources to the subsurface, especially shallow aquifers, for the purpose of storage, temporary or otherwise. Drought impacts to groundwater conditions would include lowering of groundwater levels that may have occurred due to lack of natural recharge or groundwater pumping that may especially impact shallow aquifers.) (selected option).

6. What funding sources are supporting the proposed recharge project? (Please list all local, state, federal, private or public funding sources):

Local: NSJWCD general funds and funds from new groundwater charge to fund SGMA activities.

State: SGMA Round 1 Grant (North System), IRWM Grant (South System).

7. Please provide the estimated project start date:

3/1/2023.

8. Please provide the estimated project end date or date project can be considered operational:

Question unclear. Projects operational in different stages between March 2023 and April 2024. Projects will continue to operate to recharge water so long as water is available and diversions are allowed under applicable water rights, including in future years.

9. Please identify if the proposed recharge project requires a new water right permit to be issued by the State Water Board under their Groundwater Storage Water Rights Permitting process. If an existing water right is being used, please provide the permit number under the 'Other' category (For more information, visit:

https://www.waterboards.ca.gov/waterrights/water_issues/programs/applications/groundwater_recharge/):

No new water right is needed; already have existing water rights or agreements for this proposed recharge project. (selected option).

Need a temporary water right for this recharge project (180 days). (selected option).

Need a temporary water right for this recharge project (1 to 5 years).

Need a streamlined permit for a standard water right.

Need a standard water right for this recharge project.

Other. Temporary water right needed for new temporary permit only. (selected option).

10. When do you anticipate your proposed recharge project will be ready for construction phase (i.e. shovel ready)?

Varies between sites from 3/1/23 to 12/1/23.

11. Are there other permitting requirements necessary to carry out the proposed recharge project. If so, please describe.

Possible grading permit for basin sites. None for on-farm flooding.

12. Please describe if there are any anticipated water quality or other environmental impacts associated with the proposed recharge project (if so, please describe the mitigation measures that will be taken to remedy or offset those impacts):

None.

13. Please provide the name of the Local Agency implementing the proposed recharge project:

North San Joaquin Water Conservation District.

14. Please provide a Project Manager Point of Contact First and Last Name:

Jennifer Spaletta.

15. Please provide a Project Manager Point of Contact Email and Phone Number:

jennifer@spalettalaw.com, (209) 224-5568.

16. Please identify the groundwater basin in which the proposed recharge project will be located. If possible, please provide the proposed project location coordinates (latitude, longitude). (For more information, visit:

<https://sgma.water.ca.gov/webgis/index.jsp?appid=gasmaster&rz=true>):

Eastern San Joaquin Subbasin at various sites north and south of Mokelumne River.

17. Please provide the Groundwater Sustainability Agency (GSA) and Groundwater Sustainability Plan (GSP) or Alternative to a GSP that the proposed recharge project is associated:

GSA: North San Joaquin Water Conservation District GSA.

GSP: Eastern San Joaquin GSP.

18. Please provide any additional information you would like to include in your Self-Certification Form:

District is actively working with multiple landowners to maximize site availability.

In signing this self-certification form, I understand that the Department of Water Resources will rely on this signed certification form to determine if a concurrence with the Drought Executive Order N-7-22, Action 13 is granted for the project described and that false and/or inaccurate representations in this self-certification form may result in the invalidation of the CEQA suspension.

Furthermore, I understand that by receiving concurrence from the Department of Water Resources concerning eligibility for the CEQA suspension outlined in EO N-7-22, DWR makes no claims, promises, or guarantees about the project feasibility, benefits claimed from the completed project, adequacy of the project, potential environmental impacts of the construction activities or completed project, and expressly disclaims liability for project performance, environmental impacts during and after construction, project construction disturbances, unmitigated environmental impacts post-construction, or project failures.

Jennifer Spaletta

Jennifer Spaletta

7/26/2023

Name of Authorized Representative

Signature

Date

General Counsel

North San Joaquin WCD

Title

Agency

NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT
GROUNDWATER RECHARGE ACTIVITIES
EXECUTIVE ORDER N-7-22 REQUEST FOR DWR CONCURRENCE RE CEQA SUSPENSION
All diversions from the Mokelumne River

Project	Project Type	Water Right	Point of Diversion	Conveyance	Land for Recharge	Location (Lat/Longs or crossroads)	Notes	Anticipated/Estimated Recharge Benefit (AFY or volume of water)
Miller Recharge Project	FloodMAR	Permit 10477. Diversions to underground storage	Existing South pump station. Authorized POD under Permit 10477.	Existing South System conveyance pipe and ditch system. Rented 900 gpm temp. diesel pump to get water from ditch to recharge field.	8 ac parcel in Permit 10477 authorized place of use. Historically farmed orchard, trees recently removed, awaiting replanting decisions.	38.1324257, -121.1680281	Groundwork to disc field and create berm around edges. Fill with water approx. 6-12 inches deep every other day and allow to percolate.	100 afa
Tecklenburg Recharge Project	FloodMAR	Permit 10477. Diversions to underground storage	Existing South pump station. Authorized POD under Permit 10477.	Existing South System conveyance pipe. Adding new 24-inch lateral pipe, vents and meter down existing dirt farm road to get water from existing pipeline to recharge field.	10 ac parcel in Permit 10477 authorized place of use. Historically farmed but currently fallow. Very sandy soils. Used for pilot recharge project in past.	38.1177016, -121.2153952	Groundwork to create berm around edges. Fill with water approx. 1-2 feet deep and allow to percolate. Repeat so long as water is available.	3000 afa

Reynolds Recharge Project	SGMGrant	Permit 10477. Diversions to underground storage	Existing North pump station. Authorized POD under Permit 10477. Existing pump inoperable and part of SGMA grant to update. Installed temporary floating pump with screen at same location.	Existing North System conveyance pipe. Adding new 14-inch lateral pipe, vents and meter down existing dirt farm road to get water from existing pipeline to recharge field.	Up to 80 ac in Permit 10477 authorized place of use. Historically farmed vineyard. Vineyard abandoned and half dead. Very sandy soils.	38.1624047, -121.1786471	Groundwork to create berm around edges. Fill rows with water approx. 6-inch feet deep and allow to percolate. Repeat so long as water is available.	2000 afa
Lakso Recharge Project	SGM Grant	Permit 10477. Diversions to underground storage	At existing North pump station. Authorized POD under Permit 10477. Existing pump inoperable and part of SGMA grant to update. Installed temporary floating pump with screen at same location.	Existing North System conveyance pipe. Adding new lateral pipe, vents and meter down existing dirt farm road to get water from existing pipeline to recharge field.	Up to 40 ac in Permit 10477 authorized place of use. Currently farmed vineyard. Very sandy soils.	38.1705907, -121.1807761	Groundwork to create berm around edges. Fill rows with water approx. 6-inch feet deep and allow to percolate during non-growing season (post-harvest, Oct-Feb). Repeat so long as water is available.	1500 afa
North System Phase I pipeline replacement	SGM Grant	Permit 10477 Diversions to underground storage and for irrigation use	Same as above	Replace 0.5 miles existing North System concrete pipe (currently inoperable) with new HDPE pipe and turnouts for laterals to supply irrigation	Up to 300 ac in Permit 10477 authorized place of use. Currently farmed vineyard and orchard. Very sandy soils	38.17551 N, 121.18368 W	Construction in existing district rights of way or existing roads to remove old pipe and install new pipe.	600 afa

				water to 300 acres of land for in-lieu recharge and Flood MAR water to another 80 acres for direct recharge				
Locke Basin Recharge Project	Flood MAR	Permit 10477. Diversions to underground storage	Existing Locke pump station (with fish screen). Not an Authorized POD under Permit 10477, but associated with S000302	Existing conveyance pipe. Added temporary pipe to end to get water to existing basin.	Existing 1.5 ac. Storm basin owned by San Joaquin County. In close proximity to wells used to supply local community of Lockeford (DAC)	38.1659602, -121.1548234	Diverted water to basin and allowed to percolate to groundwater recharge.	50 afa
Expanded South System Flood MAR	Flood MAR	Permit 10477. Diversions to underground storage	Existing South pump station. Authorized POD under Permit 10477.	Existing South System conveyance pipe. Add laterals or temp. lay flat pipe to direct water to recharge fields. All construction in disturbed farmland or existing roadways.	Existing vineyards in authorized place of use that agree to Flood MAR post-harvest. Not all fields identified at this time.	38.12329 N, 121.20585 W 38.12305 N, 121.21982 W	Groundwork to create berm around edges. Fill with water approx. 6 inch deep and allow to percolate. Repeat so long as water is available.	3000 afa
Expanded Cal Fed System Flood MAR	Flood MAR	Permit 10477. Diversions to underground storage	Existing Cal-Fed pump station. Authorized POD under Permit 10477.	Existing conveyance pipe. Add laterals or temp. lay flat pipe to direct water to recharge fields. All construction in disturbed farmland or existing roadways.	Existing vineyards in authorized place of use that agree to Flood MAR post-harvest. Not all fields identified at this time.	38.1563567, -121.2160171	Groundwork to create berm around edges. Fill with water approx. 6 inch deep and allow to percolate. Repeat so long as water is available.	1000 afa

Additional Flood MAR locations near river	Flood MAR	Permit 10477 Diversions to underground storage	New temporary/mobile pumps with screens placed in river between Camanche dam and Woodbridge ID dam	Temporary connections as needed to connect into existing flood irrigation seasons of adjacent farmland	Farmland with good soils for recharge	38.1688005, -121.1674229	Divert water to farmland for Flood MAR during non-growing season when water available	1000 afa
Temporary Application to divert high flows	Both	To cover season of diversion in November that is outside Permit 10477	All of the above	All of the above	All of the above	38.1463861, -121.2070433	Work on submittal of temporary permit application to allow all of these projects to operate in November if Delta is in excess and there are still high flows in river (which is expected)	1000 afa

BOARD OF DIRECTORS

P.O. Box E, Victor, CA 95253

From: Steve Schwabauer, General Manager

RECOMMENDED ACTION: Authorize General Manager to enter into Temporary Construction Easement agreement with Powells

BACKGROUND:

In order to perform work on the North Pump Station, and to operate the current temporary pump with a generator, the district and its contractors need to access the pump station, and locate a generator and fuel tank on property owned by the Powells. The existing pipeline easement over the Powells property does not provide for these expanded uses. District staff have negotiated the attached 5-year temporary easement agreement with the Powells to provide for this expanded use in exchange for payment of \$5,000 per year.

RECOMMENDATION:

Authorize the General Manager to execute the agreement and fulfill its obligations.

FISCAL IMPACT: \$5,000 per year, reimbursable expense under the SGMA grant for the North System Phase 1 project.

Resolution 2023-__

NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT AUTHORIZING AND ACCEPTING TEMPORARY EASEMENT REGARDING NORTH PUMP STATION PHASE 1 PROJECT

WHEREAS, North San Joaquin Water Conservation District (District) previously constructed a North System pump station and pipeline pursuant to easement agreements with area landowners; and

WHEREAS, the District is in the process of working on the North System pump station and pipeline, and operating a temporary pump station, and needs a temporary construction easement over a parcel owned by the Powells for this purpose; and

WHEREAS, the District and the Powells have negotiated the attached temporary construction easement;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The District accepts the attached Temporary Construction Easement Agreement. The General Manager is authorized to the easement and perform the obligations thereunder. The temporary construction easement shall not be recorded.
2. The Deputy Secretary is authorized to pay all amounts due to the Grantors as negotiated and described in the staff report presented at the board meeting on October 30, 2023. The negotiated amounts were based on arms-length negotiations in-lieu of condemnation.

ADOPTED: _____, 2023 upon motion of Director _____, seconded by Director _____ and passed by the following vote:

AYES: ___ NOES: ___ ABSENT: ___ ABSTAINS: ___

CERTIFICATE OF SECRETARY

I do hereby certify that I am the Secretary of the North San Joaquin Water Conservation District, a water conservation district organized and existing under the laws of the State of California, and that the foregoing Resolution was duly adopted by the Board of Directors of said District at a meeting thereof duly and regularly held at Grape Festival Barrel Room, Lodi, California on the ___ day of _____, at which meeting a quorum of said Board of Directors was at all times present and acting, and that said Resolution has not been rescinded or amended in whole or any part thereof, and remains in force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and the Seal of the North San Joaquin Water Conservation District this ___ day of _____

David Simpson, Secretary
North San Joaquin Water Conservation District

RETURN TO:

North San Joaquin Water Conservation
District
P.O. Box E,
Victor, CA 95253

Portions of APN 017-250-07

Construction Easement Agreement

This CONSTRUCTION EASEMENT AGREEMENT (“Agreement”) is by and between THOMAS M. POWELL AND JEAN M. POWELL, TRUSTEES OF THE THOMAS AND JEAN POWELL 2020 FAMILY TRUST (collectively “Grantor”), and NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT (“Grantee”).

RECITALS

- a.** Grantor owns the property described as Lot 8 of Porter’s Subdivision, according to the official Maps thereof filed for record in Vol.3 of Maps, page 35, San Joaquin County Records (“Grantor’s Property”).
- b.** Grantee is a California Water Conservation District which owns a pipeline easement over Grantor’s Property and operates a pump station adjacent to Grantor’s Property. Grantee is in the process of a construction project related to the pipeline and pump station and desires to obtain a construction easement from Grantor for that purpose.
- c.** Grantor agrees to grant Grantee the easement described in this Agreement, pursuant to the terms set forth in this Agreement.

THEREFORE, in consideration of the mutual promises set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor and Grantee agree as follows:

AGREEMENT

- 1. Temporary Construction Easement.** Grantor grants to Grantee: a construction easement for purposes of ingress and egress over Grantor’s property, along existing driveways or dirt roads, for purposes of accessing Grantor’s pipeline and pump station, and for purposes of locating, maintaining and operating a diesel generator to operate Grantor’s pump station, pending electricity provision from PG&E, subject to the following conditions:
 - a.** Grantee shall ensure the use of Grantor’s roads does not degrade the condition of the roads on Grantor’s property. Grantee shall promptly repair and restore roads to their prior condition if impacted. Grantee shall contribute a proportionate share

of road maintenance expenses for roads impacts by Grantee's uses pursuant to the Easement.

- b. The term of the Temporary Construction Easement will begin January 1, 2023 and will terminate following completion of re-construction of the pump station, but no later than December 31, 2028 unless extended by mutual agreement.
- c. Grantee shall notify Grantor prior to performing work on the Grantor's Property and keep Grantor reasonably informed as work progresses.
- d. At the conclusion of construction, Grantee shall return the temporary construction easement area to the same condition as existed prior to Grantee's use.
- e. Grantee shall coordinate with Grantor to avoid interference with Grantor's farming activities during construction.

2. Compensation. Grantee shall pay Grantor \$5,000 for each year that this temporary construction easement is in place.

3. Ingress and Egress. For purposes of exercising Grantee's easement rights, Grantee shall have the right of reasonable ingress and egress to and from the Easement Areas. Grantee, its agents, and its employees shall use established roadways, or in the absence of established roadways, to follow such routes and use such portions of Grantor's property as may be directed by Grantor.

4. Damage to Crops. The Grantee shall reasonably compensate Grantor for any and all damage to growing crops, trees, vines, and other improvements to Grantor's Property that arises out of or is caused by Grantee's use of Grantor's Property permitted by this Agreement.

5. Maintenance of Improvements. Grantee agrees to keep any improvements installed pursuant to this Agreement in good order, condition, and repair at all times.

6. Indemnification and Hold Harmless. Grantee shall indemnify and save Grantor, its members, managers, agents, officers, and employees harmless from and against any claims, suits, actions, damages, penalties and causes of action arising out of District's use of the easements, out of any personal injury, bodily injury, loss of life or damage to property, violation of any federal, state or municipal law or ordinance or other cause in connection with the occupation, use, possession, conduct or management of, or from any work or thing whatsoever done in and about the easement by District, its employees, agents, licensees, guests and invitees; provided, that Grantor shall not be held harmless from its own acts or those of its agents, employees, licensees, guests, or invitees.

7. Insurance. Grantee will obtain, and thereafter maintain at all times during the term of this Agreement, commercial liability insurance with a combined single limit of at least one million dollars (\$1,000,000.00) and an umbrella for four million dollars (\$4,000,000.00) or a single limit of five million dollars (\$5,000,000.00). Grantor shall be named as a covered party on said policy.

8. Dispute Resolution. All claims and disputes arising under or relating to this Agreement, other than claims for injunctive relief, are to be settled by binding arbitration pursuant to the

commercial rules of the American Arbitration Association or JAMS. An award of arbitration may be confirmed in a court of competent jurisdiction. Any claim for injunctive relief may be pursued in a court of law.

9. Entire Agreement. This Agreement shall constitute the entire agreement between the parties and any prior understanding or representation of any kind preceding the date of this Agreement shall not be binding upon either party except to the extent incorporated in this Agreement.

10. Counterparts. This Agreement may be executed in one or more counterparts which, taken together, shall be deemed to constitute one and the same document.

IN WITNESS WHEREOF, the parties have executed this Amendment, on this _____ day of _____, 2023.

GRANTOR:

GRANTEE:

Thomas M. Powell, Trustee

Jean M. Powell, Trustee

NORTH SAN JOAQUIN
WATER CONSERVATION DISTRICT,

Joe Valente, President
NSJWCD Board of Directors

Prepared by: Jennifer Spaletta, General Counsel

RECOMMENDATION: Authorize General Manager to enter into Easement Agreements with Landowners for Three Groundwater Monitoring Wells for North System Phase 1

DISCUSSION:

At its August Board meeting, the Board approved a contract with Cascade Drilling to install three groundwater monitoring wells near the North System Phase 1 project. The wells are part of the phase 1 project funded by the current SGMA grant.

The wells will have a useful life of more than 30 years and be located on three different parcels of private land owned by Lakso, Cranston and Reynolds. Staff has discussed obtaining a recorded easement from each landowner for the monitoring wells and paying each landowner \$1,000 for each easement. The easements will clarify the rights and obligations of the parties and ensure that there is notice of the district's interest in the monitoring wells into the future if the properties change ownership. The District's on-going obligations will include standard indemnification related to the District's use of the landowner's property for the installation, maintenance and monitoring of the wells.

Staff recommends that the Board authorize the General Manager to enter into an easement agreement with each landowner in substantially the form attached hereto and pay each landowner \$1,000 for the easement.

FINANCIAL SUMMARY:

\$1,000 for three easements (\$3,000 total) plus cost of preparation and recording. Costs should be reimbursed through SGMA grant. On-going monitoring, maintenance and potential indemnification obligations are unknown at this time but are not covered by the grant. These costs would be proper costs to be paid with the groundwater charge revenue.

ENVIRONMENTAL DETERMINATION:

Not applicable.

RECORDING REQUESTED BY AND
WHEN RECORDED, RETURN TO:

North San Joaquin Water Conservation
District
P.O. Box E,
Victor, CA 95253

For recorder's use

Portion of APNs 017-_____

Space Above for recorder's use
Exempt from recording fees (Gov. Code §§ 6103, 27383)

Monitoring Well Easement Agreement

This MONITORING WELL EASEMENT AGREEMENT (“Agreement”) is by and between _____ (“Grantor”), and NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT (“Grantee”).

RECITALS

- a. Grantor owns the property described on **Exhibit A** (“Grantor’s Property”).
- b. Grantee is a California Water Conservation District which desires to install a groundwater monitoring well (“Monitoring Well”) on Grantor’s Property.
- c. Grantor agrees to grant Grantee the easements described in this Agreement to enable Grantee to install, operate and maintain Monitoring Well, pursuant to the terms set forth in this Agreement.

THEREFORE, in consideration of the mutual promises set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor and Grantee agree as follows:

AGREEMENT

1. Easements:

- a. **Monitoring Well.** Grantor grants to Grantee a perpetual, exclusive easement in, on, over and through a two-foot by two-foot location in a mutually agreeable location on Grantor’s Property, as described and depicted on Exhibit B, incorporated herein, for a Monitoring Well.
- b. **Secondary.** The grant of easement herein includes the grant of secondary easements in favor of Grantee to construct, inspect, maintain, repair, replace and operate the Monitoring Well provided Grantee provides reasonable prior notice to Grantor.
- c. **Appurtenance.** Each easement granted in this Agreement shall extend to and bind the heirs, successors and assigns of Grantor and the successors and assigns of

Grantee, and all covenants of this Agreement shall expressly run with Grantor's Property.

- d. **Conditions.** The easements are subject to the following conditions:
 - i. The Monitoring Well shall each be installed in coordination with Grantor to avoid damage to Grantor's vineyard and interference with farming operations.

2. Ingress and Egress. For purposes of exercising Grantee's easement rights, Grantee shall have the right of reasonable ingress and egress to and from the easements. Grantee, its agents, and its employees shall use established roadways, or in the absence of established roadways, to follow such routes and use such portions of Grantor's property as may be directed by Grantor.

4. Damage to Crops. The Grantee shall reasonably compensate Grantor for any and all damage to growing crops, trees, vines, and other improvements to Grantor's Property that arises out of or is caused by the construction, operation, use, maintenance, and replacement of the Monitoring Well on Grantor's Property or any other use of Grantor's Property permitted by this Agreement. Notwithstanding the above, Grantor shall not plant permanent trees or vines over the Monitoring Well after its installation. If Grantor plants trees or vines over the Monitoring Well Grantee may remove the plantings and shall not be obligated to compensate Grantor.

5. Maintenance of Improvements. Grantee agrees to keep any improvements installed pursuant to this Agreement in good order, condition, and repair at all times.

6. Compensation. As compensation for the granting of the rights provided by this Agreement, Grantee shall pay Grantor \$1,000.

7. Indemnification. Grantee shall indemnify and save Grantor, its members, managers, agents, officers, and employees harmless from and against any claims, suits, actions, damages, penalties and causes of action arising out of any personal injury, bodily injury, loss of life or damage to property, violation of any federal, state or municipal law or ordinance or other cause in connection with the occupation, use, possession, conduct or management of, or from any work or thing whatsoever done in and about the Property by Grantee, its employees, agents, licensees, guests and invitees; provided, that Grantor shall not be held harmless from its own acts or those of its agents, employees, licensees, guests, or invitees.

8. Insurance. Grantee at its cost shall maintain comprehensive liability and property damage insurance in the amount of One Million Dollars (\$1,000,000.00) per occurrence combined single limit coverage. Such coverage shall include, but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom and damage to property resulting from operations contemplated under this Easement, use of owned and non-owned automobiles, products and completed operations. Grantor shall be named as additional insureds, and the policy shall stipulate that this insurance will operate as primary insurance. Grantee may provide such insurance through a blanket policy provided that the amount of insurance will not be affected by other policy losses. Grantee will provide to Lessor a Certificate of Insurance showing the above coverages on an annual basis starting with the effective date of this Easement.

9. Dispute Resolution. All claims and disputes arising under or relating to this Agreement, other than claims for injunctive relief, are to be settled by binding arbitration pursuant to the commercial rules of the American Arbitration Association. An award of arbitration may be confirmed in a court of competent jurisdiction. Any claim for injunctive relief may be pursued in a court of law.

10. Recording. Grantee shall record this Agreement at Grantee's expense.

11. Entire Agreement. This Agreement shall constitute the entire agreement between the parties and any prior understanding or representation of any kind preceding the date of this Agreement shall not be binding upon either party except to the extent incorporated in this Agreement.

12. Counterparts. This Agreement may be executed in one or more counterparts which, taken together, shall be deemed to constitute one and the same document.

IN WITNESS WHEREOF, the parties have executed this Amendment, on this ____ day of _____, 2023.

GRANTOR:

[name]

[name]

GRANTEE:

By: Joe Valente, President Board of Directors

Agenda Item 3-C-4-i – Arnaudo Change Order – South System Pump

October 30, 2023

Action Requested: Board approval of Contract Change Order from Arnaudo Construction for Option 2, for the amount of Five Hundred Twelve Thousand Dollars and no Cents (**\$512,000.00**).

Background: Arnaudo Construction has constructed phase 1 and 2 of the South System Improvements including the new pump station, the Tretheway and Brandt control structure, and the mainline improvements. The first pump installed in the pump station has a 10 Cubic Feet per Second (CFS) capacity. The District needs to increase the capacity of the pump station to 40 CFS. The District has asked Arnaudo Construction to prepare a change order to install a second and third pump that will match the desired 40 CFS.

Following discussion at the September board meeting a revised request was made to increase the capacity of the second pump to 20 CFS and a third pump with a 10 CFS Capacity. Upon investigation of the system, the electrical contractor who installed the original system determined that the existing electrical equipment at the pump station was sufficient for the second pump but that additional upgrades would need to be included at the main power supply to accommodate a third and future fourth pump. The electrical contractor is working to determine the system requirements and associated costs for that equipment but was unable to provide Arnaudo with a cost at this time. After discussing with Arnaudo, it was determined that given the scope of the work required to increase the platform as well as the electrical work that there would be negligible savings from conducting the work as a single job vs completing them at separate times. We will continue to work with them to determine a price for the third pump.

Attached is a change order with two options for the second pump. The first option is to install a matching setup to the first pump that utilizes more expensive fixtures but does not require additional flow meters. The second option includes modifications to the existing pump discharge as well as adding a single flow meter at each pump. While this option is more expensive to replace the existing discharge and install the new pump with an additional meter, the savings for the third and potential fourth pump in the future exceed the cost of making the switch at this point. The additional operational flexibility as well as better data from flow meters and resiliency of the system with the individual flow meters for each pump makes this the better option.



**PROPOSED CHANGE ORDER
NO. 10**

SUBJECT: Add Pump at South System Pump Station **DATE:** 10/26/23

PROJECT: NSJWCD South System Improvements Phase II **JOB NO:** 23005

TO: North San Joaquin Water Conservation District **FROM:** Randy Holtberg
 PO Box E
 Victor, CA 95253 **ATTN:**

DESCRIPTION

EXCLUDES any Controls and/or Programming

ITEM	DESCRIPTION	QTY	UM	UNIT	TOTAL
1	SEE ATTACHED BREAKDOWN				

TOTAL AMOUNT	TBD
---------------------	------------

APPROVAL

BY: _____

BY: _____
Randy Holtberg

DATE: _____

DATE: _____



PROPOSAL

Date: October 26, 2023
Project: South System
Owner: North San Joaquin Water Conservation District

Estimator: Randy Holtberg
Phone: (209) 817-4646
DIR No. 1000025395
License No. 903970

No.	Description	Quantity	Units	Unit Price	Total
OPTION 1					
1	Mobilization & 200 HP Pump	1	LS	\$ 205,000.00	\$ 205,000.00
2	Discharge Piping & Fittings to Match Existing	1	LS	\$ 96,000.00	\$ 96,000.00
3	Electical	1	LS	\$ 190,000.00	\$ 190,000.00
Sub-Total					\$ 491,000.00
OPTION 2					
1	Mobilization & 200 HP Pump	1	LS	\$ 205,000.00	\$ 205,000.00
2	Irrigation Style Discharge with Mag Meter	1	LS	\$ 55,000.00	\$ 55,000.00
3	Replace Ex Discharge with Mag Meter Setup	1	LS	\$ 62,000.00	\$ 62,000.00
4	Electical	1	LS	\$ 190,000.00	\$ 190,000.00
Sub-Total					\$ 512,000.00

NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT

BOARD MEETING STAFF REPORT

Agenda Item 3-C-5 – Sierra Controls Change Order

October 30, 2023

Action Requested: Board approval of Contract Change Order from Sierra Controls for the amount of Three Thousand, Three Hundred Eighty-Six Dollars and Four Cents **(\$3,386.04)**.

Background: Sierra Controls installed the SCADA system for remote monitoring and operation of the Cal Fed pump station. During installation two items came up that required field changes. The first item was the lack of a Hand Off Auto switch for the fish screen, which was required to remotely operate the fish screen. The second item was a step-down transformer to provide a 120V power supply to the SCADA system from the 480V power supply for the pump. Both items were required for the project, installation is complete, and the project is fully operational.



SIERRA CONTROLS, LLC

Proposed Change Order

Sierra Controls, LLC
5470 Louie Lane Ste. 104
Reno, NV 89511
(775) 236-3350

Quote / Project #: 22-6748 / PCO 1
Date : 9/26/2023
Project Mgr.: Jeremy Veach

To: North San Joaquin Water Conservation District
Attention: Daniel de Graaf
Project: Calfed Pump Station CO#01

Sierra Controls LLC (SC) is pleased to provide this Change Order (CO) for the Calfed Pump Station CO#01.

Item #	Description	Quantity	Unit Price	Est. Tax	Line Total
Item 1	Fish Screen	1	\$ 1,535.00	\$ 51.65	\$ 1,586.65

Pricing Includes:

- (1) SWITCH HOA 800T-J2B 3 POS 2N0-
- (1) HOA Cover
- (1) LEGEND PLATE 800T-511 HOA TAG
- (1) SENSOR HAWKEYE SPLIT CORE H600
- (1) Wires | 14 AWG | 70' Worth
- (1) LB Electrical Fittings
- (1) CANTEX BOX | 12x12x6

Pricing also Includes:

PLC Programming, OIT Programming, Conduit / Panel Wiring

Item 2	Utility Power	1	\$ 1,765.00	\$ 34.39	\$ 1,799.39
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Pricing Includes:

- (1) ABB | TRANSFORMER | CONTROL CIRCUIT 200VA
- (2) 1.5 A | 250V | SLO-BLOW FLM SERIES MIDGET FUSE(s)
- (4) LIQUID TIGHT STRAIN RELIEF CORD & CABLE CONNECTOR | 3/8" HUB | ALUMINUM(s)
- (4) FUSE | .500A | 600 VAC(s)

Pricing also Includes:

Installation

	Price	Est. Tax	Total Price
PCO Total:	\$ 3,300.00	\$ 86.04	\$ 3,386.04

Details:

Does the Contract Change affect time of completion?	Yes
Does the Contract Change affect the price?	Yes
Original Contract Value:	\$ 49,664.16
CO1:	\$ 3,386.04
New Contract Value:	\$ 53,050.20

Notes & Disclaimers:

Standard Disclaimers: Disclaimers and notes from original proposal shall apply to this change order also.

Delivery: Scheduled ARO
Terms: NET 30
FOB: RENO, NV

**RESPECTFULLY SUBMITTED,
 SIERRA CONTROLS, LLC**

Steven Perez - Estimator

This quote is valid for 60 days.

To proceed with this order please sign below with an authorized signature and return.

_____	_____ 1 _____	_____
Signed	Change Order (CO) Number	Date

Prepared by: Robert Granberg, Granberg & Associates, Inc.

RECOMMENDATION: Progress update on the North Pump Station Replacement Progressive Design-Build Project Request for Qualifications

DISCUSSION:

At its August Board meeting, the Board approved the release of a Progressive Design-Build Request for Qualifications to Design-Build entities for the North Pump Station Improvements Project, substantially in the form presented and directed staff to work with Board Counsel to finalize the solicitation process.

Since that time, the Board approved the hiring of a permanent General Manager. Staff are currently engaged with the General Manager on the North Pump Station Improvements Project background, need and approach to project delivery. Additional time is needed to complete the draft contractual terms and project schedule leading to the release of the Request for Qualifications. It is anticipated that by the November Board meeting, the Request for Qualifications will have been advertised and a procurement schedule will be available for the Board.

FINANCIAL SUMMARY:

There is no fiscal impact associated with advertising a Request for Qualifications to Design-Build entities other than staff time, which has been accounted for in the current fiscal year budget.

ENVIRONMENTAL DETERMINATION:

Not applicable.

PREPARED BY: Petrea Marchand, Consero Solutions
Robert Granberg, Granberg & Associates, Inc.

RECOMMENDATION: Receive Updates on North San Joaquin Water Conservation District
Project Funding Requests and Awarded Grant Status

BACKGROUND:

Consero Solutions provides monthly reports on funding opportunities for which the District has applied or for which the District is considering applying.

DISCUSSION:

1. U.S. Bureau of Reclamation WaterSMART Drought Response Program

Project Name: South System Modernization Project, Phase 4

Amount Requested: \$5 million

Amount of Cost Share: 50%

Status: **SUBMITTED (October 20, 2023)**

Application Due: **November 7, 2023**

Status: Consero Solutions worked with the District Deputy Secretary, District Engineer, and General Counsel to complete the WaterSMART grant application and will submit to the U.S. Bureau of Reclamation (Bureau) by the deadline, which was extended by the Bureau in late October. Consero tracked the development of this opportunity for over a year, resulting in an April 24, 2023 decision by the District Board to apply for \$5 million for the South System Project, Phase 4. The Bureau released the Notice of Funding Opportunity for the WaterSMART Drought Response Program on August 7, 2023 and anticipates awarding a total of \$55 million in federal funding for drought resiliency projects in the western states. Consero believes this application is a long shot for the District because of the small amount of money available and because the District's project does not meet the Bureau's criteria to directly benefit disadvantaged communities. Consero believes it is worth applying because the Bureau has additional funding from the federal Infrastructure Investment and Jobs Act for this year's round and does not anticipate this funding source will continue after this year. The Bureau also increased the limit on applications from \$2 million to \$5 million for this funding round.

Context: The WaterSMART Drought Response Program is an annual program which receives money through the annual federal appropriations process. The program typically limits applications to \$2 million and only provides between \$30 million and \$40 million in awards.

2. California Department of Food and Agriculture State Water Efficiency and Enhancement Program (SWEEP) Block Grant Pilot Program

Project Name: On-Farm Irrigation Efficiency Improvement Projects

Amount Requested: \$5 million

Amount of Cost Share: None required

Application: **SUBMITTED** – June 19, 2023

Awarded: **YES**

Status: The District anticipates the lead agency, Stockton East Water District, will execute an agreement by early 2024, the partners will solicit applications for on-farm water and energy efficiency improvements from landowners in mid-2024, and the partners will announce awards by the end of 2024. The District will work with the Stockton East Water District and the South San Joaquin Irrigation District to develop a grant process and invite project applications for up to \$200,000 from interested growers. After selecting eligible growers for funding, the partner jurisdictions will disburse awarded funds to on-farm projects.

Context: The California Department of Food and Agriculture (CDFA) announced \$42.5 million in SWEEP Block Grant Pilot Program awards on September 12, 2023, including \$5 million for the joint application from the Stockton East Water District, the South San Joaquin Irrigation District, and the North San Joaquin Water Conservation District. CDFA only awarded a total of nine grants statewide. The partners submitted an application on June 19, 2023 to the program after Consero worked for over a year with the District to track CDFA's development of the grant opportunity. The 2023-24 budget did not include funding for a 2024 SWEEP program and CDFA representatives do not know when the State will have additional funds to allocate to the program, so this was an excellent year for the District and its partners to apply.

3. California Department of Food and Agriculture State Water Efficiency and Enhancement Program (SWEEP) Direct-to-Farmer Grant Program

Project Name: Direct-to-Farmer On-Farm Irrigation Efficiency Improvement Projects

Amount Requested: Up to \$200,000 per farmer

Amount of Cost Share: Encouraged, but not required

Application Due: **November 2023** (exact date TBD)

Status: The Direct-to-Farmer SWEEP Grant Program is different from the SWEEP Block Grant Pilot Program in that the Direct-to-Farmer program will award grants directly to growers. The SWEEP Block Grant Pilot Program and the traditional Direct-to-Farmer SWEEP Grant Program will award a combined total of \$70 million this year, of which approximately \$42.5 million was allocated to the Block Grant Pilot Program. CDFA has not released guidelines for this program yet but anticipates the release in November 2023. The Department is still developing the guidelines but staff confirmed they will not exclude growers in the service areas of SWEEP Block Grant Pilot Program awardees like the District.

Context: The CDFA has offered this program, which provides grants to growers for on-farm projects to increase irrigation efficiency and reduce greenhouse gas emissions, for years. The District has encouraged growers to apply in the past, but few growers received funding through the program. The Department has updated the guidelines to include criteria favorable to the District, including an extra point if the grower's operation is in a critically over drafted groundwater basin. The 2023-24 State budget does not include any funding for a 2024 round for this program, so this may be the last opportunity to apply for a couple of years.

4. U.S. Department of Agriculture Community Facilities Grant (Federal Appropriations)

Project Name: South System Modernization Project (Handel Lateral)

Amount Requested: \$1,000,000

Amount of Cost Share: Not required

Application due: SUBMITTED – January 2023

Awarded: **YES**

Status: The District has yet to execute an agreement with the U.S. Department of Agriculture (USDA) and has until May 2024 to complete the conditions to finalize the agreement. Granberg & Associates developed a timeline in September 2023 for meeting these conditions and is working with the District Engineer to complete design documents and cost estimate for upcoming landowner engagement meetings in November and December 2023. After the landowners provide feedback on the design for landowners to take available surface water, the District Engineer will finalize the design and the District will work on finalizing easements in early 2024. Easements are a requirement to finalize the USDA agreement. Granberg & Associates and District Engineer will work with the General Manager on the project and timeline.

Context: District Counsel worked with Consero to complete the application to the U.S. Department of Agriculture for \$1,000,000 for the South System Groundwater Recharge Project in January 2023. The District secured this \$1,000,000 because of a federal appropriations request in 2021 sponsored by U.S. Representative McNerney and U.S. Senator Padilla. After receiving notice of the award, District staff met with USDA staff on August 29, 2023 to discuss the conditions the District needs to meet to execute an agreement. One of the conditions is to provide evidence of site control for the proposed project. The District has some of the easements necessary to ensure the project serves the 700-1,000 acres of developed agricultural parcels described in the preliminary engineering report submitted to the U.S. Department of Agriculture (i.e., the recently constructed diversion box is in an existing easement), but also needs to acquire new easements. As part of the design due October 30th, the District Engineer is determining the area covered by existing easements and the need for new easements.

5. Sustainable Groundwater Management Act (SGMA) Implementation Grant Round 1

Project Name: North System Improvement Component - Phase 1

Amount Requested: \$3,900,000

Amount of Cost Share: \$0

Application Due: SUBMITTED - February 28, 2022

Awarded: **YES**

Status: The District has submitted three reimbursements through San Joaquin County, the grant administrator, to date for the pump station, intake, and pipelines condition report, temporary pumping to the Reynolds parcels for direct groundwater recharge, and engineering for project components Phase 1A and 1B. San Joaquin County has received reimbursement for Quarter 1

and the District is awaiting payment. The California Department of Water Resources is reviewing Quarter 2 and Quarter 3 invoices. Phase 1A is the installation of a pipeline extension to implement direct groundwater recharge on the Lakso property and Phase 1B is for existing pipeline replacement in Acampo Road and pipeline extensions to implement direct irrigation and direct groundwater recharge. All three project components (Temporary, Phase 1A and Phase 1B) are needed to achieve the goals set forth in the grant agreement. The temporary recharge to the Reynolds parcels is ongoing since June. Phase 1A was awarded by the Board in August and will be constructed this fall. Phase 1B design is complete and bid, for Board award in October. Future grant reimbursement requests will be for groundwater monitoring wells, pipeline construction, and the Progressive Design-Build Project to replace the pump station and river intake.

Context: The Eastern San Joaquin Groundwater Authority’s successful SGMA grant application to the California Department of Water Resources included \$3.9 million for the North System Improvement Project – Phase 1. The Authority has fully executed the grant agreement with the Department and the District has fully executed an agreement with the Authority. This grant is one of four grants awarded to the Eastern San Joaquin Groundwater Authority. The District’s award is Component 4 and will develop 200 acre-feet of in-lieu recharge (direct irrigation) and 500 acre-feet of direct groundwater recharge in the North System service area, including infrastructure improvements. The grant reimburses costs incurred for administration, environmental/engineering/design, permitting and easements, construction, and groundwater monitoring and assessment.

6. California Integrated Regional Water Management (IRWM) Program Implementation Grant Round 2

Project Name: South System Modernization Project, Phase 3

Amount Requested: \$2,899,379

Amount of Cost Share: \$1 million

Application Due: **SUBMITTED** – August 19, 2022

Awarded: **YES**

Status: San Joaquin County executed the Integrated Regional Water Management (IRWM) program grant agreement with the California Department of Water Resources (DWR) in July 2023. San Joaquin County signed the Local Sponsor Agreement on June 15, 2023 and the District Board of Directors approved the Local Project Sponsor Agreement on September 25, 2023. District staff also participated in an IRWM kick-off meeting on August 2, 2023 and has submitted one quarterly report to date. These quarterly reports did not include a request for reimbursement but documented matching funds.

Context: The California Department of Water Resources awarded the District \$2,899,379 in funding from Round 2 of the IRWM program grant as part of a regional application. San Joaquin County is the lead applicant for Round 2. The District can use expenses related to the project from 2015 forward as matching funds and can seek reimbursement for expenses from November 2022 onward.

7. Office of Planning and Research Integrated Climate Adaptation and Resiliency Program – [Regional Resilience Planning and Implementation Grant Program](#)

Project Name: TBD

Amount Requested: TBD

Amount of Cost Share: TBD

Application Due: **Anticipated August 2024**

Status: At the May 22nd meeting, the Board did not object to staff’s recommendation to postpone this application until 2024. OPR released the Round 1 solicitation guidelines on June 13, 2023 and the deadline for this year was August 29, 2023. Consero will advise the Board after OPR announces awards from the 2023 funding round as to potential plans or projects likely to be competitive if the District decides to apply next year.

Context: The Governor’s Office of Planning and Research (OPR), through the Integrated Climate Adaptation and Resiliency Program (ICARP), is funding the Regional Resilience Planning and Implementation Grant Program (RRGP). Over three funding rounds, the RRGP will award \$125 million in planning and implementation grants to advance climate resilience and respond to the greatest climate risks in their regions, including projects consistent with Groundwater Sustainability Plans. Grants will be made available both competitively and on a formula basis and will consider these key priorities:

- Support regional projects aligned with ICARP priorities that improve regional climate resilience and reduce climate risks from wildfire, sea level rise, drought, flood, increasing temperatures, and extreme heat events.
- Support projects or actions that address the greatest climate risks in the region, particularly in the most vulnerable communities.
- Address gaps in climate resilience funding and support sustainable and cohesive climate resilient projects.

8. Resources Bond Update

Status: The District sent letters to Assemblymember Garcia and Senator Allen in October 2023 (see attached) regarding the District’s support for groundwater sustainability funding in the proposed resources bonds pending before the Legislature and District staff are reviewing. At the July meeting, the Board authorized the President to sign letters to legislators expressing support for the inclusion of SGMA, SWEEP, and IRWMP funding in the proposed resources bond. Since the last Board meeting, the Governor’s office has indicated the Governor will not support finalizing a resources bond in the remainder of the 2023 legislative session, which ended September 15th. The Legislature will therefore continue working on the resources bond when the Legislature reconvenes in January 2024, with the goal of placing the resources bond on the November 2024 ballot by May 2024. The District is also working to invite legislators to a tour of the District on December 8th.

Context: The District is engaging in the resources bond discussion because the state’s \$30 billion 2023-24 budget deficit resulted in no additional funding to grant programs of interest to the District, such as SGMA and SWEEP. As a result, Consero expects no future funding rounds for these programs until a resources bond is passed. The 2023-24 state budget is further complicated by federal and state tax filing deadline delays — which extend to October 16th in 55 of the state’s 58 counties because of severe winter storms. The State will learn on October 16th whether the budget deficit is as large as anticipated. If smaller than anticipated, the Governor and the Legislature may allocate some one-time funds to grant programs at an undetermined time.

North San Joaquin Water Conservation District

Board of Directors:

Joe Valente (Area 3) President
Tom Flinn (Area 2) Vice-President
David Simpson (Area 1) Secretary
Charles Starr (Area 4) Treasurer
Marden Wilbur (Area 5)

PO Box E, Victor, CA 95253
498 East Kettleman Lane, Lodi, CA
209.368.2101 nsjgroundwater.org

Jennifer Spaletta, General Counsel
Roger Masuda, Special Counsel
Daniel deGraaf, District Engineer
Shasta Burns, Deputy Secretary

October 17, 2023

Honorable Senator Ben Allen
1021 O Street, Suite 6610
Sacramento, CA 95814

RE: Support for Groundwater Sustainability Funding in Senate Bill No. 867 (Allen) – Drought, Flood, and Water Resilience, Wildlife and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy Bond Act of 2024 (June 22, 2023 version)

Honorable Senator Ben Allen:

The North San Joaquin Water Conservation (District) strongly supports the funding for groundwater sustainability in SB 867, your natural resources general obligation bond, and appreciates your leadership in the discussions regarding placement of a bond on the November 2024 ballot. As a Groundwater Sustainability Agency (GSA) in the critically overdrafted East San Joaquin Subbasin and a member of the East San Joaquin Subbasin Groundwater Authority, as well as a member of the Greater San Joaquin County Regional Water Coordinating Committee responsible for implementation of the Integrated Regional Water Management (IRWM) Plan in San Joaquin County, we are strong supporters of additional funding to assist in Groundwater Sustainability Plan (GSP) implementation and IRWM planning and implementation.

The District understands negotiations regarding this important bond will resume in January 2024 and urges you to maintain the amounts in the June 22, 2023 version of SB 867 during future discussions regarding the bonds. State funding helps the District utilize its Mokelumne River water rights to recharge groundwater. Climate variability and increased environmental flow demands require the District to modify its facilities and operations to capture more wet season flows for groundwater recharge. As importantly, State funding opportunities help the District maintain support for a local groundwater charge narrowly approved by property owners in 2022 by demonstrating the District's ability to leverage local funds with State funds to achieve the District's strategic plan and Groundwater Sustainability Plan goals. The District is comprised of primarily small agricultural parcels (less than 40 acres), so leveraging local funding with State funding is critical to accomplishing sustainability goals without undue financial hardship on small farms.

The District supports maintaining the following language:

- Funding related to groundwater sustainability:
 - \$400 M to the Department of Water Resources for projects related to groundwater storage, banking, conjunctive use, recharge, or other groundwater projects that improve water resilience. Projects funded pursuant to this subdivision shall provide multiple benefits, such as improved water quality and supply, improved flood water management, and provision of wildlife habitat.
 - \$250 M to the Natural Resources Agency and the Department of Water Resources for competitive grants for regional conveyance projects or repairs to existing conveyances. Priority shall be given to projects that provide one or more of the following benefits...increased groundwater recharge or mitigation of conditions of groundwater overdraft, salinity intrusion, water quality degradation, or subsidence.

The District is committed to planning for and investing in projects and management actions to build drought resiliency. In addition to participating in the completion of the East San Joaquin Subbasin Groundwater Sustainability Plan approved by the California Department of Water Resources and passing and implementing a local groundwater charge, the District has received \$12 million in state grants to implement groundwater sustainability projects, including recharge. If you are interested in a tour of the District's work, please feel free to reach out to Shasta Burns at shasta@nsjwcd.com and we would be honored to show you and your staff the impact of the District's partnership with the State of California to achieve groundwater sustainability in a critically overdrafted groundwater basin.

The District is grateful for your leadership in the development of SB 867.

Sincerely,



Joe Valente
President, Board of Directors

cc: Senator Susan Talamantes Eggman
Assemblymember Carlos Villapudua

North San Joaquin Water Conservation District

Board of Directors:

Joe Valente (Area 3) President
Tom Flinn (Area 2) Vice-President
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Jennifer Spaletta, General Counsel
Roger Masuda, Special Counsel
Daniel deGraaf, District Engineer
Shasta Burns, Deputy Secretary

October 17, 2023

Honorable Assemblymember Eduardo Garcia
1021 O Street, Suite 8120
Sacramento, CA 95814

RE: Support for Groundwater Sustainability Funding in Assembly Bill No. 1567 (Garcia) – Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, Clean Energy, and Workforce Development Bond Act of 2024 (May 26, 2023 version)

Honorable Assemblymember Eduardo Garcia:

The North San Joaquin Water Conservation (District) strongly supports the funding for groundwater sustainability in AB 1567, your natural resources general obligation bond, and appreciates your leadership in the discussions regarding placement of a bond on the November 2024 ballot. As a Groundwater Sustainability Agency (GSA) in the critically overdrafted East San Joaquin Subbasin and a member of the East San Joaquin Subbasin Groundwater Authority, as well as a member of the Greater San Joaquin County Regional Water Coordinating Committee responsible for implementation of the Integrated Regional Water Management (IRWM) Plan in San Joaquin County, we are strong supporters of additional funding to assist in Groundwater Sustainability Plan (GSP) implementation and IRWM planning and implementation.

The District understands negotiations regarding this important bond will resume in January 2024 and urges you to maintain the amounts in the May 26, 2023 version of AB 1567 during future discussions regarding the bonds. State funding helps the District increase utilization of its Mokelumne River water rights to recharge groundwater. Climate variability and increased environmental flow demands require the District to modify its facilities and operations to capture more wet season flows for groundwater recharge. As importantly, State funding opportunities help the District maintain support for a local groundwater charge narrowly approved by property owners in 2022 by demonstrating the District's ability to leverage local funds with State funds to achieve the District's strategic plan and Groundwater Sustainability Plan goals. The District is comprised of primarily small agricultural parcels (less than 40 acres), so leveraging local funding with State funding is critical to accomplishing sustainability goals without undue financial hardship on small farms.

The District supports maintaining the following language:

- **Funding related to the Sustainable Groundwater Management Act (SGMA):** \$250 M to California Department of Water Resources (DWR) in collaboration with the State Water Board, for grants and projects that advance groundwater sustainability consistent with the SGMA, with preference given to either projects that address water quality or quantity needs of disadvantaged communities...and projects that enhance drought and water shortage resiliency or projects that provide multiple benefits or encourage local and regional coordination with land use agencies.
- **Funding for the delivery of safe drinking water, drought preparation and response, and flood protection:** \$255 million, including the capture of stormwater to reduce stormwater runoff, reduction of water pollution, or recharge of groundwater supplies, or a combination of those activities and support to groundwater sustainability agencies for regional groundwater sustainability.
- **Funding related to IRWM implementation:** \$350 M for expenditures on, and competitive grants and loans to, projects that are included in, and implemented in, an adopted IRWM Plan and that respond to climate change and contribute to regional water security.

The District is committed to planning for and investing in projects and management actions to build drought resiliency. In addition to participating in completion of the East San Joaquin Subbasin Groundwater Sustainability Plan approved by the California Department of Water Resources and implementing a local groundwater charge, the District has received over \$12 million in state grants to implement groundwater sustainability projects, including recharge. If you are interested in a tour of the District's work, please feel free to reach out to Shasta Burns at shasta@nsjcw.com and we would be honored to show you and your staff the impact of the state/local partnership on efforts to achieve groundwater sustainability in a critically overdrafted groundwater basin.

The District is grateful for your leadership in the development of AB 1567.

Sincerely,



Joe Valente
President, Board of Directors

cc: Senator Susan Talamantes Eggman
Assemblymember Carlos Villapudua

BOARD OF DIRECTORS

P.O. Box E, Victor, CA 95253

From: Steve Schwabauer, General Manager

RECOMMENDED ACTION: Authorize General Manager to enter into Funding Agreement with the State of California (Department of Water Resources) regarding the Voluntary Agreement Early Implementation For The Mokelumne River for a \$3,000,000 grant to rebuild the North System Pump Station Intake and Fish Screen.

District Staff negotiated the attached Funding Agreement with DWR to fund the reconstruction of the pump station intake and fish screen for the North System. The main goal of the project is to design and implement a new North System pump station intake and associated fish screen that will enhance the rearing habitat for juvenile salmonids in the Mokelumne River and better protect the fishery from operations of the pump station.

NSJWCD owns a pump station and river intake located on the west bank of the Mokelumne River approximately 4,300 feet southwest of the Elliot Road bridge near the Town of Lockeford. The pump station was built in the 1970's to provide low head flood irrigation service. The pump station has had at least two different intake and fish screen facilities over the last fifty years, with the most recent conical fish screen installed in the late 1990s.

Due to aging infrastructure, significant problems with the fish screen and intake becoming buried in sand, and ineffectiveness of the screened intake at higher river levels, the pump station and river intake have been out of service for many years. Declining groundwater levels resulting in negative economic and environmental conditions have prompted the District to revive a pump station replacement project to supply water for irrigation and Flood Managed Aquifer (FloodMAR) projects, which in turn will help the District achieve groundwater sustainability. FloodMAR infrastructure is becoming more important for the District due to increasing climate variability and increased fishery flow requirements on the River, which in turn, mean that the District has less water available in the irrigation season and must maximize diversions during high flow seasons and winter months.

The existing pump station and river intake are not optimally placed to serve the District's needs. The fish screen is buried under approximately six feet of sand and the pumps are incapable of diverting permitted quantities at all river stages. The District will be looking at alternative locations in the nearby vicinity to site a replacement intake and pump station. This is an opportunity to incorporate a Habitat Enhancement Project to improve river habitat conditions at the intake through the selection of an environmentally superior project alternative that can be shown to be efficiently maintained and is protective of fish. The project schedule and budget are laid out below.

The current project cost estimate is \$5 million. This cost estimate may change after the design phase of the planning for the project. The grant is for \$3 million, which would mean the district will need to come up with another \$2,000,000 to cover the total estimated project cost. The District has funding available from a combination of sources to cover this \$ 2 million cost either in the form of a assessment revenue from a new North System landowner Improvement District, remaining grant dollars from the SGMA North System Phase 1 grant, and/or from the district's Groundwater Charge revenue.

Project

Schedule:

- 1.1 Project Management (December 2023-December 2026)
- 1.2 Evaluation and Design. (December 2023-October 2024)
- 1.3 Site Acquisition. (July 2024-May 2025)
- 1.4 Environmental Review and Permitting (May 2024-May 2025)
- 1.5 Construction (May 2025-December 2026)

Staff discussed constraints on the above schedule with DWR and DWR understands the schedule will likely need to be amended and sees no problems with an amended schedule when appropriate.

Budget:

- 1.1 Project Management: \$200,000
- 1.2 Evaluation and Design: \$200,000
- 1.3 Site Acquisition: \$300,000
- 1.4 Environmental Review and Permitting: \$300,000
- 1.5 Construction: \$3,000,000
- Total: \$5,000,000

RECOMMENDATION:

Authorize the General Manager to enter into the Funding Agreement with the State of California (Department of Water Resources) regarding the Voluntary Agreement Early Implementation For The Mokelumne River.

FISCAL IMPACT: \$3,000,000 in revenue to replace the North Pump Station Intake and Fish Screen. \$2,000,000 in expense not covered by the grant to complete the project to be appropriated at a future date from the remaining SGMA North System Phase 1 grant dollars , a landowner improvement district or groundwater charge revenue.

RESOLUTION 2023-__
of the Board of Directors of the
NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT

AUTHORIZING THE FUNDING AGREEMENT WITH THE STATE OF CALIFORNIA (DEPARTMENT OF WATER RESOURCES) REGARDING THE VOLUNTARY AGREEMENT EARLY IMPLEMENTATION FOR THE MOKELUMNE RIVER FISH SCREEN (\$3,000,000), ACCEPTANCE AND EXECUTION FOR THE NSJWCD MOKELUMNE RIVER NORTH PUMP STATION INTAKE HABITAT IMPROVEMENT PROJECT

WHEREAS, the District is a public entity (a Water Conservation District formed and empowered under the California Water Code Sections 74000 et seq.); and

WHEREAS, the District owns the North Pump station and river intake located on the west bank of the Mokelumne River.

WHEREAS, the pump station is inoperable because of aging infrastructure, problems with the fish screen and intake becoming buried in sand, and ineffectiveness of the screened intake at higher river levels.

WHEREAS, declining groundwater levels prompted the District to pursue a North Pump station replacement project to supply water for irrigation and Flood Managed Aquifer (FloodMAR) projects, which in turn will help the District achieve groundwater sustainability.

WHEREAS, FloodMAR infrastructure is becoming more important for the District due to increasing climate variability and increased fishery flow requirements on the river, which in turn, means that the District has less water available in the irrigation season and must maximize diversions during high flow seasons and winter months.

WHEREAS, the District proposes to implement the NSJWCD Mokelumne River North Pump Station Intake Habitat Improvement Project (Project) to replace the North Pump Station intake and fish screen so that it operationally more efficient, can be used to meet the District's FloodMAR needs, and is more protective and beneficial to the fishery habitat conditions in the river.

WHEREAS, the District has the legal authority to and is authorized to enter in a funding agreement with the State of California for the Project; and

WHEREAS, the District intends to apply for grant funding from the California Department of Water Resources for the Project;

NOW, THEREFORE, BE IT RESOLVED by the North San Joaquin Water Conservation District (District), as follows:

1. That pursuant and subject to all of the terms and provisions of the Costa-Machado

Water Act of 2000 (Wat. Code, § 79000 et seq.) the Budget Act of 2021 (Stats. 2021, ch. 240, § 81) and the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018 (Pub. Resources Code, § 80000 et seq.), the **General Manager of North San Joaquin Water Conservation District** is hereby authorized and directed to prepare and file an application for funding with the Department of Water Resources, and take such other actions as necessary or appropriate to obtain grant funding.

2. The **General Manager of North San Joaquin Water Conservation District**, or designee is hereby authorized and directed to execute the attached funding agreement with the Department of Water Resources and any amendments thereto.
3. The **General Manager of North San Joaquin Water Conservation District** or designee is hereby authorized and directed to submit any required documents, invoices, and reports required to obtain grant funding.
4. To the extent that the Project cost exceeds the amount of the grant funding (\$3,000,000), the District has funding from other sources to complete the Project, including assessment revenue from the proposed North System Improvement District and from District groundwater charge revenue, as well as any remaining funds from the existing SGMA grant for the North System Phase 1 project.
5. District staff are directed to take all action necessary to carry out the purposes of this Resolution.

PASSED and ADOPTED this _____, 2023 upon motion by Director _____, seconded by Director _____, and passed by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CERTIFICATE OF SECRETARY

I do hereby certify that I am the Secretary of the North San Joaquin Water Conservation District, a water conservation district organized and existing under the laws of the State of California, and that the foregoing Resolution was duly adopted by the Board of Directors of said District at a meeting thereof duly and regularly held at Grape Festival Barrel Room, Lodi, California on the _____, 2023, at which meeting a quorum of said Board of Directors was at all times present and acting, and that said Resolution has not been rescinded or amended in whole or any part thereof, and remains in force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and the Seal of the North San Joaquin Water Conservation District this _____, 2023

David Simpson, Secretary

Comment: The agreement must include a header that includes both the SAP Agreement Number (46000XXXXX) and "Page of Pages" numbering.

FUNDING AGREEMENT BETWEEN THE STATE OF CALIFORNIA (DEPARTMENT OF WATER RESOURCES) AND NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT
VOLUNTARY AGREEMENT EARLY IMPLEMENTATION FOR THE MOKELUMNE RIVER

THIS FUNDING AGREEMENT is entered into by and between the Department of Water Resources of the State of California, herein referred to as the "State", or "DWR" and the North San Joaquin Water Conservation District (NSJWCD), a public Water Conservation District in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Funding Recipient," which parties do hereby agree as follows:

1. PURPOSE. State shall provide funding from the FY 2021-22 Budget Trailer Bill Assembly Bill 211 (Stats. 2022, Ch. 574, § 35 (a) (4)) and the FY 2021-22 Budget Act, Senate Bill 170 (Stats. 2021, Ch. 240, § 10 (h)) to the Funding Recipient to assist in financing the Mokelumne River non flow actions to support healthy rivers and watersheds
2. TERM OF FUNDING AGREEMENT. The term of this Funding Agreement begins on the date this Funding Agreement is initially executed by State, through final payment plus three (3) years unless otherwise terminated or amended as provided in this Agreement. However, all work shall be completed by December 31, 2025, with the Schedule as set forth in Exhibit C and no funds may be requested after March 31, 2026.
3. FUNDING AMOUNT. The maximum amount payable by the State under this Agreement shall not exceed \$3,000,000. Any additional costs are the responsibility of the Funding Recipient.
4. FUNDING RECIPIENT COST SHARE. Funding Recipient agrees to fund the difference between the actual Total Project Cost, as estimated in Paragraph 3, and the amount specified in Paragraph 4, if any.
5. BASIC CONDITIONS. State shall have no obligation to disburse money for the Project under this Funding Agreement until Funding Recipient has satisfied the following conditions:
 - A. For the term of this Funding Agreement, Funding Recipient submits timely Quarterly Progress Reports as required by Paragraph 13, "Submission of Reports."
 - B. Funding Recipient submits all deliverables as specified in Paragraph 13 of this Funding Agreement and in Exhibit A.
 - C. Prior to the commencement of construction or implementation activities, Funding Recipient shall submit the following to the State:
 - i. Final plans and specifications certified by a California Registered Civil Engineer as to compliance for the Project as listed in Exhibit A of this Funding Agreement.
 - ii. Work that is subject to the California Environmental Quality Act (CEQA) and or environmental permitting shall not proceed under this Funding Agreement until the following actions are performed:
 - a. Funding Recipient 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. State has completed its CEQA compliance review as a Responsible Agency, and
- d. Funding Recipient receives written concurrence from the State of Lead Agency's CEQA document(s) and State notice of verification of environmental permit submittal.

State's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to any work (i.e., construction or implementation activities) for which it is required. Once CEQA documentation has been completed, State will consider the environmental documents and decide whether to continue to fund the Project or to require changes, alterations or other mitigation. Funding Recipient must 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.

6. DISBURSEMENT OF FUNDS. State will disburse to Funding Recipient the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Funding Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations. Any and all money disbursed to Funding Recipient under this Funding Agreement shall be deposited in a separate account and shall be used solely to pay Eligible Project Costs.
7. ELIGIBLE PROJECT COSTS. Funding Recipient shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Exhibit B. Eligible Project Costs include the reasonable costs of studies, engineering, design, land and easement acquisition, legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project construction. Reimbursable administrative expenses are the necessary costs incidental but directly related to the Project included in this Agreement. Work performed on the Project after December 1, 2023 shall 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 December 1, 2023.
- B. Operation and maintenance costs, including post construction performance and monitoring costs.
- C. Purchase of equipment not an integral part of the Project.
- D. Establishing a reserve fund.
- E. Purchase of water supply.
- F. Monitoring and assessment costs for efforts required after Project construction is complete.
- G. Replacement of existing funding sources (e.g., bridge loans).
- H. Support of existing agency requirements and mandates (e.g., punitive regulatory agency requirement).
- I. Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a project, as set forth and detailed by engineering and feasibility studies, or land purchased prior to December 1, 2023.
- J. 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 Funding Recipient; non-project-specific accounting and personnel

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

K. Payment of Federal and State taxes.

L. Costs incurred as part of any necessary response and cleanup activities required under the Comprehensive Environmental Response, Compensation, and Liability Act; Resource Conservation and Recovery Act; Hazardous Substances Account Act; or other applicable law.

8. METHOD OF PAYMENT. After the disbursement requirements in Paragraph 6 "Basic Conditions" are met, State will disburse the whole or portions of State funding to Funding Recipient, following receipt from Funding Recipient via US mail or Express mail delivery of a "wet signature" invoice, or an electronic invoice certified and transmitted via DocuSign for costs incurred, including Cost Share, and timely Quarterly Progress Reports as required by Paragraph 13, "Submission of Reports." Payment will be made no more frequently than quarterly in arrears, upon receipt of an invoice bearing the Funding Agreement number. State will notify Funding Recipient, in a timely manner, whenever, upon review of an Invoice, State determines that any portion or portions of the costs claimed are not Eligible Project Costs or is not supported by documentation or receipts acceptable to State. Funding Recipient may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to State to cure such deficiency(ies). If Funding Recipient fails to submit adequate documentation curing the deficiency(ies), State will adjust the pending invoice by the amount of ineligible or unapproved costs.

Invoices submitted by Funding Recipient 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 the Project during the period identified in the particular invoice for the implementation of the Project.
- C. Invoices shall be submitted on forms provided by State and shall meet the following format requirements:
- i. Invoices must contain the date of the invoice, the time period covered by the invoice, and the total amount due.
 - ii. Invoices must be itemized based on the categories (i.e., tasks) specified in Exhibit B. The amount claimed for salaries/wages/consultant fees must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).
 - iii. One set of sufficient evidence (i.e., receipts, copies of checks, time sheets) must 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 4, "Funding Amount" and those costs that represent Funding Recipient's costs, as applicable, in Paragraph 5, "Funding Recipient Cost Share."
- i. Original signature and date (in ink) of Funding Recipient's Project Representative. Submit the original "wet signature" copy of the invoice form to the following address: Chad Fien, Program Manager II, Division of Multibenefit Initiatives – 6th floor, P.O. Box 942836, Sacramento, CA 94236-0001, or an electronic signature certified and transmitted via DocuSign from authorized representative to Chad Fien, Chad.Fien@water.ca.gov.

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 Funding Recipient 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 Funding Recipient 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. 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, §§ 115, 470, 487-489.)

9. WITHHOLDING OF DISBURSEMENTS BY STATE. If State determines that the Project is not being implemented in accordance with the provisions of this Funding Agreement, or that Funding Recipient has failed in any other respect to comply with the provisions of this Funding Agreement, and if Funding Recipient does not remedy any such failure to State's satisfaction, State may withhold from Funding Recipient 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 Funding Recipient and State notifies Funding Recipient of its decision not to release funds that have been withheld pursuant to Paragraph 11, the portion that has been disbursed shall thereafter be repaid immediately, as directed by State. State may consider Funding Recipient's refusal to repay the requested disbursed amount a contract breach subject to the default provisions in Paragraph 11, "Default Provisions." If State notifies Funding Recipient of its decision to withhold the entire funding amount from Funding Recipient pursuant to this Paragraph, this Funding Agreement shall terminate upon receipt of such notice by Funding Recipient and the State shall no longer be required to provide funds under this Funding Agreement and the Funding Agreement shall no longer be binding on either party.
10. DEFAULT PROVISIONS. Funding Recipient will be in default under this Funding Agreement if any of the following occur:
- A. Substantial breaches of this Funding Agreement, or any supplement or amendment to it, or any other agreement between Funding Recipient and State evidencing or securing Funding Recipient's obligations;
 - B. Making any false warranty, representation, or statement with respect to this Funding Agreement or the application filed to obtain this Funding Agreement;
 - C. Failure to operate or maintain project in accordance with this Funding Agreement.
 - D. Failure to make any remittance required by this Funding Agreement, including any remittance recommended as the result of an audit conducted pursuant to Paragraph D.5.
 - E. Failure to submit timely progress reports.
 - F. Failure to routinely invoice State.
 - G. Failure to meet any of the requirements set forth in Paragraph 12, "Continuing Eligibility."

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

- A. Declare the funding be immediately repaid.
- B. Terminate any obligation to make future payments to Funding Recipient.
- C. Terminate the Funding Agreement.
- D. Take any other action that it deems necessary to protect its interests.

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

11. CONTINUING ELIGIBILITY. Funding Recipient must meet the following ongoing requirement(s) to remain eligible to receive State funds:
- A. Grantee must adhere to the protocols developed pursuant to The Open and Transparent Water Data Act (Wat. Code, § 12406) for data sharing, transparency, documentation, and quality control.
 - B. If the Grantee diverting surface water, the Grantee must maintain compliance with diversion reporting requirements as outlined in Water Code section 5100 et seq.
 - C. If applicable, maintain compliance with the Urban Water Management Planning Act (Wat. Code, § 10610 et seq.).
 - D. If applicable, maintain compliance with Sustainable Water Use and Demand Reduction requirements outlined in Water Code section 10608, et seq.
 - E. On March 4, 2022, the Governor issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. The EO may be found at: <https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf>. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under State law. The EO directs DWR to terminate funding agreements with, and to refrain from entering any new agreements with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine that the Funding Recipient is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State shall provide the Funding Recipient advance written notice of such termination, allowing the Funding Recipient at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.
 - F. Facilitating Improvements to Systemwide Habitat Program Guidelines Funding Requirements.

12. SUBMISSION OF REPORTS. The submittal and approval of all reports is a required for the successful completion of this Funding Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to State. All reports shall be submitted to the State's Project Manager. If requested, Funding Recipient shall promptly provide any additional information deemed necessary by State for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit F. 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: Funding Recipient shall submit Quarterly Progress Reports to meet the State's requirement for disbursement of funds. Quarterly Progress Reports shall, in part, provide a brief description of the work performed, Funding Recipients activities, milestones achieved, any accomplishments and any problems encountered in the performance

of the work under this Funding Agreement during the reporting period. The first Quarterly Progress Report should be submitted to the State no later than three months after date of agreement execution with future reports then due on successive three-month increments based on the invoicing schedule and this date.

B. **Project Completion Report:** Funding Recipient shall prepare and submit to State a Project Completion Report within ninety (90) calendar days of Project completion. The Project Completion Report shall include, in part, a description of actual work done, any changes or amendments to the Project, and a final schedule showing actual progress versus planned progress, copies of any final documents or reports generated or utilized during the Project. The Project Completion Report shall also include, if applicable, certification of final Project by a registered civil engineer, consistent with Standard Condition D.16, "Final Inspections and Certification of Registered Civil Engineer". A DWR "Certification of Project Completion" form will be provided by the State.

C. **Post-Performance Reports:** Funding Recipient shall submit Post-Performance Reports. Post-Performance Reports shall be submitted to State within ninety (90) 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 3 years after the completed Project begins operation. The Post-Performance Report shall include well production information from the wells supporting the flow contribution defined in this agreement. This will include the names and locations of wells providing water as well as extraction and recharge data at those locations. See also Exhibit G, Requirements for Data Submittal, for web links and information regarding State monitoring and data reporting requirements. The report should also specify baseline conditions, data collection and method and/or systems used, frequency of data collection and location of data collection relative to the project site.

13. **OPERATION AND MAINTENANCE OF PROJECT.** For the useful life of construction and implementation projects and in consideration of the funding made by State, Funding Recipient 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, 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. Funding Recipient or their successors may, with the written approval of State, transfer this responsibility to use, manage, and maintain the property. For purposes of this Funding 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 of Funding Recipient to ensure operation and maintenance of the Project in accordance with this provision may, at the option of State, be considered a breach of this Funding Agreement and may be treated as default under Paragraph 11, "Default Provisions."

14. **PROJECT MONITORING PLAN REQUIREMENTS.** Exhibit A of this Funding Agreement shall contain activities to develop and submit to State a Project Monitoring Plan. Along with the Project Performance Measures Table requirements outlined in the Facilitating Improvements to Systemwide Habitat Program Guidelines Funding Requirements, the Project Monitoring Plan should also include:

- A. Baseline conditions.
- B. Brief discussion of monitoring systems to be used.
- C. Methodology of monitoring.
- D. Frequency of monitoring.
- E. Location of monitoring points.

A Project Monitoring Plan shall be submitted to the State prior to disbursement of State funds for construction or monitoring activities. See Exhibit G, "Requirements for Data Submittal", for web links and information regarding other State monitoring and data reporting requirements.

15. NOTIFICATION OF STATE. Funding Recipient shall promptly notify State, in writing, of the following items:
- A. Events or proposed changes that could affect the scope, budget, or work performed under this Funding Agreement. Funding Recipient agrees that no substantial change in the scope of a project will be undertaken until written notice of the proposed change has been provided to State and State has given written approval for such change. Substantial changes generally include changes to the scope of work, schedule or term, and budget.
 - B. Any public or media event publicizing the accomplishments and/or results of this Funding Agreement and provide the opportunity for attendance and participation by State's representatives. Funding Recipient shall make such notification at least 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 Funding Recipient agrees that all work in the area of the find will 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 Funding Recipient agrees to implement appropriate actions as directed by the State.
 - D. The initiation of any litigation or the threat of litigation against the Funding Recipient regarding the Project or that may affect the Project in any way.
 - E. Final inspection of the completed work on a project by a Registered Civil Engineer, in accordance with Standard Condition D.17, "Final Inspections and Certification of Registered Civil Engineer." Funding Recipient shall notify the State's Project Manager of the inspection date at least 14 calendar days prior to the inspection in order to provide State the opportunity to participate in the inspection.
16. NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Funding 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 below addresses. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.

17. PROJECT REPRESENTATIVES. The Project Representatives during the term of this Funding Agreement are as follows:

Department of Water Resources Charlotte Biggs, Assistant Manager, Division of Multibenefit Initiatives P.O. Box 94283 Division of Multibenefit Initiatives – 7th Floor Sacramento, CA 94236-001 Charlotte.Biggs@water.ca.gov (916) 820-7616	North San Joaquin Water Conservation District Steve Schwabauer, General Manager Post Office Box E Victor, CA 95253 steve@nsjwcd.com (209) 329-0250
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Direct all inquiries to the Project Manager:

Department of Water Resources Chad Fien, Program Manager II, Division of Multibenefit Initiatives – 6 th Floor P.O. Box 942836 Sacramento, CA 94236-001 Chad.Fien@water.ca.gov (916) 820-8115	North San Joaquin Water Conservation District Steve Schwabauer, General Manager Post Office Box E Victor, CA 95253 steve@nsjwcd.com (209) 329-0250
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Either party may change its Project Representative or Project Manager upon written notice to the other party.

18. STANDARD PROVISIONS AND INTEGRATION. This Funding Agreement is complete and is the final Agreement between the parties. The following Exhibits are attached and made a part of this Funding Agreement by this reference:

Exhibit A – Work Plan

Exhibit B – Budget

Exhibit C – Schedule

Exhibit D – Standard Conditions

Exhibit E – Funding Recipient Resolution

Exhibit F – Report Formats and Requirements

Exhibit G – Requirements for Data Submittal

Exhibit H – State Audit Document Requirements and Funding Match Guidelines for Funding Recipients

Exhibit I – Monitoring and Maintenance Plan Components

Exhibit J – Project Location

Exhibit K – Information Needed for Escrow Process and Closure

Exhibit L – Appraisal Specifications

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

STATE OF CALIFORNIA

DEPARTMENT OF WATER RESOURCES

NORTH SAN JOAQUIN WATER
CONSERVATION DISTRICT

Charlotte Biggs, Assistant Manager,
Division of Multibenefit Initiatives

Date _____

Steve Schwabauer, General Manager
Date _____

Approved as to Legal Form and Sufficiency

Robin Brewer
Assistant General Counsel,
Office of Chief Counsel

Date _____

Exhibit A WORK PLAN

NSJWCD Mokelumne River North Pump Station Intake Habitat Improvement Project

General Project Overview

The Mokelumne River supports both a population of fall-run Chinook salmon and California Central Valley (CCV) steelhead trout distinct population segment (DPS; discrete from other steelhead populations). The steelhead population was listed in 1998 by National Marine Fisheries Service as threatened under the Endangered Species Act (ESA; 63 FR 13347; NMFS, 1998). Both the hatchery- and natural-origin populations of steelhead in the Mokelumne River are protected by the ESA listing, with the hatchery population being added in 2020 (CCV steelhead stock genetics; 85 FR 81822; NMFS, 2020). The scope of work described here is intended to provide benefits to chinook salmon, steelhead, and other native species in the Lower Mokelumne River through improvements in the NSJWCD North Pump Station Intake and associated fish screen.

Mokelumne River Description

The Mokelumne River is a snow-melt driven, East-side tributary to the Sacramento-San Joaquin River Delta, (Figure 1). Camanche Dam, the lowest impassable dam to migratory fish, delineates the lower 103 rkm, for anadromous fish habitat, with the lowest 37 rkm being tidally influenced.

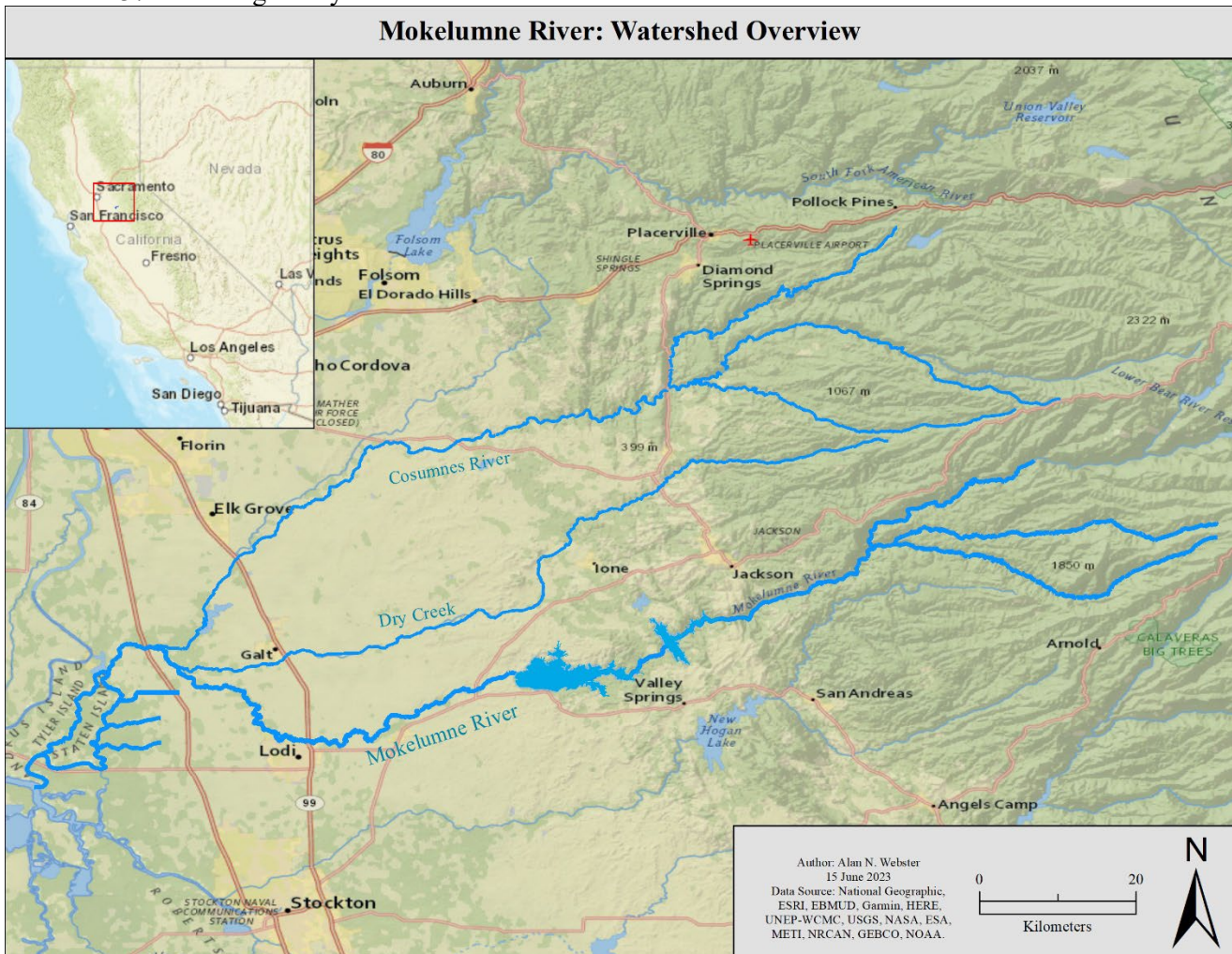


Figure 1. Map of the Mokelumne River Watershed.

Task 1. NSJWCD Pump Station Intake and Fish Screen

Goals and Objectives

The main goal of this project is to design and implement a new NSJWCD Pump Station Intake and associated fish screen that will enhance the rearing habitat for juvenile salmonids in the Mokelumne River and better protect the fishery from operations of the pump station.

NSJWCD owns a pump station and river intake located on the west bank of the Mokelumne River approximately 4,300 feet southwest of the Elliot Road bridge near the Town of Lockeford. The pump station was built in the 1970's to provide low head flood irrigation service. The pump station has had at least two different intake and fish screen facilities over the last fifty years, with the most recent conical fish screen installed in the late 1990s.

Due to aging infrastructure, significant problems with the fish screen and intake becoming buried in sand, and ineffectiveness of the screened intake at higher river levels, the pump station and river intake have been out of service for many years. Declining groundwater levels resulting in negative economic and environmental conditions have prompted the District to revive a pump station replacement project to supply water for irrigation and Flood Managed Aquifer (FloodMAR) projects, which in turn will help the District achieve groundwater sustainability. FloodMAR infrastructure is becoming more important for the District due to increasing climate variability and increased fishery flow requirements on the River, which in turn, mean that the District has less water available in the irrigation season and must maximize diversions during high flow seasons and winter months.

The District is in the procurement stage for a North Pump Station Replacement Project using a Design-Build project delivery method. Design-Build is a process whereby the District selects a Design-Build team of engineers and contractors to evaluate project alternatives that consider not only capital investment but environmental constraints, and long term operation and maintenance requirements. The District and Design-Build team work collaboratively to define and address environmental issues inherent to river construction projects. Through this process, there will be ongoing dialogue with the fisheries agencies over project construction and operational impacts leading to permitting approval. This is a means for the District to understand and address fisheries constraints and opportunities for habitat enhancements.

The existing pump station and river intake are not optimally placed to serve the District's needs. The fish screen is buried under approximately six feet of sand and the pumps are incapable of diverting permitted quantities at all river stages. The District will be looking at alternative locations in the nearby vicinity to site a replacement intake and pump station. This is an opportunity to incorporate a Habitat Enhancement Project to improve river habitat conditions at the intake through the selection of an environmentally superior project alternative that can be shown to be efficiently maintained and is protective of fish.

Project

Schedule:

- 1.1 Project Management (December 2023-December 2026)
- 1.2 Evaluation and Design. (December 2023-October 2024)
- 1.3 Site Acquisition. (July 2024-May 2025)
- 1.4 Environmental Review and Permitting (May 2024-May 2025)
- 1.5 Construction (May 2025-December 2026)

Budget:

- 1.1 Project Management: \$200,000
- 1.2 Evaluation and Design: \$200,000
- 1.3 Site Acquisition: \$300,000

1.4 Environmental Review and Permitting: \$300,000

1.5 Construction: \$3,000,000

Total: \$5,000,000

STANDARD CONDITIONS

D.1. ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:

- A. Separate Accounting of Funding Disbursements: Funding Recipient shall account for the money disbursed pursuant to this Funding Agreement separately from all other Funding Recipient funds. Funding Recipient shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Funding Recipient shall keep complete and accurate records of all receipts and disbursements on expenditures of such funds. Funding Recipient 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 Funding Agreement shall be deposited in a separate account, administered, and accounted for pursuant to the provisions of applicable law.
- C. Remittance of Unexpended Funds: Funding Recipient shall remit to State any unexpended funds that were disbursed to Funding Recipient under this Funding 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 Funding Recipient of funds or, within thirty (30) calendar days of the expiration of the Funding Agreement, whichever comes first.

D.2. ACKNOWLEDGEMENT OF CREDIT AND SIGNAGE: Funding Recipient 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 Funding Agreement. Signage shall be posted in a prominent location at Project site(s) (if applicable) or at the Funding Recipient's headquarters and shall include the Department of Water Resources color logo and the following disclosure statement: "Funding for this project has been provided in full or in part from the Budget Act of 2021 and the FY 2021-22 Budget Trailer Bill Assembly Bill 211 and through an agreement with the State Department of Water Resources." The Funding Recipient 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 Funding 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 Funding Recipient 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 Funding Agreement, Funding Recipient 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 Funding Agreement and the completion of the Project, with the costs of such audit borne by State. After completion of the Project, State may require Funding Recipient to conduct a final audit to State's specifications, at Funding Recipient's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by Funding Recipient to comply with this provision shall be considered a breach of this Funding Agreement, and State may elect to pursue any remedies provided in Paragraph 11 or take any

other action it deems necessary to protect its interests. The Funding Recipient agrees it shall return any audit disallowances to the State.

Pursuant to Government Code section 8546.7, the Funding Recipient shall be subject to the examination and audit by the State for a period of three (3) years after final payment under this Funding Agreement with respect of all matters connected with this Funding Agreement, including but not limited to, the cost of administering this Funding Agreement. All records of Funding Recipient or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after receipt of the final disbursement under this Agreement.

- D.6. **BUDGET CONTINGENCY:** If the Budget Act of the current year covered under this Funding Agreement does not appropriate sufficient funds for this program, this Funding 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 Funding Agreement. In this event, State shall have no liability to pay any funds whatsoever to Funding Recipient or to furnish any other considerations under this Funding Agreement and Funding Recipient shall not be obligated to perform any provisions of this Funding Agreement. Nothing in this Funding Agreement shall be construed to provide Funding Recipient with a right of priority for payment over any other Funding Recipient. If funding for any fiscal year after the current year covered by this Funding 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 Funding Agreement with no liability occurring to State, or offer a Funding Agreement amendment to Funding Recipient to reflect the reduced amount.
- D.7. **CEQA:** Activities funded under this Funding 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 Funding Recipient 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 11.
- D.8. **CHILD SUPPORT COMPLIANCE ACT:** The Funding Recipient acknowledges in accordance with Public Contract Code section 7110, that:
- A. The Funding Recipient 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 Funding Recipient, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
- D.9. **CLAIMS DISPUTE:** Any claim that the Funding Recipient 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 Funding Recipient's knowledge of the claim. State and Funding Recipient shall then attempt to negotiate a resolution of such claim and process an amendment to this Agreement to implement the terms of any such resolution.

- D.10. COMPETITIVE BIDDING AND PROCUREMENTS: Funding Recipient's contracts with other entities for the acquisition of goods and services and construction of public works with funds provided by State under this Funding 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 Funding Recipient does not have a written policy to award contracts through a competitive bidding or sole source process, the Department of General Services' *State Contracting Manual* rules must be followed and are available at: <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/State-Contracting>.
- D.11. COMPUTER SOFTWARE: Funding Recipient certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Funding Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.
- D.12. CONFLICT OF INTEREST: All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code section 1090 and Public Contract Code sections 10410 and 10411, for State conflict of interest requirements.
- A. Current State Employees: No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
 - B. Former State Employees: For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.
 - C. Employees of the Funding Recipient: Employees of the Funding Recipient 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 Funding Recipient: Individuals working on behalf of a Funding Recipient may be required by the Department to file a Statement of Economic Interests (Fair Political Practices Commission Form 700) if it is determined that an individual is a consultant for Political Reform Act purposes.
- D.13. DELIVERY OF INFORMATION, REPORTS, AND DATA: Funding Recipient agrees to expeditiously provide throughout the term of this Funding Agreement, such reports, data, information, and certifications as may be reasonably required by State.
- D.14. DISPOSITION OF EQUIPMENT: Funding Recipient shall provide to State, not less than 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 60 calendar days of receipt of such inventory State shall provide Funding Recipient with a list of the items on the inventory that State will take title to. All other items shall become the property of Funding Recipient. State shall arrange for delivery from Funding Recipient of items that it takes title to. Cost of transportation, if any, shall be borne by State.

- D.15. DRUG-FREE WORKPLACE CERTIFICATION: Certification of Compliance: By signing this Funding Agreement, Funding Recipient, 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. Funding Recipient'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 Funding Agreement:
 - i. Will receive a copy of Funding Recipient's drug-free policy statement, and
 - ii. Will agree to abide by terms of Funding Recipient's condition of employment, contract or subcontract.
- D.16. EASEMENTS: Where the Funding Recipient acquires property in fee title or funds improvements to real property using State funds provided through this Funding Agreement, an appropriate easement or other title restriction providing for floodplain preservation 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 Funding Recipient acquires an easement under this Agreement, the Funding Recipient 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 or other title restriction acceptable to the State may result in termination of this Agreement.
- D.17. FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED CIVIL ENGINEER: Upon completion of the Project, Funding Recipient shall provide for a final inspection and certification by a California Registered Civil Engineer that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Funding Agreement.

- D.18. FUNDING RECIPIENT'S RESPONSIBILITIES: Funding Recipient and its representatives shall:
- A. Faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A (Work Plan) and in accordance with Project Exhibit B (Budget) and Exhibit C (Schedule).
 - B. Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Funding Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Funding Recipient in the application, documents, amendments, and communications filed in support of its request for 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 Funding 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 Funding Agreement, including those necessary to perform design, construction, or operation and maintenance of the Project. Funding Recipient 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 Funding Recipient 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 Funding Recipient 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 Funding Recipient and any other entity concerning responsibility for performance of work.
- D.19. GOVERNING LAW: This Funding Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
- D.20. INDEMNIFICATION: Funding Recipient 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. Funding Recipient shall require its contractors or subcontractors to name the State, its officers, agents and employees as additional insureds on their liability insurance for activities undertaken pursuant to this Agreement.
- D.21. INDEPENDENT CAPACITY: Funding Recipient, and the agents and employees of Funding Recipients, in the performance of the Funding Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.
- D.22. INSPECTION OF BOOKS, RECORDS, AND REPORTS: During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Funding

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 Funding Agreement. Failure or refusal by Funding Recipient to comply with this provision shall be considered a breach of this Funding Agreement, and State may withhold disbursements to Funding Recipient or take any other action it deems necessary to protect its interests.

- D.23. INSPECTIONS OF PROJECT BY STATE: State shall have the right to inspect the work being performed at any and all reasonable times during the term of the Funding Agreement. This right shall extend to any subcontracts, and Funding Recipient shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Funding Agreement with State.
- D.24. LABOR CODE COMPLIANCE: The Funding Recipient 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: <http://www.dir.ca.gov/dlse/PWManualCombined.pdf>. The Funding Recipient 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 Funding Recipient affirms that it will comply with such provisions before commencing the performance of the work under this Agreement and will make its contractors and subcontractors aware of this provision.
- D.25. MODIFICATION OF OVERALL WORK PLAN: At the request of the Funding Recipient, 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 Funding 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 Funding Agreement. Non-material changes with respect to the Project schedule are changes that will not extend the term of this Funding Agreement. Requests for non-material changes to the budget and schedule must be submitted by the Funding Recipient to the State in writing and are not effective unless and until specifically approved by the State's Program Manager in writing.
- D.26. NONDISCRIMINATION: During the performance of this Funding Agreement, Funding Recipient 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, gender identity, and denial of medial and family care leave or pregnancy disability leave. Funding Recipient 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. Funding Recipient 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 Commission are incorporated into this Agreement by reference. Funding Recipient 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.

Funding Recipient shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Funding Agreement.

- D.27. OPINIONS AND DETERMINATIONS: Where the terms of this Funding Agreement provide for action to be based upon, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.
- D.28. PERFORMANCE BOND: Where contractors are used, the Funding Recipient shall not authorize construction to begin until each contractor has furnished a performance bond in favor of the Funding Recipient 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. (Civ. Code, § 9550, et seq.; Pub. Contract Code, § 7103; Code Civ. Proc., § 995.311.)
- D.29. PRIORITY HIRING CONSIDERATIONS: If this Funding Agreement includes services in excess of \$200,000, the Funding Recipient shall give priority consideration in filling vacancies in positions funded by the Funding Agreement to qualified recipients of aid under Welfare and Institutions Code section 11200 in accordance with Public Contract Code section 10353.
- D.30. PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION: The Funding Recipient 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 Funding Recipient's service of water, without prior permission of State. Funding Recipient 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 Funding Recipient meet its obligations under this Funding Agreement, without prior written permission of State. State may require that the proceeds from the disposition of any real or personal property be remitted to State.
- D.31. PROJECT ACCESS: The Funding Recipient shall ensure that the State, the Governor of the State, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of this Agreement.
- D.32. REMAINING BALANCE: In the event the Grantee does not submit invoices requesting all of the funds encumbered under this Grant Agreement, any remaining funds revert to the State. The State will notify the Grantee stating that the Project file is closed and any remaining balance will be disencumbered and unavailable for further use under this Grant Agreement.
- D.33. REMEDIES NOT EXCLUSIVE: The use by either party of any remedy specified herein for the enforcement of this Funding Agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.
- D.34. RETENTION: The State shall withhold ten percent (10%) of the funds requested by the Funding Recipient for reimbursement of Eligible Project Costs until the Project is completed and Final Report is approved. Any retained amounts due to the Funding Recipient will be promptly disbursed to the Funding Recipient, without interest, upon completion of the Project.
- D.35. RIGHTS IN DATA: Funding Recipient 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 Funding 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.) Funding Recipient may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Funding Agreement, subject to appropriate acknowledgement of credit to State for financial support. Funding Recipient shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do

so. The State shall have the right to use any data described in this paragraph for any public purpose.

- D.36. SEVERABILITY: Should any portion of this Funding Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Funding Agreement shall continue as modified.
- D.37. SUSPENSION OF PAYMENTS: This Funding Agreement may be subject to suspension of payments or termination, or both if the State determines that:
- A. Funding Recipient, its contractors, or subcontractors have made a false certification, or
 - B. Funding Recipient, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Funding Agreement.
- D.38. SUCCESSORS AND ASSIGNS: This Funding Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Funding Agreement or any part thereof, rights hereunder, or interest herein by the Funding Recipient shall be valid unless and until it is approved by State and made subject to such reasonable terms and conditions as State may impose.
- D.39. TERMINATION BY FUNDING RECIPIENT: Subject to State approval which may be reasonably withheld, Funding Recipient may terminate this Agreement and be relieved of contractual obligations. In doing so, Funding Recipient must provide a reason(s) for termination. Funding Recipient must submit all progress reports summarizing accomplishments up until termination date.
- D.40. TERMINATION FOR CAUSE: Subject to the right to cure under Paragraph 11, the State may terminate this Funding Agreement and be relieved of any payments should Funding Recipient fail to perform the requirements of this Funding Agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 11.
- D.41. TERMINATION WITHOUT CAUSE: The State may terminate this Agreement without cause on 30 days' advance written notice. The Funding Recipient shall be reimbursed for all reasonable expenses incurred up to the date of termination.
- D.42. TRAVEL: Travel includes the reasonable and necessary costs of transportation, subsistence, and other associated costs incurred by personnel during the term of this Funding Agreement. Any reimbursement for necessary travel and per diem shall be at rates not to exceed those set by the California Department of Human Resources for excluded employees. These rates may be found at: <https://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx>. Reimbursement will be at the State travel and per diem amounts that are current as of the date costs are incurred. No travel outside the State of California shall be reimbursed unless prior written authorization is obtained from the State.
- D.43. 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.44. TIMELINESS: Time is of the essence in this Funding Agreement.
- D.45. UNION ORGANIZING: Funding Recipient, by signing this Funding Agreement, hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Funding Agreement. Furthermore, Funding Recipient, by signing this Funding Agreement, hereby certifies that:
- A. No State funds disbursed by this Funding Agreement will be used to assist, promote, or deter union organizing.

- B. Funding Recipient shall account for State funds disbursed for a specific expenditure by this Funding Agreement to show those funds were allocated to that expenditure.
 - C. Funding Recipient 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 Funding Recipient makes expenditures to assist, promote, or deter union organizing, Funding Recipient will maintain records sufficient to show that no State funds were used for those expenditures and that Funding Recipient shall provide those records to the Attorney General upon request.
- D.46. VENUE: The State and the Funding Recipient 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 Funding Recipient hereby waives any existing sovereign immunity for the purposes of this Agreement.
- D.47. WAIVER OF RIGHTS: None of the provisions of this Funding 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 Funding Agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Funding 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 ACCEPTING FUNDS TEMPLATE

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.

1. PROGRESS REPORTS

Progress reports shall generally use the following format. This format may be modified as necessary to effectively communicate information.

PROJECT STATUS

Describe the work performed during the time period covered by the report including but not limited to:

PROJECT INFORMATION

- Legal matters
- Engineering Evaluations
- Environmental matters
- Status of permits, easements, rights-of-way, rights of entry and approvals as may be required by other State, federal, and/or local agencies
- Major accomplishments during the quarter (i.e. tasks completed, milestones met, meetings held or attended, press releases, etc.)
- Issues/concerns that have, will, or could affect the schedule or budget, with a recommendation on how to correct the matter
- Describe differences between the work performed and the work outlined in the Overall Work Plan, including change orders
- Demonstrate financial ability to pay local cost share of Eligible Project Costs required to complete the Project
- Estimate the percentage completion of the overall Project
- Identify key issues that need to be resolved
- Photos documenting progress

COST INFORMATION

- Provide a list showing all project costs incurred during the time period covered by the report by the Funding Recipient and each contractor working on the project and which of these costs are Eligible Project Costs
- A discussion on how the actual budget is progressing in comparison to the project budget included in the Overall Work Plan
- A list of any changes approved to the budget in accordance with Funding Agreement and a revised budget, by task, if changed from latest budget in the Overall Work Plan
- A discussion of whether there have been any changes to the Funding Recipient's finance plan for payment of the Funding Recipient's share of Eligible Project Costs

SCHEDULE INFORMATION

- A schedule showing actual progress verses planned progress
- A discussion on how the actual schedule is progressing in comparison to the original or last reported schedule
- A list of any changes approved to the Schedule in accordance with Funding Agreement and a revised schedule, by task, if changed from latest reported schedule

2. PROJECT COMPLETION REPORT

Project Completion Reports shall generally use the following format.

EXECUTIVE SUMMARY – Should include a brief summary of project information and include the following items:

- Brief description of work proposed to be done
- Description of actual work completed and any deviations from the work plan identified in the Funding Agreement

REPORTS AND/OR PRODUCTS – The following items should be provided

- Final Evaluation report
- Electronic copies of any data collected, not previously submitted
- As-built drawings
- Final geodetic survey information
- Self-Certification that the Project meets the stated goal of the funding agreement (e.g. 100-year level of flood protection, HMP standard, PL-84-99, etc.)
- Project photos
- Discussion of problems that occurred during the work and how those problems were resolved
- A final project schedule showing actual progress versus planned progress

COSTS AND DISPOSITION OF FUNDS – A list of showing:

- The date each invoice was submitted to State
- The amount of the invoice
- The date the check was received
- The amount of the check (If a check has not been received for the final invoice, then state this in this section.)
- A summary of the payments made by the Funding Recipient for meeting its cost sharing obligations under this Funding Agreement.
- A summary of final funds disbursement including:
 - Labor cost of personnel of agency/ major consultant /sub-consultants. Indicate personnel, hours, rates, type of profession and reason for consultant, i.e., design, CEQA work, etc.
 - Evaluation cost information, shown by material, equipment, labor costs, and any change orders
 - Any other incurred cost detail
 - A statement verifying separate accounting of funding disbursements

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

ADDITIONAL INFORMATION – Any relevant additional Information should be included.

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 Funding Recipient 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, Funding Recipient will need to submit this data to DWR's Water Data Library (WDL), with a narrative description of data submittal activities included in project reports, as described in Exhibit E. Information regarding the WDL and in what format to submit data in can be found at: <http://www.water.ca.gov/waterdatalibrary/>.

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

Exhibit H

STATE AUDIT DOCUMENT REQUIREMENTS AND FUNDING MATCH GUIDELINES FOR FUNDING RECIPIENTS

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

State Audit Document Requirements

Internal Controls

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

State Funding:

1. Original Funding 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 Funding Agreement.
2. Documentation linking subcontractor invoices to State reimbursement, requests and related Funding Agreement budget line items.
3. Reimbursement requests submitted to the State for the Funding 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 Funding 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 Funding Agreement related correspondence.

Comment: Include this exhibit for programs that include monitoring and maintenance plan components. Sometimes it is easier to put the Monitoring and Maintenance Plan into a tabular format, or matrix, but that's up to the preparer. For maintenance requirements of project levees, see Water Code § 9140(3).

Exhibit I

MONITORING AND MAINTENANCE PLAN COMPONENTS

Introduction

- Goals and objectives of project
- Site location and history
- Improvements implemented

Monitoring and Maintenance Plan

- Monitoring Metrics (ex: Plant establishment, bank erosion, hydraulic characteristics, habitat expansion)
- Maintenance Metrics (ex: irrigation, pest management, weed abatement, continuous invasive species removal until natives established)
- Special Environmental Considerations (ex: resource agency requirements, permit requirements, CEQA/NEPA mitigation measures)
- Performance Measures, or success/failure criteria monitoring results measured against (ex: percent canopy cover after 1, 5, 10 years, water temperature decrease, site specific sediment scour or retention)
- Method of Reporting (ex: paper reports, online databases, public meetings)
- Frequency of Duration Monitoring and Reporting (daily, weekly, monthly, yearly)
- Frequency and Duration of Maintenance Activities
- Responsible Party (who is conducting monitoring and/or maintenance) Implementing responsibility (i.e., who is responsible for monitoring and maintenance)
- Adaptive Management Strategies (i.e., what happens when routine monitoring or maintenance encounters a problem)

Comment: Include this exhibit if the project includes an escrow process.

Exhibit K

Information Needed for Escrow Processing and Closure

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

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

Comment: Include this exhibit if the project includes an appraisal process.

Exhibit L

APPRAISAL SPECIFICATIONS

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

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

improvements, access, land features such as levees and creeks, offsite improvements, easements and encumbrances, covenants, conditions and restrictions, flood and earthquake information, toxic hazards, water rights, mineral rights, toxic hazards, taxes and assessments, etc.).

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

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

From: Steve Schwabauer, General Manager

1. **RECOMMENDED ACTION:** Discuss and Provide Staff Direction on Rules for Making Appeals Last 3-5 Years with Penalties for Failure to Notify of Change in Use

North San Joaquin Water Conservation District receives roughly \$2.5 million in revenue annually from its Groundwater charge. The charge is subject to appeal based upon evidence that the charge is not owing for various reasons, including but not limited to that the land is not in the District, is not pumping groundwater and that the land is not of sufficient size. The appeals process is time consuming and costly for staff. As such staff recommends that the Board consider developing and adopting a Rules of the Road Resolution that would make successful appeals last for a period between three and five years, provide the landowner with the obligation to advise the District if they become subject to the charge during that time, and provide a penalty for failure to notice the Board that the property had become subject to the charge

RECOMMENDATION:

Discuss and Provide Staff Direction on Rules for Making Appeals Last 3-5 Years with Penalties for Failure to Notify of Change in Use

FISCAL IMPACT: Savings of unquantifiable staff costs for processing annual appeals, loss of unquantifiable revenue if owners fail to report a change and unquantifiable revenue from fines.

BOARD OF DIRECTORS

P.O. Box E, Victor, CA 95253

From: Steve Schwabauer, General Manager

RECOMMENDED ACTION: Appoint two NSJWCD Board Members to the Advisory Water Commission

Staff received the attached communication from San Joaquin County that it is time to reappoint the Advisory Water Commission Representatives currently held by Charlie Starr and Joseph Valente. As such Staff is requesting that the Board appoint two members to the commission for the current term.

RECOMMENDATION:

Appoint two NSJWCD Board Members to the Advisory Water Commission by motion/action.

FISCAL IMPACT: Not Applicable.



October 6, 2023

North San Joaquin Water Conservation District
PO Box E
Victor, CA 95253

SUBJECT: Nomination to the San Joaquin County Advisory Water Commission

The purpose of this correspondence is to inform you that the San Joaquin County Board of Supervisors is seeking nominations for the following positions to serve on the San Joaquin County Advisory Water Commission:

• **North San Joaquin Water Conservation District Representative**

Position No: 1013
Incumbent: Charlie Starr
Term: 12/12/2023 – 12/12/2027

Position No: 1013A
Incumbent: Joseph Valente
Term: 12/12/2023 – 12/12/2027

The enclosed application should be completed by the nominees and returned with a nomination letter to the Clerk of the Board email committees@sjgov.org on or before **November 3, 2023**. The incumbent has also been sent a link via email to complete the application online if he prefers.

Please feel free to contact Chief Deputy Clerk of the Board Nichole Lee at (209) 468-3236 if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Rachél DeBord".

Rachél DeBord
Clerk of the Board

Enclosure

c: Angie Provencio, Advisory Water Commission Board Liaison
Charlie Starr, Incumbent
Joseph Valente, Incumbent



THIS DOCUMENT IS SUBJECT TO PUBLIC INSPECTION

INSTRUCTIONS

Please complete each item below. Be sure to enter the title of the Board, Commission or Committee for which you desire consideration. For more information or assistance, contact the Clerk of the Board of Supervisors Office. The Clerk's office maintains eligible applications for a period of one year for consideration of appointment to Boards, Commissions, or Committees.

BOARD/COMMISSION/COMMITTEE FOR WHICH YOU ARE APPLYING

CATEGORY FOR WHICH YOU ARE APPLYING *Check if you are currently the incumbent:*

MR. ___ MS. ___ _____
 FIRST NAME MI LAST NAME

 HOME ADDRESS CITY/STATE/ZIP

Length of Residence: ___ Years ___ Months

DISTRICT # : _____

 MAILING ADDRESS (if different from Home) CITY/STATE/ZIP

 EMAIL CONTACT PHONE NUMBER

 EMPLOYER JOB TITLE

HOW DID YOU LEARN OF THE OPENING? _____

BRIEFLY STATE YOUR EXPERIENCE THAT YOU FEEL WOULD BE HELPFUL FOR THE CATEGORY FOR WHICH YOU ARE APPLYING:

BRIEFLY STATE THE PROFESSIONAL AND/OR OTHER COMMUNITY ORGANIZATIONS TO WHICH YOU BELONG:

EDUCATION:

1. Are you an employee or officer of the County, any City in the County, the State, or the Federal government? Yes No

If yes, please specify employer or office: _____

2. Have you ever been convicted of a felony which could disqualify you from appointment? Yes No

If "Yes", please list the nature of the conviction and the date and court in which the conviction was entered. _____

3. Are you related by blood or marriage to any employee or officer of an agency which is subject to the Board, Committee or Commission to which you are seeking appointment? Yes No

If yes, please specify: _____

4. Are there any facts of which you are aware that would cause you to have an actual or apparent conflict of interest with respect to the position to which you are seeking appointment? Yes No

If yes, please specify: _____

5. Confirm you meet the minimum qualifications to serve on the committee for which you are applying and are available to attend meetings regularly. Qualifications and meeting information is listed on the Fact Sheet available at the Clerk of the Board office and on the website at www.sjgov.org. Yes No

If you are appointed, you may be required to be bonded for your performance. If you are appointed and cannot be bonded as required, your appointment will be revoked.

APPLICANT SIGNATURE

DATE

MAIL TO
Clerk of the Board
44 N. San Joaquin Street, Suite 627
Stockton, CA 95202

EMAIL TO
committees@sjgov.org

If you have any questions, you may call the Clerk of the Board Office at (209) 468-2350. **102**



October 6, 2023

North San Joaquin Water Conservation District
PO Box E
Victor, CA 95253

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Rachél DeBord
Clerk of the Board

Enclosure

c: Angie Provencio, Advisory Water Commission Board Liaison
Charlie Starr, Incumbent
Joseph Valente, Incumbent



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BOARD/COMMISSION/COMMITTEE FOR WHICH YOU ARE APPLYING

CATEGORY FOR WHICH YOU ARE APPLYING *Check if you are currently the incumbent:*

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 FIRST NAME MI LAST NAME

HOME ADDRESS CITY/STATE/ZIP

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DISTRICT # : ___

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APPLICANT SIGNATURE

DATE

MAIL TO
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Stockton, CA 95202

EMAIL TO
committees@sjgov.org

If you have any questions, you may call the Clerk of the Board Office at (209) 468-2350. **105**