

State of California  
Natural Resources Agency  
**Department of Water Resources**  
Division of Multibenefit Initiatives

20224  
**AMENDED GUIDELINES**  
for  
**DELTA WATER QUALITY AND FISH FACILITIES PROGRAM**



Funded by:  
**PROPOSITION 50, WATER SECURITY, CLEAN DRINKING WATER, COASTAL AND  
BEACH PROTECTION ACT OF 2002**

Available Funding:

**\$14,250,000**

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## Foreword

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This document contains the California Department of Water Resources' (DWR's) Delta Water Quality and Fish Facilities Program Guidelines (Guidelines). This grant program is funded by Proposition 50, Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, Water Code, Section 79550(b). This document is a standalone document intended to provide the required information for grant applicants. Potential applicants are encouraged to read the entire document prior to submitting their application.

This document contains the procedures for submitting applications for grant funding. All qualified and interested parties are encouraged to submit a grant application.

### Contact

For questions about this document or its contents, please contact the Delta Water Quality and Fish Facilities Program by email at [DWQ@water.ca.gov](mailto:DWQ@water.ca.gov).

### Website

This document, as well as other information about the Delta Water Quality and Fish Facilities Program, can be found at: <https://water.ca.gov/Work-With-Us/Grants-And-Loans>

### Due Date and Application Submittal

There will be no formal proposal solicitation for this Program. Applicants are encouraged to apply as soon as possible. Applications for funding will be accepted on a first come first served basis until all the funds are awarded, or until June 30, 2022~~6~~, whichever comes first.

**~~Applications will only be accepted through June 30, 2022.~~**

All applicants are encouraged to submit their applications electronically to: [DWQ@water.ca.gov](mailto:DWQ@water.ca.gov).

Hard copy application packages should be submitted to:

California Department of Water Resources  
Division of Multibenefit Initiatives  
P.O. Box 942836  
Sacramento, CA 94236-0001  
Attn: Delta Water Quality and Fish Facilities Program

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## Acronyms and Abbreviations

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§	Code or regulatory section
CEQA	California Environmental Quality Act
DIR	Department of Industrial Relations
DWR	Department of Water Resources, State of California
GHG	Greenhouse Gas
Program	Delta Water Quality and Fish Facilities Program
SWRCB	State Water Resources Control Board

## Usage of Terms

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To foster understanding and clarity, the following terms are consistently used in these guidelines:

- “Application” refers to the electronic or hard copy submission that requests grant funding for the proposal that the applicant intends to implement.
- “Eligible Grant Recipient” refers to public agencies or non-profit organizations as defined in Section III.A.
- “Proposal” refers to a project or suite of projects and actions that are proposed for funding pursuant to an Application.
- “Project” refers to an individual effort included in the proposal that may be construction of physical facilities or implementation of non-structural actions.

For example, an applicant, which must include at least one Eligible Grant Recipient, will submit an Application that details its Proposal to implement a suite of Projects.

# **DELTA WATER QUALITY AND FISH FACILITIES GUIDELINES**

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## **I. PURPOSE AND USE**

This document establishes the process, procedures, and criteria that the Department of Water Resources (DWR) will use to award eligible projects. It provides both general information of the program and detailed information for submitting applications. Included is information about program requirements; eligible applicants and projects; submittal, and review of grant applications; and the grant funding award process.



## II. INTRODUCTION AND OVERVIEW

The Department of Water Resources' Division of Multi-benefit Initiatives has received funding from Proposition 50 - The Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002. Projects that fit the criteria of any of the following categories may be eligible for funding under this Program:

- (i) Constructs treatment facilities or relocates discharge facilities for agricultural drainage generated within the delta to improve water quality in the delta or the quality of water that is transported from the delta.
- (ii) Constructs facilities to control waste discharges that contribute to low dissolved oxygen and other water quality problems in the lower San Joaquin River and the south delta.
- (iii) Constructs fish facilities for the State Water Project or the Central Valley Project intakes in the south delta, such as facilities for fish screens, fish handling, and fish passage, or modifications to intake structures or other facilities, to reduce losses of any life stages of fish to water diversions in the San Joaquin River and the delta in accordance with paragraph (1) of Section (C) of Chapter IV of the board's 1995 water quality control plan.
- (iv) Constructs a permanent barrier at the head of Old River to improve fish migration and other permanent barriers in the south delta channels to improve water quality and water level for local diversions.
- (v) Constructs facilities to control drainage from abandoned mines that adversely affect water quality in the bay-delta.
- (vi) Constructs a permanent barrier at Grantline Canal to improve water quality and water levels for local diversion.

To help ensure the advancement of projects with the greatest feasibility and public benefit value, funding will support only those projects that are at least generally consistent with local and state adopted plans for Delta water quality and ecosystem enhancement.

\$44.25 million of funding will be available for expenditure until June 30, 2025~~7~~.

### A. Authority

California voters passed the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (Proposition 50) on November 5, 2002. It added to the California Water Code (CWC), Section 79550, authorizing the Legislature to appropriate \$825 million for the CalFed Bay Delta Program. The \$4.25 million in funding in this grant program is authorized pursuant to Water Code section 79550(b). Links to supporting materials including Water Code sections and budget documents are provided in Appendix A thru D.

### B. Intent and Objectives

The intent of the Delta Water Quality and Fish Facilities Program is to provide financial support to help eligible applicants. Financial support includes grants for recipients to implement projects

*Amended Delta Water Quality and Fish Facilities Guidelines,  
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that satisfy program objectives. This program does not offer technical support. This program will support projects and programs that provide near-term to long-term water quality benefits.

### **C. Coordination with Other Agencies**

DWR is responsible for administering the Program, including soliciting proposals (where necessary), organizing application reviews, preparing and administering grant agreements, monitoring project progress, and program oversight through the terms of the grant agreement.

Applications received by this Program will be coordinated with other DWR programs to ensure efficiency and avoid duplication. Furthermore, DWR will collaborate with other State and local agencies, as needed.

### III. ELIGIBILITY REQUIREMENTS

#### A. Eligible Grant Applicants

Applicants applying to the Delta Water Quality and Fish Facilities Program grants must meet all relevant eligibility criteria to be considered for funding. In addition, entities that are currently recipients of another grant from DWR must follow the terms of that grant, including up-to-date progress reports, at the time of award to be eligible to receive funds from this Program. Eligible applicants include:

- Public agencies (e.g., Counties, cities)
- Public utilities
- Special districts (e.g., school districts, community service districts, irrigation districts, flood control districts, reclamation districts)
- Colleges and universities
- Mutual water companies
- Nonprofit organizations - “Non-profit organization” means an organization qualified to do business in California and qualified under Section 501(c)(3) of Title 26 of the United States Code.
- Federally recognized Indian tribes
- State Indian tribes listed on the Native American Heritage Commission's California Tribal Consultation List

#### B. Eligible Project Types

For the Delta Water Quality and Fish Facilities Program, “Eligible Project” means a project that meets both of the following requirements:

1. The project is identified in the CALFED EIS/EIR as a CALFED stage 1 action; and
2. The project does one or more of the following:
  - (vii) Constructs treatment facilities or relocates discharge facilities for agricultural drainage generated within the delta to improve water quality in the delta or the quality of water that is transported from the delta.
  - (viii) Constructs facilities to control waste discharges that contribute to low dissolved oxygen and other water quality problems in the lower San Joaquin River and the south delta.
  - (ix) Constructs fish facilities for the State Water Project or the Central Valley Project intakes in the south delta, such as facilities for fish screens, fish handling, and fish passage, or modifications to intake structures or other facilities, to reduce losses of any life stages of fish to water diversions in the San Joaquin River and the delta in accordance with paragraph (1) of Section (C) of Chapter IV of the board’s 1995 water quality control plan.
  - (x) Constructs a permanent barrier at the head of Old River to improve fish migration and other permanent barriers in the south delta channels to improve water quality and water level for local diversions.

- (xi) Constructs facilities to control drainage from abandoned mines that adversely affect water quality in the bay-delta.
- (xii) Constructs a permanent barrier at Grantline Canal to improve water quality and water levels for local diversion.

Applications must include information on how the Proposal is consistent with these requirements.

### **C. Additional Eligibility Requirements**

Applications must also include information on how the Proposal is consistent with the following:

1. CalFED EIR/EIS
2. CalFED Record of Decision
3. Basin Plan and/or Integrated Regional Watershed Management Plan
4. Delta Stewardship Council's Delta Plan and co-equal goals

Applications must also address the need, if necessary, for authorization, approval, or certification by other local, State, or federal agencies.

#### **IV. PROGRAM IMPLEMENTATION ALTERNATIVES**

As identified in the following sections, program implementation may include state led, directed actions, and proposal solicitations.

##### **A. Directed Actions**

Directed actions are specific projects awarded funding at the discretion of the DWR Director outside of a public proposal solicitation process. Direct actions are awards to projects proposed by DWR either in response to a solicitation from a stakeholder, another government entity, or on its own initiative. Directed actions generally depend on the public entity's resource capability and willingness to take on the work. Direct expenditure projects must address an interest of the State and may be proposed and approved by the Department at any time. However, DWR shall evaluate any direct expenditure proposal by the same criteria as competitive grants.

##### **B. Proposal Solicitations**

Proposal solicitations are common practice for government agencies to make funds available to other agencies to complete projects based on competitive ranking. Proposal solicitations generally work well to complete multiple smaller scale projects across multiple geographic regions and serves to support multi-benefit objectives.

## **V. PROGRAM REQUIREMENTS**

For all projects awarded funding by DWR, the grantee will need to execute a funding agreement with the State. It is **HIGHLY** recommended that applicants review the grant agreement template prior to submission of their proposal. If applicants are not able to abide by the terms and conditions contained therein, applicants should not submit a proposal. The following is a partial list of requirements that will be contained within any funding agreement:

### **A. Conflict of Interest**

All participants are subject to State conflict-of-interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the proposal being rejected and any agreement 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.

As part of the conflict of interest requirements, individuals working on behalf of a funding recipient (grantee) may be required by the State 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.

### **B. Confidentiality**

Applicants should be aware that when submitting a proposal to the State, they will waive their rights to the confidentiality of the contents of the proposal. Once a decision on an application has been made by DWR, the proposal is subject to disclosure pursuant to the California Public Records Act (Gov. Code, § ~~6259~~7920.000 et seq.).

### **C. Labor Code Compliance**

As part of the funding agreement, the funding recipient shall agree to be bound by all the provisions of the Labor Code regarding prevailing wages, and shall monitor all contracts subject to reimbursement from the funding 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>. Before submitting an application, applicants are urged to consult with their legal counsel regarding Labor Code compliance. DWR will not advise applicants on Labor Code compliance. For more information, please refer to DIR's Public Works Manual at: <http://www.dir.ca.gov/dlse/PWManualCombined.pdf>. The funding recipient will also affirm 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.

### **D. Compliance with the CEQA and Other Environmental Laws**

All activities funded pursuant to the Program must comply with the California Environmental Quality Act (CEQA) (Pub. Resources Code, § 21000 et seq.). Any work that is subject to CEQA and funded under a funding agreement shall not proceed until documents that satisfy the CEQA process are received by DWR, and DWR has completed its CEQA compliance. Alternatively, the grantee shall notify DWR if they believe their activities will not be considered a project under CEQA, or that their activities qualify for a CEQA exemption. DWR must ensure the adequacy of the CEQA documents before it can provide funding; therefore, early coordination between the lead agency and DWR during the preparation of the CEQA documents will help expedite DWR's review and approval process.

If CEQA compliance by the grantee or lead agency is not complete at the time a funding agreement is executed by the parties, once DWR 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, the funding agreement shall be terminated. Any work subject to CEQA that proceeds prior to DWR's review and approval process being completed, will not be reimbursed and that amount will be reduced from the award amount.

For general information about environmental compliance, refer to the website provided in Appendix A.

#### **E. Competitive Bidding and Procurement**

A grantee's contracts with other entities for the acquisition of goods, services, and construction of public works with funds provided by the State must be in writing and shall comply with all applicable laws and regulations regarding the securing of competitive bids and undertaking competitive negotiations. If a funding recipient does not have a written policy to award contracts through a competitive bidding or sole source process, 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>. Applicants with questions regarding competitive bidding requirements should be directed to their counsel. DWR will not advise applicants on competitive bidding requirements.

#### **F. Signage or Acknowledgement of Credit**

To the extent practicable, a project supported by funds from the Delta Water Quality and Fish Facilities Program, will include signage and other relevant forms of acknowledgement informing the public that the project received funds from DWR and Proposition 50. Specific verbiage will be included in the final grant agreement.

#### **G. Indemnify and Hold Harmless**

As part of the funding agreement, grantees shall indemnify and hold harmless the State, its officers, agents, and employees from any and all liability from any claims and damages (including inverse condemnation) arising from the planning, design, construction, repair, replacement, rehabilitation, maintenance, and operation of the project, and any breach of the funding agreement.

#### **H. Income Restrictions**

Any capital asset acquired or constructed in any part with grant funds may not be used to generate income of any kind. The funding recipient shall agree that any refunds, rebates, credits, or other amounts (including any interest) accruing to or received by the funding recipient pursuant to this Program shall be paid by the funding recipient to the State, to the extent that they are properly allocable to costs for which the funding recipient has been reimbursed by the State pursuant to a funding agreement.

## VI. FUNDING LIMITATIONS

A total of \$44.25 million in funding from Proposition 50 is available for grants under this program.

### A. Project Time Limit

Applicants should note that the deadline for encumbrance of funds is March 31, 2025~~7~~. All costs must be incurred by June 30, 2025~~7~~.

### B. Funding Match/Cost Share Requirements

No cost-share is required but it is encouraged. Grantees are required to provide details of all other costs and funding sources integral to the project that are not covered by grant funding. In addition, grantees are required to show cost share (e.g., federal, local, other funds, or in-kind services) if an awarded project costs more than the grant amount. Any project awarded grant funds must be completed and operational. Failure to complete the project by a grantee may result in required repayment of grant funds disbursed.

### C. Eligible Costs for Reimbursement

Only costs incurred during the term of the executed funding agreement will be eligible for reimbursement. Notwithstanding Appendix E, A all payments will be made in arrears; ~~advance funds will not be provided.~~

Eligible project costs include the reasonable costs of studies, engineering, design, project construction, and other work directly related to the scope of work. Reimbursable administrative expenses are the necessary incidental costs that are directly related to the project.

Costs associated with travel are eligible for reimbursement if the travel expenses are reasonable, justifiable, and necessary for the successful completion of the project. Allowable reimbursement rates for mileage, lodging, and per diem are limited to the requirements specified by the California Department of Human Resources (<http://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx>). No travel outside the State of California shall be reimbursed unless prior written authorization is obtained from the State.

Costs that are not eligible for reimbursement include but are not limited to:

- Costs incurred prior to the execution of the funding agreement.
- Purchase of equipment that is not an integral part of the project.
- Purchase of water supplies that are not an integral part of the project.
- Establishing a reserve fund.
- Replacement of existing funding sources for ongoing programs.
- Support of existing punitive regulatory agency requirements and/or mandates in response to negligent behavior.
- Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of the project, as set forth and detailed by engineering and feasibility studies, or land purchased prior to the execution of the grant agreement.



- Payment of principal or interest of existing indebtedness or any interest payments.
- Operation and maintenance costs.
- 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.
- Any federal or state taxes.
- Expenses incurred in preparation of the proposal or an application for another program
- Any 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 grantee and any subcontract or sub-agreement for work on the funded project that will be reimbursed with grant funds from DWR.

## **VII. APPLICATION INFORMATION**

The following sections provide instructions on application requirements, information about the selection process, and program schedule. There will be no formal proposal solicitation package. Applicants are therefore encouraged to apply as soon as possible.

Applications will be processed as they are received until funds are exhausted or until June 30, 2022~~6~~, whichever comes first. Applications and supporting documentation received after this date will not be reviewed or considered for funding.

### **A. Publication of Guidelines**

Publication of the Guidelines will be posted on: <https://water.ca.gov/Work-With-Us/Grants-And-Loans>. Applications and inquiries can be sent to [DWQ@water.ca.gov](mailto:DWQ@water.ca.gov).

## **VIII. APPLICATION INSTRUCTIONS**

A complete application package will include one (1) original complete application marked as "ORIGINAL," and four copies or (1) electronic copy (in MS Word or searchable pdf format) of the original application submitted via email.

### **A. How to Submit**

Applicants must submit the items stated above. Electronic submission to [DWQ@water.ca.gov](mailto:DWQ@water.ca.gov) is preferred. The address for mailing by U.S. mail, overnight courier, or hand delivery of hardcopy application components is as follows:

California Department of Water Resources  
Division of Multibenefit Initiatives  
P.O. Box 942836  
Sacramento, CA 94236-0001  
Attn: Delta Water Quality and Fish Facilities Program

### **B. What to Submit – Required Application Components**

This section presents the required elements of an application for a grant funded by the Delta Water Quality and Fish Facilities Program. Applicants must submit a complete application by the deadline of June 30, 2022~~6~~.

A complete application consists of the items included in Appendix B, including:

#### Attachment 1 – Organizational, Financial, and Legal Information

- Part I: Application Cover Sheet
- Part II: Applicant's Representatives
- Part III: Summary of Project Costs
- Part IV: Authorizing Resolution

#### Attachment 2 – Project Proposal, Tasks, and Budget

Appendix B contains an application checklist, followed by application Attachments 1, and 2. For reviewing purposes, it is recommended that applicants use the form documents provided (Attachment 1) and the outline provided for project proposals (Attachment 2), though other formats with at least the same information will be considered.

## **IX. REVIEW**

### **A. Completeness and Eligibility Review**

All applications will undergo eligibility and completeness review for the required items listed in these Guidelines. If an application is determined to be ineligible, the application will not be reviewed or considered for funding. All eligible applications will be evaluated as described below. The application will be evaluated based on what is contained in the application. Applicants may be asked to provide additional information as needed to complete the application upon DWR's request.

### **B. Technical Evaluation**

DWR reserves the right, at its own expense, to engage one or more technical experts to review proposals. DWR reserves the right to award, partially award, request changes, or otherwise act on the information and opinions expressed by these third parties.

## **X. EVALUATION CRITERIA**

This grant funding is non-competitive. Therefore, the proposals will not be scored. The proposals will only be evaluated against program objectives. Applicants must specify their eligibility in their proposals.

### **A. Standard Criteria**

Projects must be in compliance with the requirements of CWC section 79550(b).

### **B. Modified Funding Amounts**

DWR may recommend modified grant amounts from that requested by Applicants to meet program objectives.

## **XI. AWARD AND AGREEMENT PROCESS**

### **A. Funding Awards**

Once a funding recommendation is developed by program staff, and approved by DWR's management, the selected grant recipient/s will receive a commitment letter notifying them of their selection and the grant amount.

### **B. Grant Administration and Agreement Procedures**

Following the funding commitment, DWR will execute a grant agreement with the grant recipient. Grant agreements are not executed until signed by the authorized representative of the grant recipient and DWR. For reference, Appendix C provides grantees with a summary of the minimum materials that will need to be maintained during the life of the grant agreement for State auditing purposes.

## APPENDIX A – WEB LINKS

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Website	URL
DWR Home Page	<a href="https://water.ca.gov/">https://water.ca.gov/</a>
Grants and Loan Information	<a href="https://water.ca.gov/Work-With-Us/Grants-And-Loans">https://water.ca.gov/Work-With-Us/Grants-And-Loans</a>
General Environmental Compliance Information	<a href="http://opr.ca.gov/cega/">http://opr.ca.gov/cega/</a>
CEQA Document Submission	<a href="http://opr.ca.gov/clearinghouse/cega/document-submission.html">http://opr.ca.gov/clearinghouse/cega/document-submission.html</a>
California Department of Industrial Relations	<a href="http://www.dir.ca.gov/">http://www.dir.ca.gov/</a>

## **APPENDIX B – GRANT APPLICATION PACKET**

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### **Grant Application Checklist**

The following information is required to be submitted in proposal applications:

#### **ATTACHMENT 1 - Organizational, Financial, and Legal Information**

- Part I: Application Cover Sheet
- Part II: Applicant's Representatives
- Part III: Summary of Project Costs
- Part IV: Authorizing Resolution

#### **ATTACHMENT 2 - Project Proposal, Tasks, and Budget**

- Project Proposal



## Attachment 1, Part I – Application Cover Sheet

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Application for Delta Water Quality and Fish Facilities Program pursuant to Proposition 50

The \_\_\_\_\_  
(Exact legal name of local entity applying for the grant)

Of \_\_\_\_\_  
(Mailing address of local entity)

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Of the County of \_\_\_\_\_, State of California, does hereby apply to the  
California Department of Water Resources for a grant in the amount of \$ \_\_\_\_\_.

For the following project under the Delta Water Quality and Fish Facilities Program:

\_\_\_\_\_  
(Specify project title)

By \_\_\_\_\_ Date \_\_\_\_\_  
(Signature of authorized representative)

\_\_\_\_\_  
(Print or type name of authorized representative)

\_\_\_\_\_  
(Title)

Telephone (\_\_\_\_\_) \_\_\_\_\_ E-mail \_\_\_\_\_

### **Brief Proposal Description:**

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## Attachment 1, Part II – Applicant’s Representatives

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**Project Name** \_\_\_\_\_

### **Primary Project Contact**

Name \_\_\_\_\_ Title \_\_\_\_\_

Address \_\_\_\_\_

Telephone (\_\_\_\_) \_\_\_\_\_ FAX (\_\_\_\_) \_\_\_\_\_

E-mail \_\_\_\_\_

### **Alternate Project Contact**

Name \_\_\_\_\_ Title \_\_\_\_\_

Address \_\_\_\_\_

Telephone (\_\_\_\_) \_\_\_\_\_ FAX (\_\_\_\_) \_\_\_\_\_

E-mail \_\_\_\_\_

### **Alternate Project Contact (If Applicable)**

Name \_\_\_\_\_ Title \_\_\_\_\_

Address \_\_\_\_\_

Telephone (\_\_\_\_) \_\_\_\_\_ FAX (\_\_\_\_) \_\_\_\_\_

E-mail \_\_\_\_\_

Type of Organization: \_\_\_\_\_  
(city, county, water district, non-profit, etc.)

Attach a copy of the applicant’s charter and the names and titles of its officers.

## Attachment 1, Part III – Summary of Project Costs

Provide a summary of the financing information about the proposed project, including cost share (if applicable):

Cost Item	Amount (\$)	% of Total Cost
Total Cost of Project		
Amount Requested		
Amount of Cost Share <sup>(1)</sup>		
Amount of Federal Contribution		
In-kind Contributions		
Amount to Funded by Other Sources:(Describe below in table.)		

Sources of funds from partner agencies for this project, if applicable:

Amount (\$)	Name of Source	Status of Funds <sup>(2)</sup>
<b>Total:</b>		

Additional explanation, if necessary:

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**Notes:**

<sup>(1)</sup>No cost share is required; however, grantees are required to show cost share (e.g., federal, local, or other funds) if

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an awarded project costs more than the grant amount.

<sup>(2)</sup> Identify the current status of funds: available, planned/budgeted, awarded or pending.

## Attachment 1, Part IV – Authorizing Resolution

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A resolution adopted by the applicant’s governing body authorizing the application for a grant under this program that designates a representative to sign the application, and in the event of an award of grant funds, a representative to execute the funding agreement and all necessary documentation (e.g., invoices, progress reports, etc.) must be submitted with the application. In some cases, an applicant may have a standing (permanent) delegation, applicable ordinance, or bylaws that already delegate a representative. In such cases, please include the applicable documents with your application. Attached is a sample resolution template that may be used:

RESOLUTION NO. [xxxx]

A RESOLUTION OF THE [GOVERNING BODY] OF THE [AGENCY NAME]  
AUTHORIZING THE GRANT APPLICATION, ACCEPTANCE, AND EXECUTION  
FOR THE [PROJECT TITLE]

WHEREAS, [Agency Name] proposes to implement [Project Title];

WHEREAS, [Agency Name] is submitting an application for [Project Title] to be implemented in accordance with all of the terms and conditions of the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (Wat. Code, § 79500 et seq.);

WHEREAS, [Agency Name] has the legal authority and is authorized to enter into a funding agreement with the State of California; and

THEREFORE, BE IT RESOLVED by the [Governing Body] of the [Agency Name] as follows:

1. That the [Agency Name] [Title of Authorized Representative], or designee is hereby authorized and directed to prepare and file an application for funding with the Department of Water Resources, and take such other actions as necessary or appropriate to obtain grant funding.
2. The [Agency Name] [Title of Authorized Representative], or designee is hereby authorized and directed to execute the funding agreement with the Department of Water Resources and any amendments thereto.
3. The [Agency Name] [Title of Authorized Representative], or designee is hereby authorized and directed to submit any required documents, invoices, and reports required to obtain grant funding.

CERTIFICATION I hereby certify that the foregoing Resolution was duly and regularly adopted by the [Governing Body Name] of the [agency name] at the meeting held on [date], motion by [member name] and seconded by [member name], motion passed by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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[Printed Name]  
[Title], [Governing Body]

Attest:

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[Printed Name]  
[Secretary/Clerk]

## Attachment 2 – Project Proposal, Tasks, & Budget

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Applicants are required to submit a project proposal with a detailed task breakdown to complete the Delta Water Quality and Fish Facilities Program grant application. The proposal should provide detailed descriptions, discussion, and documentation for each of the proposal sections listed below. The proposal should describe the tasks that will be undertaken to implement the project and include a budget and schedule that support and are consistent with the identified tasks.

The level of detail must be sufficient to allow reviewers to understand the level of effort of the work being performed and to relate the proposed work to the budget so that the cost estimates can be substantiated. Page limits and character limits are not specified. The applicant should determine the level of detail required to convey how the proposed project meets the objectives and requirements outlined in the Guidelines.

The project proposal must include the following items, with at least as much detail as specified in the descriptions below.

### **1. Title of Project**

Provide the title of the project. The title must be descriptive and provide an idea of what the project is meant to achieve.

### **2. Project Management**

Provide the name, contact information, and description of qualifications of the following persons associated with the project. The roles of key personnel must be clearly defined. Key personnel associated with the project must have sufficient expertise to complete the project, and evidence of competence in the proposed area of work must be provided.

**Project Director:** Responsible for executing the grant agreement and any amendments and approving invoices for the applicant. Persons that are subcontractors to be paid with the grant funds cannot be listed as the Project Director.

**Project Manager:** Day-to-day contact from the applicant, agency, or organization.

**Other Cooperators:** Cooperating individuals and agencies, including consultants, who will be participating in the implementation of the project.

Information for other key personnel associated with the project may also be provided, if applicable. Qualifications may be enhanced through partnerships with other institutions; these relationships with other institutions should be clearly defined and described.

Discussion and evidence of institutional capacity to successfully complete the project should be provided in this section. The discussion should show that proposed personnel, facilities, and equipment are adequate for successfully completing the project.



### **3. Scope of Work and Project Description**

Provide a scope of work that briefly summarizes the project activities and tasks that will be implemented to achieve proposed outcomes.

Provide a project description that explains the work to be performed and an overview of deliverables for assessing progress and accomplishments. A complete project description should be concise and include the following information:

A brief explanation of the goals and objectives, or purpose and need, for the project.

Description of the components of the project that will be funded by DWR.

If the project constitutes a phase of a larger, multi-phase project, including a discussion of how the phase of work supported by DWR funds can operate or be functional without the implementation of other phases of work.

A description of existing contracts, Memorandums of Understanding, Joint Powers Authorities, or other formal agreements with project partners, if applicable.

A description of the project location including overlying jurisdiction (city, county, state, or federal land), assessor parcel numbers, property addresses, and the latitude/longitude of the project site. It is suggested to include a project map that shows the project's geographical location and the boundaries of the work.

### **4. Project Objectives and Program Priorities**

Project goals and objectives should be clearly described, adequately developed, and appropriate to help achieve the stated program objectives. When possible, quantifiable objectives should be proposed. Objectives may be presented in a tabular or bulleted format to aid in the review and presentation of the information.

The proposal should identify if the proposed project meets any of the stated program priorities and to what extent they are met. Describe and provide sufficient documentation to support how the project meets one or more of the program priorities stated in the Guidelines.

### **5. Task Breakdown**

The task breakdown should contain descriptions of all the tasks necessary to complete the proposed project. The descriptions must contain enough detail to sufficiently explain all the work necessary to complete each task, to demonstrate that the tasks are ready for implementation, to prove that there is a high expectation of successful implementation, and to show that the tasks are consistent with the project schedule and budget. Project tasks may be broken into subtasks for additional clarification of the project components. The task breakdown shall include, at a minimum, the following elements:

- Description of the tasks and subtasks required to complete the project.
- Identification of the budget and costs associated with each task. Proposed costs should be detailed and specific and should be reasonable for the proposed work.
- Schedule for implementing each task, including the start and end date for each task. Summary of deliverables and reporting tasks, including quarterly progress reports, invoices, a final report,

and a post-completion report.

## **6. Schedule**

Provide a schedule for implementation of the project showing the sequence of tasks and timing. The schedule should be detailed and specific. The schedule must show the start and end dates as well as milestones for each task and should be formatted in a horizontal bar or Gantt chart. The schedule should also illustrate dependencies on preceding tasks by showing appropriate linkages. The schedule must be consistent with the task breakdown and the budget. Assume a realistic start date for your proposed project and anticipate a 2-year performance period. The schedule must indicate readiness to start the project when funding becomes available.

## **7. Budget**

The budget should include a tabular summary of project costs. This section of the proposal should serve as a budget summary section, while the task breakdown should include a detailed explanation of the task item costs and documentation of costs and billing rates.

The tabular cost estimate should be organized by task breakdown and should indicate a funding source for the costs attributed to each task. Subtasks and their relative costs should also be included, if applicable. Consistency with the work items shown in the task breakdown should be apparent. The funding source breakdown included in the budget table should indicate costs from the following types of sources: grant amount requested, cost-share (if applicable), federal contribution, in-kind contributions, and other contributions. A column indicating total project cost should also be included.

## **8. Deliverables**

Mandatory grant reporting tasks include the submittal of quarterly progress reports, invoices, a final report, and a post-completion report. Other additional deliverables may be applicable to the project, including technical studies, technical memorandums, and other documents useful for reporting the progress of the project. Provide a discussion of proposed project deliverables, proposed timelines for the deliverables (the schedule may be referenced), and other deliverables if appropriate to the project.

## **APPENDIX C – RECORDS RETENTION GUIDELINES FOR GRANTEES**

The lists below provide details on the documents/records that State auditors would need to review in the event that a funding agreement is audited. Grantees should ensure that such records are maintained. Where applicable, this list of documents also includes documents relating to the grantee's cost share that will be required for audit purposes.

### **State Audit Document Requirements**

#### **Internal Controls**

1. Organization chart (e.g. agency's overall organization chart and organization chart for the grant or loan funded program/project)
2. Written internal procedures and flowcharts for the following:
  - a. Receipts and deposits
  - b. Disbursements
  - c. State reimbursement requests
  - d. Grant or loan expenditure tracking
  - e. Guidelines, policies, and procedures on grant or loan-funded program/project
3. Audit reports of the agency's internal control structure and/or financial statements for the last two years
4. Prior audit reports on grant or loan-funded program/project

#### **Grants or Loans**

1. Original grant or loan agreement, amendment(s), and budget modification documents
2. A listing of all bond-funded grants or loans 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 grant or loan funded program/project

#### **Invoices**

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

#### **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 or loan receipts and cash disbursements
2. Ledgers showing receipts and cash disbursement entries of other funding sources
3. Bridging documents that tie the general ledger to requests for grant or loan 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 grant or loan-funded program/project
2. Payroll records including timesheets for contractor staff and the agency personnel who provided services charged to the program

### **Project Files**

1. All supporting documentation maintained in the project files
2. All grant or loan-related correspondence

### **Cost Share Guidelines**

Cost Share (often referred to as Funding Match) consists of non-State funds including in-kind services. In-kind services are defined as work performed or items contributed (i.e., dollar value of non-cash contributions) by the grantee (and potentially other parties involved) directly related to the execution of the scope of work (examples: volunteer services, equipment use, and facilities). Guidelines are provided below for documenting cost share with and without in-kind services.

1. Although tracked separately, in-kind services shall be documented and, to the extent feasible, supported by the same methods used by the funding recipient for its own employees. Such documentation should include the following:
  - a. Detailed descriptions of the contributed item(s) or service(s)
  - b. Purpose for which the contribution was made (tied to Funding Agreement Work Plan)
  - c. Name of contributing organization and date of the contribution
  - d. The real or approximate value of the contribution. Who valued the contribution and how the value was determined? (e.g., actual, appraisal, fair market value, etc.). Justification of rate. (See item #2, below)
  - e. For contributed labor, the person's name, the work performed, the number of hours contributed, and the pay rate applied

- f. If multiple sources exist, these should be summarized on a table with summed charges
  - g. Source of contribution and whether it was provided by, obtained with, or supported by government funds
- 2. Rates for volunteer or in-kind services shall be consistent with those paid for similar work in the funding recipient's organization. For example, volunteer service of clearing vegetation performed by an attorney shall be valued at a fair market value for this service, not the rate for professional legal services. In those instances, in which the required skills are not found in the recipient's organization, rates shall be consistent with those paid for similar work in the labor market. Paid fringe benefits that are reasonable, allowable, and allocable may be included in the valuation.
- 3. Funding match contribution (including in-kind services) shall be for costs and services directly attributed to activities included in the Funding Agreement Work Plan. These services, furnished by professional and technical personnel, consultants, and other skilled and unskilled labor, may be counted as in-kind if the activities are an integral and necessary part of the State-funded program/project under the Funding Agreement.
- 4. Cash contributions made to a program/project shall be documented as revenue and in-kind services as an expenditure. These costs should be tracked separately in the funding recipient's accounting systems.

## APPENDIX D – RELEVANT CALIFORNIA WATER CODE SECTIONS

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### CHAPTER 7. CALFED Bay-Delta Program [79550 - 79555] ( Chapter 7 added November 5, 2002, by initiative Proposition 50. )

#### 79550.

The sum of eight hundred twenty-five million dollars (\$825,000,000) shall be available for appropriation by the Legislature from the fund for the balanced implementation of the CALFED Bay-Delta Program. Expenditures and grants pursuant to this chapter shall be limited to the following:

- (a) Fifty million dollars (\$50,000,000) for surface water storage planning and feasibility studies.
- (b) Seventy-five million dollars (\$75,000,000) for the water conveyance facilities described in subparagraph (B) of paragraph (2) of subdivision (d) of Section 79190.
- (c) Seventy million dollars (\$70,000,000) for Delta levee restoration. Money expended pursuant to this subdivision shall be subject to Section 79050.
- (d) One hundred eighty million dollars (\$180,000,000) for water supply reliability projects that can be implemented expeditiously and thereby provide near-term benefits, including, but not limited to, projects that facilitate groundwater management and storage, water transfers, and acquisition of water for the CALFED environmental water account. In acquiring water, preference shall be given to long-term water purchase contracts and water rights. Money allocated pursuant to this subdivision shall be subject to Article 4 (commencing with Section 79205.2) of Chapter 9 of Division 26.
- (e) One hundred eighty million dollars (\$180,000,000) for ecosystem restoration program implementation of which not less than twenty million dollars (\$20,000,000) shall be allocated for projects that assist farmers in integrating agricultural activities with ecosystem restoration.
- (f) Ninety million dollars (\$90,000,000) for watershed program implementation.
- (g) One hundred eighty million dollars (\$180,000,000) for urban and agricultural water conservation, recycling, and other water use efficiency projects.

#### 79190.

Unless the context otherwise requires, the following definitions govern the construction of this article:

- (a) “CALFED Bay-Delta Program” or “program” means the undertaking by CALFED pursuant to the Framework Agreement dated June 20, 1994, to develop a long-term solution to water management, environmental, and other problems in the bay-delta watershed by means of a programmatic environmental impact statement/environmental impact report.
- (b) “CALFED EIS/EIR” means the final programmatic environmental impact statement/environmental impact report prepared by CALFED.
- (c) “CALFED stage 1 action” means an action identified in the preferred alternative of the CALFED EIS/EIR as an action intended for implementation during stage 1 of Phase III of the CALFED Bay-Delta Program.
- (d) (1) “Eligible project” means a demonstration project, subject to the CALFED adaptive management principle that requires an assessment of the performance of the demonstration projects in order to determine which projects are successful in achieving the goals of the program.  
(2) “Eligible project” means a project that meets both of the following requirements.
  - (A) The project is identified in the CALFED EIS/EIR as a CALFED stage 1 action.
  - (B) The project does one or more of the following:

- (i) Constructs treatment facilities or relocates discharge facilities for agricultural drainage generated within the delta to improve water quality in the delta or the quality of water that is transported from the delta.
- (ii) Constructs facilities to control waste discharges that contribute to low dissolved oxygen and other water quality problems in the lower San Joaquin River and the south delta.
- (iii) Constructs fish facilities for the State Water Project or the Central Valley Project intakes in the south delta, such as facilities for fish screens, fish handling, and fish passage, or modifications to intake structures or other facilities, to reduce losses of any life stages of fish to water diversions in the San Joaquin River and the delta in accordance with paragraph (1) of Section (C) of Chapter IV of the board's 1995 water quality control plan.
- (iv) Constructs a permanent barrier at the head of Old River to improve fish migration and other permanent barriers in the south delta channels to improve water quality and water level for local diversions.
- (v) Constructs facilities to control drainage from abandoned mines that adversely affect water quality in the bay-delta.
- (vi) Constructs a permanent barrier at Grantline Canal to improve water quality and water levels for local diversion.
- (e) "Subaccount" means the Bay-Delta Multipurpose Water Management Subaccount created by Section 79194.

## **APPENDIX E – ADVANCE PAYMENT REQUIREMENTS FOR DEPARTMENT OF WATER RESOURCES (Department) AWARDED AND ADMINISTERED FUNDING**

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Advance payments under State funding agreements are prohibited unless authorized by statute. Below are the procedures by which an entity may apply for and receive advance pay of their award from the Department. Please be aware that access to and the use of advance payment is a privilege and not a right. As a recipient of advance payment, you have a fiduciary duty to the people of the State.

### **Application Process**

Upon approval of the final award, the Department shall notify the awardee in writing of its award and the opportunity to apply for advance payment. The Notice of Award shall include an advance payment form. The awardee shall have up to 90 calendar days from the date of the Notice of Award to return the form and provide all applicable backup documentation. If the awardee fails to return all completed forms and backup documentation within 90 calendar days, **the awardee has forfeited the right to request advance payment for its award.** If documents are incomplete or inadequate, the Department shall reach out as soon as it is aware of the issue to notify the awardee of the issue. Failure of the awardee to respond to Department requests for clarification or further documentation shall result in a denial of the request for advance payment.

The Department will notify the awardee within 90 calendar days of receipt of a **complete** advance payment request on its final decision. The Department's final decision is not appealable. An awardee's application for advance pay must include its most recent financial documents that include sufficient detail to enable the Department to determine the financial and institutional capacity of the awardee, the details of the use of any authorized advance payment, and to determine the risk being taken by the Department on behalf of the taxpayers and/or bond holders providing the funds. Failure to provide adequate documentation shall result in the awardee being deemed ineligible for advance payment. To apply for advance payment, the awardee must:

- Submit a statement of need explaining its need for advance payment. The awardee must submit the most recent three years of verifiable documentation supporting its claim. These may include:
  - Most recent audited financial statements.
  - Revenue and cost statements.
  - Other financial statements, including bank statements.
  - Tax returns.
- Submit a statement explaining the awardee's ability to manage the approved project and its finances. The awardee must submit verifiable documentation supporting its claim. These may include:
  - Audit reports or other financial reviews completed within the last three years.
  - List of its other projects (current and past) including scope, duration, and funding partners.
  - Organization chart of employees responsible for approved project.
- Submit a detailed work plan, budget, and schedule showing how the advance payment will be used. These will need to break down activities and corresponding expenditures on a quarterly basis.
  - For habitat restoration projects, if not previously identified in the awardee's application, the awardee will need to list which threatened and/or endangered species under the federal Endangered Species Act (16 U.S.C. § 1531, et seq.) or California Endangered Species Act (Fish & G. Code, § 2050 et seq.), for which the project is providing habitat.
- For non-profit (private) awardees, demonstrate its good standing as a tax-exempt organization.
- For non-profit (private) awardees, submit verification that all advanced State funds provided shall



be deposited into a separate federally insured bank account that either tracks interest earned, or is non-interest-bearing, as required by the Department.

Some of these documents (e.g., detailed work plan, budget, and schedule) may have been included in your initial application for funding. It is not necessary to resubmit these documents, but if there have been changes since the initial application, please document those changes when submitting your request for advance payment.

### **Approval Process**

Once the Department has received a **complete** application for advance payment, it shall inform the awardee within 90 calendar days of its decision. The final decision will be in writing and will either be a denial or approval of the request. **This decision is not appealable.**

If the awardee's request is denied, the awardee may request the reason(s) for denial from the Department. If the awardee's request is approved, the awardee will be notified of the amount approved and the conditions of approval. The maximum amount that may be awarded is 25% of the full award amount or the project's reasonable needs based on an immediate six-month planning period, whichever is the lesser amount. The project's immediate six-month need will be based on the awardee's submissions during the application process.

The notification shall also state the frequency of the accountability and progress reports to be submitted, the timeline by which advance payment funds are to be spent, and any other restrictions deemed necessary by the Department. Accountability report and progress report templates shall be provided to the awardee. The awardee must respond within fourteen calendar days accepting the terms of the advance payment; failure to notify the Department within fourteen calendar days shall be considered as the awardee's refusal to accept the advance payment terms, and the awardee shall no longer be eligible for advance payment. Be aware that although advance payment has been authorized, no disbursement of funds can occur until a funding agreement incorporating the terms and conditions of the advance payment's use has been executed.

### **Use of Advance Payment**

Advance payment funds may be used for any eligible project costs as set forth in your funding agreement and its work plan except for the purchase of real property or interests in real property. Those expenses must use the existing State process whereby the real property purchase price (plus escrow fees) is deposited into a qualified escrow account after State review of Department of Water Resources and/or Department of General Services-approved appraisals. The "purchase" only includes the amount deposited into a qualified escrow account or costs associated with obtaining financing. This does not include those items necessary and directly related to the due diligence for acquisition of real property or interests in real property (e.g., appraisals, environmental assessments, legal fees, surveys, recording fees, etc.); these may be paid for with advance payment funds.

During any period in which a funding recipient is using advance payment, it shall submit an accountability report and a progress report to its grant manager for review and approval. These reports must be submitted on the time schedule set forth in the funding agreement but shall be no less frequently than once per quarter (i.e., every three months). If a funding recipient is late in submitting any of its required reports, it is grounds for termination of its privilege to continue using advance payment on its existing project and any potential future projects that may receive funding from the Department. Accountability Report and Progress Report templates shall be provided to each funding recipient.

Accountability reports are intended to demonstrate the proper use of the State's fiscal resources.

Accountability reports must include:

- All supporting documentation of funds spent (e.g., receipts, invoices, etc.).
- Any updates to the project's projected spending plan for the next three months, six months and for the remainder of the project's implementation period.
- If applicable, a statement that the funds have been deposited and use of advance payment funds were withdrawn from a federally insured, non-interest-bearing account and is separate from other funding sources.
- If applicable, documentation of interest earned during the reporting period. Any interest earned shall be considered part of the funding award and shall be used towards the project.

Progress reports are intended to demonstrate the proper implementation of the project. Progress reports must include:

- Actions taken by the funding recipient on the project.
- A statement of milestones achieved, and problems encountered on the project.
- A statement of whether the project is on schedule.
- If the project is not on schedule, the reasons for the delay and proposed remedy(-ies), and an updated schedule.

### **Request for Further Advance Payments**

Once the initial authorized advance payment has been spent by the funding recipient, further advance payments may be allowed. Further use of advance payments by a funding recipient may only be granted if there was prudent use of the initial advance payment, adherence to all corresponding requirements (e.g., timely submission of deliverables and reports), and compliance with all requirements in the funding agreement, and it is permitted by statute. Further advance payments may be requested in writing up to 90 days in advance of the anticipated exhaustion of the initial amount advanced. However, unless requested by the Department or if there has been a change in circumstances, no additional documentation need be submitted. Further advance payments shall only be permitted in the amount of a project's reasonable needs based on an immediate six-month planning period, or 25% of the full award amount, whichever is the lesser amount. However, under no circumstances may advance payments result in the reduction or elimination of the amount of required withholding (retention) or any required cost share amount. Any determination regarding further advance payment(s) must be made in writing.

### **Emergency Advance Payment Requests**

During the course of implementing a project, a funding recipient may have an emergency arise that may significantly affect its cash flow or available capital. In this case, it may be possible to award a funding recipient and advance payment based on emergency needs. An "emergency" is a sudden, unexpected occurrence, beyond the control of the funding recipient. A funding recipient's mismanagement of its resources or lack of sufficient planning does not constitute an emergency. If a funding recipient has previously been denied a request for advance payment, it is not eligible to receive an emergency advance payment. A request for emergency advance payment is open to any funding recipient that has been previously awarded advance payment (whether it accepted it or not), and any funding recipients that did not apply for an advance when permitted to do so.

To make a request for an emergency advance payment, a funding recipient will need to provide a statement explaining the nature of the emergency and how that emergency necessitates the need for advance payment, along with supporting documentation. If the funding recipient has not previously applied for advance payment, all the documentation required for an initial application for advance payment must be submitted as well. Approval and use of an emergency advance payment is subject to the same requirements as listed above and while the Department shall endeavor to expedite an emergency request, there is no guarantee that funds can be disbursed more quickly than the usual

State process.

**Reduction of Withholding Amount**

Funding agreements are required to have a minimum withholding amount of ten percent (10%) of the total award amount pending the satisfactory completion of the project and submission of all deliverables. (Gov. Code, § 10346; State Contract Manual, vol. 1, § 7.33.) This minimum amount is required unless there is statutory authority permitting a reduction or elimination of the withholding amount.

Water Code section 550 permits the Department to reduce or eliminate the withholding amount for funding agreements with local public agencies that have been approved and receive an advance payment, and the project's purpose is to (1) restore habitat for threatened or endangered species, and/or (2) improve flood protection. For any such project that has also been awarded an amount of \$10,000,000 or more, the withholding amount shall be reduced to five percent (5%) and set forth in the funding agreement.

END OF GUIDELINES