September 25, 2018

File 401.5

Multi-Benefit Water Quality, Water Supply, Ecosystem and Watershed Protection and Restoration Grant Program

Project Solicitation and Evaluation Guidelines

Adopted June 17, 2015

FUNDED BY

Final Guidelines

The Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1, California Water Code (WAT) Division 26.7) was approved by voters in November 2014. These Guidelines establish the general process, procedures, and criteria that the San Joaquin River Conservancy (Conservancy) will use to implement a competitive Multi-Benefit Water Quality, Water Supply, Ecosystem and Watershed Protection and Restoration Grant Program funded by Proposition 1. These Guidelines were developed pursuant to WAT §79706(a) to meet the intent, purposes, and provisions of Proposition 1.

Public Comment

The Conservancy posted the draft Guidelines and the initial Proposal Solicitation Package (PSP) on its website www.sjrc.ca.gov for a minimum of 30 days for public review and comment. During the comment period, the Conservancy held three public meetings to inform the public about the grant program and to secure public comments. The three dates and locations for the public meetings were:

- **April 14th in Madera**, 200 W. Fourth Street, Second Floor, Room 2005, from 9:00-10:30am;
- **April 15th in Fresno**, 5469 E. Olive, Fresno Metropolitan Flood Control District Board Room, from 10:30-12:00pm; and
- **April 16th in Friant**, 5290 Millerton Road, Millerton Lake Courthouse, Millerton Lake State Recreation Area, from 3:30- 5:00pm. (Parks fees will be waived.)

The deadline for written comments was May 1, 2015.

Comments, responses, and these proposed final Guidelines and a proposed final PSP will be presented to the Conservancy Board for discussion and approval on June 17, 2015.

Grant Program Website

The Conservancy will use its internet website to inform the public and potential applicants about the grant program and solicitations: www.sjrc.ca.gov.

See Appendix A for other useful web links.

E-mail List

In addition to the website referenced above, the Conservancy will distribute information via e-mail upon request. To be included in the grant program e-mail distribution list, interested parties may e-mail info@sjrc.ca.gov to join.

For More Information

For questions about the Guidelines or grant program, please contact:

San Joaquin River Conservancy
5469 E. Olive Avenue
Fresno, CA 93727
Phone: (559) 253-7324
info@sjrc.ca.gov

TABLE OF CONTENTS

INTRODUCTION **FINAL PAGINATION TO BE SET WHEN ALL CHANGES ARE MADE**	**6**
Purpose of Guidelines	6
Background	6
Funding Source and Availability	7
Funding Limit	7
Requirements to Match and/or Leverage Funds	7
Duration of Projects	8
Program Focus and Benefits	8
Anticipated Project Types	8
ELIGIBILITY REQUIREMENTS	**9**
Eligible Grant Applicants	9
Eligible Projects	9
Purposes	10
Conservancy Programs, Authorities and Jurisdiction	10
Intent	10
Conservation Corps Requirements	10
Other Eligibility Requirements	11
Ineligible Projects	11
GENERAL PROGRAM REQUIREMENTS	**12**
Long-Term Commitment	12
Landowner Agreement	12
State Lands Commission Jurisdiction	12
Conflict of Interest	12
Public Records	13
Labor and Public Contract Code Compliance	13
Environmental Compliance	13
Water Law	14
Signage	14
Monitoring and Information Requirements	15
PROPOSAL REVIEW, EVALUATION, AND AWARD PROCESS	**15**
Competitive Program	15
Solicitation Notice	15
Proposal Submittal Process	16
Evaluation Criteria and Scoring	16
Proposal Evaluation Process	17
Administrative Review	17
Technical Review and Evaluation Panel	17
External Review/Public Comment	18

Grant Approval	18
Grant Agreement	19
Responsibility of the Grantee	19
Invoicing and Payments	19
Indirect Cost	20
Loss of Funding	20
Standard Conditions	21

APPENDIX A – USEFUL WEB LINKS

APPENDIX B – GLOSSARY OF TERMS

APPENDIX C – GRANT ACCOUNTING AND AUDITING REQUIREMENTS

ACRONYMS AND ABBREVIATIONS

CCC	California Conservation Corps
CDFW	California Department of Fish and Wildlife
CEDEN	California Environmental Data Exchange Network
CEQA	California Environmental Quality Act
CLC	California Labor Code
CSLC	California State Lands Commission
Conservancy	San Joaquin River Conservancy
CVPIA	Central Valley Project Improvement Act
FGC	Fish and Game Code
GHG	Greenhouse Gas
LCC	Fresno County Economic Opportunities Commission Local Conservation Corps
NEPA	National Environmental Policy Act
Parkway	San Joaquin River Parkway
Parkway Master Plan	San Joaquin River Parkway Master Plan
PRC	Public Resources Code
Proposition 1	Water Quality, Supply, and Infrastructure Improvement Act of 2014
PSP	Proposal Solicitation Package
SJRRP	San Joaquin River Restoration Program
SWRCB	State Water Resources Control Board
WAT	California Water Code
WCB	Wildlife Conservation Board

Introduction

The Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1, WAT Division 26.7) was approved by voters in November 2014. The total amount of funding authorized in Proposition 1 for San Joaquin River Conservancy (Conservancy) grants is $10 million, of which a maximum of ten percent ($1.0 million) may be expended on planning projects. Grants will be awarded on a competitive basis using specific evaluation criteria contained in the Proposal Solicitation Package (PSP).

Purpose of Guidelines

The purpose of these Guidelines is to establish the process, procedures, and criteria through which the Conservancy will administer its competitive Multi-Benefit Water Quality, Water Supply, Ecosystem and Watershed Protection and Restoration Grant Program in accordance with the provisions of Proposition 1. Proposition 1 requires the development and adoption of these Guidelines prior to soliciting proposals and disbursing grant funds ((WAT §79706(a) and §79707(d)).

The Conservancy's grant program will fund or contribute to funding selected multi-benefit water quality, water supply, ecosystem and watershed protection and restoration projects within its jurisdictional planning area, which is generally the river and floodplain within the 22-mile reach of the San Joaquin River in Fresno and Madera counties between Friant Dam and California State Route 99, and within the watershed immediately tributary to this reach.

Projects must be consistent with the San Joaquin River Conservancy Act (PRC §32500 et seq.), and Proposition 1, including but not limited to meeting objectives of the California Water Action Plan.

The Guidelines include the following information:

- Eligibility requirements;
- General program and project requirements;
- Procedures for the solicitation, submittal, and evaluation of grant applications, and for authorizing funds; and
- Typical components of grant agreements.

A separate, but related, PSP will provide detailed information regarding how to apply for grant funds, and priorities and evaluation criteria specific to each solicitation. PSPs for each solicitation will be available for download from the Conservancy website, www.sjrc.ca.gov.

Links to internet resources, a glossary of terms, and State auditing requirements are provided in the appendices.

Background

The Conservancy is a regionally governed State agency established by the Legislature to develop and manage the San Joaquin River Parkway (Parkway), a planned 22-mile natural and recreational area generally within the river floodplain in Fresno and Madera counties extending from Friant Dam to State Route 99. In keeping with its mission and authorities in the San Joaquin River Conservancy Act, and in coordination with the Wildlife Conservation Board

(WCB)[1], the Conservancy invests voter-authorized bond funds for projects within its jurisdictional planning area to: acquire lands for Parkway purposes; conserve, enhance, and restore aquatic, riparian, and floodplain habitat; and create improvements for public access, low-impact recreation, and natural and cultural resources education, compatible with the conservation of the river's resources.

The Conservancy's Proposition 1 grant program is designed to provide funding to support multi-benefit ecosystem and watershed protection and restoration projects in accordance with statewide priorities (WAT §79730). Additionally, to the extent feasible, projects shall promote State planning priorities consistent with §65041.1 of the Government Code (WAT §79707(i)) and shall be consistent with the California Water Action Plan and the San Joaquin River Parkway Master Plan.

Proposition 1 authorized the Legislature to appropriate $10,000,000 to the Conservancy for projects that result in these benefits (WAT §79731(g)). These Guidelines were developed pursuant to WAT § 79706(a) to meet the intent, purposes, and provisions of Proposition 1.

Funding Source and Availability

Proposition 1 authorizes the Legislature to appropriate a total of $10,000,000 to the Conservancy for multi-benefit ecosystem and watershed protection and restoration projects. Competitive grant awards and the frequency of project solicitation cycles will depend on fund availability. A maximum of ten percent of the total bond funds ($1,000,000) may be awarded or expended by the Conservancy for planning activities necessary for successful design and implementation of potential projects. The Conservancy may also award funds from other sources in a manner consistent with its established practices and project evaluation processes in order to meet the needs of high-priority projects that cannot be fully funded through this grant program.

Funding Limit

The total amount available for each grant cycle shall be announced in the PSP. Limitations may be placed on the minimum and maximum grant award (WAT § 79706(a)) and will be identified in the PSP.

Requirements to Match and/or Leverage Funds

Matching funds are defined as the applicant's commitment to provide and clearly account for a non-state funding contribution to the project and/or in-kind services, using non-state personnel. Leveraging funds are defined as the applicant's commitment to provide and clearly account for other state funding contributions to the project and/or in-kind services, using state personnel. Whether matching/leveraging funds are required will be announced in the PSP for that cycle. If they are not required, they will be considered positively in evaluation scores.

[1] The Conservancy's bond funds are appropriated to the WCB, and are administered cooperatively by both agencies in compliance with the budget acts and a Memorandum of Understanding. All grant funding must be authorized by both the Conservancy Board and WCB, and will result in grant agreements executed by the WCB on behalf of the Conservancy. In order to minimize the complexity of the Guidelines, grant administration is generally attributed to the Conservancy herein.

Only work performed after the effective date of the grant agreement will be eligible for reimbursement. Costs incurred prior to the effective date of the grant agreement are not eligible for reimbursement; however, advance investments, such as the documented cost of site acquisition and planning phases, may be valid matching or leveraging contributions. Similarly, post-construction monitoring, operations, and maintenance costs borne by the applicant may be valid matching or leveraging contributions.

Duration of Projects

Projects may be multiyear efforts as necessary and appropriate. Each PSP will specify the term allowed for projects. If delays that are not within the control of a grantee cause a grantee to need more time to complete the project tasks, the grantee may request an extension before the termination of the agreement. The extension will be subject to Conservancy and WCB approval.

Program Focus and Benefits

The Conservancy's grant program is designed to invest voter-authorized bond funds in projects within its jurisdictional planning area that will provide multiple benefits to protect and restore the San Joaquin River and watershed in accordance with Proposition 1's requirements, purposes articulated in WAT §79732, and intent described in WAT §79707.

Projects must be consistent with the San Joaquin River Conservancy Act (PRC §32500 et seq.), the San Joaquin River Parkway Master Plan, and Proposition 1, including but not limited to meeting objectives of the California Water Action Plan: more reliable water supplies; the restoration of important species and habitat; and a more resilient, sustainably managed water resources system (water supply, water quality, flood protection, and environment) that can better withstand inevitable and unforeseen pressures in the coming decades. The program is intended to fund projects that result in public benefits that address the most critical statewide water resources needs and priorities (WAT §79707(a)).

Project Eligibility sections provide additional information.

Anticipated Project Types

Possible Conservancy grant projects include but are not limited to:

- Land acquisition for Parkway riparian habitat and floodplain conservation and restoration;
- Ecosystem and watershed protection and restoration, including wetland, floodplain, and riparian habitat restoration, and re-establishing flood flows through restored floodplains;
- Improvements for surface and ground water management, including conjunctive use;
- Projects that are consistent with or enhance the San Joaquin River Restoration Program, including projects to isolate breeched gravel ponds from the river and projects to provide for off-stream recreational fishing;
- Projects that assist in the recovery of sensitive species, including but not limited to projects that address the priorities of the National Marine Fisheries recovery plan for Central Valley spring-run Chinook salmon;
- Water quality protection and improvement, including storm water quality management improvements; and

- Other projects that can demonstrate they meet the intent and purposes of Proposition 1 (see in particular WAT § 79732) as well as the mission, authorities, and plans of the Conservancy.

ELIGIBILITY REQUIREMENTS

Each proposal solicitation will describe the nature and scope of projects eligible for funding, eligibility criteria, and scoring to be used for project evaluation, and any restrictions on the use of funds. Requirements and limitations imposed in each PSP may vary.

Eligible Grant Applicants

Eligible grantees are limited to public agencies, nonprofit organizations, public utilities, federally recognized Indian tribes, State Indian tribes listed on the Native American Heritage Commission's California Tribal Consultation List, and mutual water companies (WAT §79712(a)). Additionally, in order to be eligible for funding:

- A project proposed by a public utility that is regulated by the Public Utilities Commission or a mutual water company must have a clear and definite public purpose and benefit the customers of the water system, not the investors (WAT §79712(b)(1));
- An urban water supplier must adopt and submit an urban water management plan in accordance with the Urban Water Management Planning Act (WAT Part 2.6 (commencing with §10610) of Division 6) (WAT §79712(b)(2));
- An agricultural water supplier must adopt and submit an agricultural water management plan in accordance with the Agricultural Water Management Planning Act (WAT Part 2.8 (commencing with § 10800) of Division 6) (WAT §79712(b)(3)); and
- In accordance with WAT §10608.56, an agricultural water supplier or an urban water supplier is ineligible for funding unless it complies with the requirements of WAT Part 2.55 (commencing with §10608) of Division 6. (WAT §79712(b)(4)).

Grant agreements shall be executed with one entity only. Applicants who wish to collaborate on a project and pursue a regional approach to a proposed project may elect to use a contractor-subcontractor relationship, a joint venture, a joint powers authority, or other appropriate mechanism.

Grant proposals from private individuals or for-profit enterprises will not be accepted. Private individuals and for-profit enterprises interested in submitting proposals are encouraged to work with eligible entities listed above.

Eligible Projects

Projects must meet all relevant eligibility criteria in order to be considered for funding.

Projects must be capital investments, such as real property acquisitions (including easements)[2] and improvements (including habitat enhancements and constructing facilities). Projects may involve the planning, environmental review, monitoring to inform designs and plans, and

[2] An appraisal of the value of the real property asset, conducted in compliance with the Department of General Services Real Property Services Section specifications must be completed, and the applicant may not purchase the property for greater than the State-approved fair market value. Any agency acquiring land with Proposition 1 funds may use the Natural Heritage Preservation Tax Credit Act of 2000 (Division 28 (commencing with §37000) of the Public Resources Code) (CWC § 79711(h)).

preliminary design of such improvements; however, only a limited amount of funding may be awarded from this grant program for planning activities.

Prospective applicants may consult with Conservancy staff in advance of submitting a proposal. Prospective applicants should contact the Conservancy with any questions pertaining to project eligibility.

Purposes

Projects must demonstrate multiple benefits to water quality, water supply, and/or ecosystem and watershed protection and restoration consistent with the requirements and purposes of Proposition 1. In summary, these purposes include, but are not limited to:

- Protecting healthy watersheds, fisheries, and stream flows;
- Implementing projects within watersheds that facilitate climate change adaptation;
- Restoring river parkways and urban river greenways;
- Conserving and restoring ecosystems;
- Fulfilling settlement obligations of the State of California related to water resources;
- Collaborating with federal agencies to protect fish and wetlands;
- Reducing wildfire risks;
- Improving watershed health;
- Reducing contamination of rivers, lakes and streams; and
- Assisting in the recovery of sensitive species by improving watersheds and associated habitat. (WAT § 79732)

Conservancy Programs, Authorities, and Jurisdiction

Projects must be consistent with the statutory mission and authorities of the San Joaquin River Conservancy and the San Joaquin River Parkway Master Plan, and must contribute to the protection or restoration of the San Joaquin River watershed within the Conservancy's jurisdictional planning area, which is generally the river and floodplain within the 22-mile reach of the San Joaquin River in Fresno and Madera counties between Friant Dam and State Route 99. Since a watershed's protection and restoration is intrinsically interconnected with its tributaries, projects within the watersheds immediately tributary to this reach that demonstrate a direct nexus and benefits to the watershed within the Conservancy's jurisdictional planning area may be considered for grant funding.

Intent

Further, the overall grant program will meet the intent of Proposition 1 by: leveraging private, federal, or local funding; producing the greatest public benefit; applying best available science; employing new or innovative technology or practices; employing cost-efficient conservation strategies; addressing climate change; addressing the goals, objectives, and needs of the San Joaquin River Restoration Program; serving the needs of disadvantaged communities and economically distressed areas; partnering with or using the forces of the California Conservation Corps or certified community conservation corps; and addressing other water resource, ecosystem and watershed restoration goals, priorities, and objectives of the State of California as opportunities arise. These factors will be considered in evaluating proposed projects.

Conservation Corps Requirements

Division 26.7 of the Water Code, Chapter 6, Section 79734 requires that: "For restoration and ecosystem protection projects funded pursuant to this chapter, the services of the California Conservation Corps or a local conservation corps certified by the California Conservation Corps shall be used whenever feasible."

Grant applicants shall at a minimum consult with representatives of the California Conservation Corps (CCC) and Fresno County Economic Opportunities Commission Local Conservation Corps (LCC) (collectively, "the Corps") to determine the feasibility of the Corps' participation in providing grant-funded services for the project. Applicants seeking grants for projects that solely involve either planning or acquisition are exempt from the consultation requirement. Unless otherwise exempted, applicants that fail to engage in such consultation are not eligible to receive Proposition 1 grant funds. The PSP will include specific instructions and required documentation for consulting with the Corps to secure services.

Other Eligibility Requirements

Funding shall only be used for projects that will provide environmental benefits or improvements greater than required, applicable environmental mitigation measures or compliance obligations (WAT §79732(b)). (Exceptions are provided for any water transfers for the benefit of Central Valley Refuges and Wildlife Habitat Areas pursuant to subsection (d) of §3406 of the Central Valley Project Improvement Act (CVPIA) (Title 34 of Public Law 102-575) (WAT §79737(f)).

Projects proposed by a public utility that is regulated by the Public Utilities Commission or a mutual water company shall have a clear and definite public purpose and shall benefit the customers of the water system not the investors (WAT §79712(b)(1)).

Each solicitation may have additional eligibility criteria described in the PSP. For example, the solicitation may describe if a match of non-State funds is required for that solicitation.

Ineligible Projects

Ineligible projects or project elements include but are not necessarily limited to the following examples:

- Construction equipment purchased solely for purposes of implementing a single project;
- Projects dictated by a legal settlement or mandated to address a violation of, or an order (citation) to comply with, a law or regulation, other than projects that fulfill the obligations of the State in complying with the terms of multi-party settlement agreements related to water resources (WAT § 79732(a)(5));
- Education or outreach programs, or event-related projects, although these types of activities may be included as part of the overall implementation of a project eligible for grant funds;
- Operations and maintenance funding (with the exception of funds necessary to establish and sustain vegetation within habitat restoration projects until such new vegetation is established, generally not to exceed three years);
- Projects that subsidize or decrease the mitigation or compliance obligations of any party;
- Projects for design, construction, operation, mitigation, or maintenance of Delta conveyance facilities (WAT §§ 79710(a), 79737(e) and 79738(f)); and
- Projects that utilize eminent domain to acquire real property. Proposition 1 (§ 79711(g)) and the San Joaquin River Conservancy Act preclude using grant funds for real property acquisition by eminent domain.

GENERAL PROGRAM REQUIREMENTS

Grant proposals must meet eligibility requirements and be in full compliance with all stated requirements of each PSP in order to be reviewed, evaluated, and assigned a score. Any changes to the grant application process will be posted as soon as possible on the Conservancy's website.

Long-Term Commitment

For restoration projects funded by a grant, the applicant must demonstrate that the project site will be conserved in perpetuity for the purposes of habitat protection.

The applicant must demonstrate that structural improvements funded by a grant shall be properly operated and maintained for a period not less than 25 years.

A restoration project should include adequate irrigation and stewardship to establish self-sustaining vegetation, normally considered to be three growing seasons after initial planting.

A habitat restoration project that focuses on invasive weed species removal and management must provide for or secure a commitment from the landowner to monitor the project site(s) not less than annually for the 25-year maintenance period. In the event that the monitoring detects new occurrences of any weeds removed, the applicant or landowner will then develop a plan for removal of those weeds before the infestation can spread.

Landowner Agreement

If the entire project site is not owned by an applicant, property owners must sign letters which demonstrate knowledge of the proposed project and allow the applicant (with reasonable notice), to access, implement, and when applicable, operate, maintain, and monitor the project. A final landowner agreement or landowner signature on the grant agreement will be required when the proposed project is awarded. Agreements may require conservation easements or other protections against encroachments, and must include reasonable access by the Conservancy or its agents for project implementation, inspection, maintenance, monitoring, and post-project evaluation for a period of no less than 10 years following completion of a restoration project or 25 years following completion of an infrastructure project. Additional landowner agreement requirements may apply.

State Lands Commission Jurisdiction

On navigable non-tidal waterways, such as the San Joaquin River, the State holds fee ownership of the bed of the waterway landward to the ordinary low water mark (i.e., state sovereign lands) and a Public Trust easement from the low water mark landward to the ordinary high water mark, except where the boundary has been fixed by agreement or court decision. Such boundaries may not be readily apparent from present day site inspections. Any proposed project that may occur within the portions of the historic channel of the river potentially involves sovereign lands under the jurisdiction of the California State Lands Commission (CSLC), and may require a lease from the CLSC prior to construction or implementation.

Conflict of Interest

All applicants and individuals who participate in the evaluation and selection of grant proposals are subject to State and federal conflict of interest laws. Any individual who participates in planning or setting priorities for a specific PSP or who participates in any part of the proposal evaluation and award process is ineligible to receive funds or personally benefit from funds awarded through that PSP. Government agencies may submit proposals to compete for funding. Employees and officials of public agencies may participate in the evaluation and award process; however, they are subject to conflict of interest laws.

Failure to comply with the conflict of interest laws, including business and financial disclosure provisions, will result in the proposal being rejected and any subsequent grant agreement being declared void. Other legal actions may also be taken. Applicable statutes include, but are not limited to, California Government Code §1090 and Public Contract Code §10365.5, §10410 and §10411.

Public Records

Grant proposals submitted to the Conservancy are public records, and shall be available for public review. In submitting a proposal, any privacy rights, as well as other confidentiality protections afforded by law with respect to the application package shall be waived by the applicant. The California Public Records Act (Government Code §6250 et seq.) requires disclosure of public records that are subject to public inspection and are not deemed confidential. If sensitive or confidential personal data are contained in a proposal submitted to the Conservancy, the Conservancy will redact such information prior to making documents available to the public.

Labor and Public Contract Code Compliance

Grants awarded through this program may be subject to prevailing wage provisions of the California Labor Code (CLC). Typically, the types of projects that are subject to the prevailing wage requirements are public works projects. Existing law defines "public works" as, among other things, construction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part out of public funds. Certain State funded grants administered by the Conservancy are not subject to Chapter 1 (commencing with §1720) of Part 7 of Division 2 of the CLC.

Assembly Bill 2690 (Hancock, Chapter 330, Statutes of 2004) amended CLC §1720.4 to exclude most work performed by volunteers from the prevailing wage requirements. For more details, please refer to the Department of Industrial Relations website at http://www.dir.ca.gov.

The Grantee shall pay prevailing wage to all persons employed in the performance of any part of the project if required by law to do so. Any questions of interpretation regarding the CLC should be addressed to the Director of the Department of Industrial Relations, the State department having jurisdiction in these matters.

The Grantee shall comply with applicable provisions of the Public Contract Code.

Environmental Compliance

Activities funded under this grant program must be in compliance with applicable State, local, and federal laws and regulations, including the California Environmental Quality Act (CEQA), National Environmental Policy Act (NEPA), and other environmental permitting requirements. The applicant is solely responsible for project compliance. Grant proposals may include in their budgets the funding necessary for compliance-related tasks.

As part of the application, applicants must identify expected required permits, state whether they have received the required permits or describe the process through which the permits will be obtained, and indicate which permit approval processes could significantly delay project implementation.

A maximum of ten percent ($1,000,000) of the Conservancy's total Proposition 1 funds may be made available for planning and design. Planning and design projects are usually exempt from CEQA (CEQA Guidelines §15262); therefore grants may be awarded for such projects subject to filing a Notice of Exemption. The published or proposed notice must be provided with the project proposal. If preparation of environmental documentation under CEQA or design is funded through a Conservancy grant, there is no certainty or implied commitment that the future construction/implementation phases will be funded by the Conservancy.

Other than, for planning and design projects, the Conservancy will not award funding for a "project" as defined in CEQA until environmental review and CEQA compliance is complete. The proposal must include all necessary CEQA documentation. Prior to awarding a grant for a "project," CEQA Guidelines require the Conservancy, as a Lead or Responsible Agency, to consider the environmental documentation prepared for the project, and to reach its own conclusion as to project review, mitigation, and compliance with CEQA for its jurisdictional authority related to the project.

Projects involving federal funds, federal approvals, or federal grant applicants may also require compliance with the National Environmental Policy Act. NEPA compliance documentation should be referenced in the proposal and submitted on request.

The grantee is responsible for securing all permits for work specific to the grant proposal. The Conservancy may conduct audits of regulatory compliance during the period of performance and may freeze payments on invoices and/or require grant funds to be repaid if grantees have not met legal requirements.

Water Law

Funded grants that address stream flows and water use must comply with the WAT, as well as any applicable Fish and Game Code(s). Refer to Proposition 1 for specific requirements (in particular WAT §79709 and 79711). Any grant proposal that would require a change to water rights, including, but not limited to, bypass flows, point of diversion, location of use, purpose of use, and/or off-stream storage shall demonstrate an understanding of the State Water Resources Control Board (SWRCB) processes, timelines, and costs necessary for approvals by SWRCB and the ability to meet those timelines within the term of a grant. Prior to a water right purchase or lease, an appraisal of the value of the water right, conducted in compliance with the Department of General Services Real Property Services Section specifications, must be completed.

When applicable, an applicant must demonstrate to the Conservancy that they have a legal right to divert water by submitting a copy of a water right permit or license on file with the SWRCB, or some other document that evidences the right. Applicants who divert water based on a riparian or pre-1914 water right must document their right to divert water within their proposal.

Signage

To the extent practicable, Grantees shall post a sign at the project site informing the public that the project received funds from the Water Quality, Supply, and Infrastructure Improvement Act of 2014.

Monitoring and Information Requirements

Each grant proposal must include measurable outcomes through which project performance will be monitored and evaluated. The plan should include a list of project-specific performance measures that will be used to assess project outcomes/trajectories. The proposal should provide sufficient detail of how these performance measures will be qualitatively and/or quantitatively assessed to evaluate the effectiveness of the project in achieving the stated objectives.

Each proposal must also include a description of the processes through which information will be collected, stored, and disseminated to participants, stakeholders, public, and the State. Public information may include, but is not limited to technical designs, feasibility studies, reports, and date gathered during any phase of development, including planning, design, construction, operation, and monitoring.

For projects involving water quality monitoring, data shall be collected and reported to the SWRCB in a manner that is compatible and consistent with surface water monitoring or groundwater data systems administered by the SWRCB (e.g., California Environmental Data Exchange Network for surface water data) (WAT §79704).

When applicable, watershed monitoring data shall be collected and reported to the Department of Conservation in a manner that is compatible and consistent with the statewide watershed program administered by the Department of Conservation (WAT §79704).

All Grantees will provide progress reports with each invoice and a final report upon project completion.

Project-specific requirements for performance measures, data management, public information, and reporting requirements shall be defined in the grant agreement.

PROPOSAL REVIEW, EVALUATION, AND AWARD PROCESS

Competitive Program

The Conservancy will implement a competitive grant program that will include:

- A proposal solicitation period beginning with the announced release of a PSP and proposal due dates;
- Defined scoring criteria and evaluation processes;

- Qualified evaluation teams comprised of professionals in fields of work relevant to the proposed projects (WAT § 79707(f)); and
- Approval by the Conservancy Board and subsequent authorization by the WCB, at regularly scheduled, noticed public meetings.

Solicitation Notice

The Conservancy will solicit grant proposals with the release of a PSP, which will provide detailed instructions and requirements for submitting proposals for that grant cycle. PSPs will be made available on the Conservancy website, www.sjrc.ca.gov. A solicitation notice will be e-mailed to all interested parties on the Conservancy's grant program e-mail list.

The proposal solicitation/evaluation process will consist of three phases with associated due dates for each:

- Administrative evaluation of Proposals per eligibility criteria;
- Panel evaluation, ranking, and recommendations; and
- Grant Awarding Process.

Proposal Submittal Process

Application forms and instructions for the proposals will be included in each PSP. Each PSP may vary; applicants should review the specific proposal requirements, review process, and criteria for each PSP.

The Conservancy will provide at least two months between the release of the PSP and the deadline for submitting the application. The applicant will be required to complete the forms provided through the Conservancy's website, along with required exhibits. All materials, including the application, attachments, and supporting documentation, must be successfully submitted by the deadlines stipulated within the PSP. Late submittals will not be accepted.

Evaluation Criteria and Scoring

The specific criteria and scoring methods will be identified in the PSP. Evaluation criteria may be given weighted scores, which will be described in the PSP. Applicants can expect that typically evaluation criteria may include, but not be limited to:

• Project Readiness	Project readiness (e.g., CEQA compliance is complete; preliminary design is prepared; regulatory requirements are identified); project has an independent function, regardless of future actions.
• Qualifications, capacity, and capability of applicants and collaborators	Applicants and any partners demonstrate capacity to carry out project; meet fiscal management and any long-term operations requirements; collaboration among entities; addresses inter-jurisdictional authorities and boundaries. Assures proper long-term operation and maintenance.
• Regional and State-wide relevance and importance	Project addresses regional needs, including the needs of disadvantaged communities and underserved populations; nexus to other conservation and restoration efforts and to other public Parkway lands, conservation lands, and the larger watershed; broad support/minimal substantive controversy.
• Includes other funding sources, in-kind services	Applicant commits: 1st, matching funds or in-kind services (i.e., non-state funds and contributions), or 2nd, other State funds that leverage the Conservancy's Proposition 1 funds.

• Generates multiple benefits	• Benefits water supply and reliability, and a more resilient, sustainably managed water resources system (water supply, water quality, flood protection, and environment), such as conjunctive and in-lieu use, water conservation measures, etc. • Benefits important species and wildlife habitat; provides habitat connectivity for wildlife movement; assists in the recovery of sensitive species. • Addresses greenhouse gas emissions (e.g., sequestration, potential reductions, and climate change adaptation); • Benefits ecosystem and watershed protection and conservation, water quality, pollution prevention; • Conserves habitat and open space that have the potential to be converted to other, more intensive land uses; assures long-term conservation of the project site. • Environmental impacts are avoided, minimized, and mitigated per CEQA review.
• Consistent with and/or advances the goals of Conservation and Resource Management Plans	Contributes toward the goals, objectives, and needs of Statewide and regional conservation and resources management plans, including but not limited to the San Joaquin River Parkway Master Plan, California Water Action Plan, San Joaquin River Restoration Program, Integrated Regional Water Resource Management Plans, San Joaquin River Ecological Reserve management plan, species recovery plans (e.g. Central Valley spring-run Chinook salmon recovery plan), and other resource management plans.
• Technical/Scientific Merit	Feasible; applies best available science and/or innovative technology or practices.
• Measurable Outcomes	Includes measurable objectives, appropriate monitoring, and assessment; meets applicable data and information reporting requirements.
• Cost-efficient conservation strategies	Costs are reasonable; costs are proportionate to benefits, in light of all competitive proposals; includes efficient strategies, such as using the California Conservation Corps (CCC) or community conservation corps to implement projects where feasible (Section 79714(c)).

Proposal Evaluation Process

Grant proposals submitted by the deadline will be evaluated using the multi-step review process described below. The specific criteria upon which the evaluation will be based will be defined in each PSP.

Administrative Review

Each grant proposal will be reviewed by Conservancy staff to determine the eligibility and completeness of the application. Each proposal will first be evaluated for compliance with the Eligibility Criteria stipulated herein and in the PSP. Applications deemed eligible will then be evaluated in accordance with the PSP for completeness. All information requested in the PSP must be provided and in the required formats. This review will use “Pass/Fail” scoring. Applications that are determined to be ineligible or incomplete will not be considered for funding; staff will make note of the deficiencies so that the applicant may re-apply during the next cycle.

Technical Review and Evaluation Panel

All eligible and complete grant proposals will be evaluated and scored by an Evaluation Panel of a minimum of five members, including at least two technical reviewers. The panel will include representatives at the supervisory, management, or policy levels from the Conservancy, its member and partner agencies and organizations, and water resource management and habitat conservation professionals. The panel may include one or more outside experts, stakeholders, landowners, or local citizens. Individuals serving as technical reviewers will be professionals in fields relevant to the proposed projects (WAT §79707(f)).

The review panel members will individually score proposals in accordance with criteria documented in the PSP.

Depending on the scope and nature of the proposals, the review and evaluation process may be expanded to include independent scientific review by one or more qualified experts, selected to participate based on their expertise in the subject areas of the proposals, consistent with WAT §79707(f).

Following completion of the review and scoring for all eligible and complete proposals, the Evaluation Panel will convene to compile scores and evaluation notes; deliberate; rank and prioritize proposals; and develop award/funding recommendations to the Conservancy Board. The Evaluation Panel will prepare a preliminary ranking list of the proposals and make funding recommendations. When developing the ranking list, the panel will consider the following items:

- The proposals, evaluation criteria, scores and comments; input from the involved experts;
- Amount of funds available;
- Distribution of benefits and funds among focus areas, entities, and throughout the Conservancy's jurisdictional planning area and region;
- The overall accomplishment of the grant program's focus and benefits (refer to page 8 of the Guidelines); and
- Guiding principles and policies, such as the California Water Action Plan, Proposition 1's intent and purposes, and the policies of the Conservancy expressed in the San Joaquin River Parkway Master Plan.

The Evaluation Panel may recommend modifications to any of the proposals, including reducing the scope of work and grant amounts from those requested, in order to meet current and any potential future program priorities and funding limitations.

External Review/Public Comment

The Executive Officer shall prepare the final staff report and recommendation to the Board. The staff report will include the Evaluation Panel's grant and funding recommendations, a summary of the process, scores and ranks, and the final recommended proposals in their entirety. A minimum of ten days in advance of the scheduled Conservancy Board meeting, the staff report will be posted on the Conservancy website for public review. The Conservancy's Interagency Project Development Committee may be convened to review the results and recommendations,

and, if there is interest, the Conservancy may present the recommendations to local agency water advisory committees and water management joint powers authorities.

Grant Approval

The staff report, written public comments and the notes from committee meetings will be conveyed to the Conservancy board. The Conservancy board shall make its grant award determinations by majority vote at a regularly scheduled board meeting. Applicants and members of the public will be provided the opportunity to comment prior to Board action. The Board, in its sole discretion, may require modifications to a proposal, including reducing the grant amount, may deny a grant recommended by staff, and may provide direction for further Board consideration of grant proposals at a later meeting. Following approval by the Conservancy Board, the selected grant recipients will receive a commitment letter officially notifying them of their selection and grant amount. The Conservancy Board's action will include a request to the WCB to also authorize the approved grants at their next quarterly meeting.

Projects approved for funding will be posted on the Conservancy website, www.sjrc.ca.gov .

Grant Agreement

Development of grant agreements will begin as soon as projects are approved by the Conservancy Board. Successful applicants will work with an assigned grant manager to develop the grant agreement. The applicant must agree to the *General Grant Provisions*, which will be disclosed at the time of agreement development. Agreements that are not executed within six months of the final authorization by the WCB may not be funded. In such situations, the applicant may apply through a future PSP.

Grant agreements are not executed until signed by both the authorized representatives of the grant recipient and the Conservancy. Work performed prior to receiving a notice to proceed for an executed agreement is done at the risk of the applicant and cannot be reimbursed.

Responsibility of the Grantee

The Grantee will be responsible for carrying out the work agreed to and for managing finances, including but not limited to, required reporting, invoicing, payments to subcontractors, accounting and financial auditing, and other project management duties. All costs eligible for reimbursement, and matching funds and in-kind contributions must be supported by appropriate documentation. The Grant Agreement will describe the documentation required to support cost claims. See Appendix C for State auditing requirements (WAT §79708(b-c)).

Invoicing and Payments

Reimbursement will be paid for actual costs incurred by the Grantee. Billable service cannot proceed and funds cannot be disbursed until there is an executed Grant Agreement between the Conservancy and the Grantee, and a notice to proceed. Construction cannot proceed until all required environmental permits are secured. Reimbursement will be made on a time and materials basis. The Grantee shall pay for services, products or supplies, submit an invoice with receipts and documentation that must be approved by the grant manager, and then shall be reimbursed by the Conservancy. See Appendix C for accounting and audit requirements.

Indirect Costs

Indirect cost (administrative overhead) rates are limited to 20 percent of the total Conservancy award, minus subcontractor and equipment costs. Any amount over 20 percent will not be funded but may be used as cost share. Indirect costs include but are not limited to workers compensation insurance, utilities, office space rental, phone, and copying which is directly related to completion of the proposed project. Costs for subcontractors and purchase of equipment cannot be included in the calculation of indirect costs in the overall project budget. Subcontractors' indirect costs should be reflected in the subcontractor budget and are also limited to 20 percent. The applicant must explain the methodology used to determine the rate and provide detailed calculations in support of the indirect cost rate.

Loss of Funding

Work performed under the grant agreement is subject to availability of funds through the State's normal budget process. If funding for the grant agreement is reduced, deleted, or delayed by the Budget Act or through other budget control actions, the Conservancy will have the option to either: cancel the grant agreement, offer to the Grantee a grant agreement amendment reflecting the reduced amount, or to suspend work. In the event of cancellation or suspension of work, the Conservancy shall provide written notice to the Grantee and be liable for any work completed pursuant to the agreement up to the date of the written notice and will have no liability for payment for work undertaken after such date. In the event of a suspension of work, the Conservancy may remove the suspension of work through written notice to the Grantee. The Conservancy will be liable for payment for work completed from the date of written notice of the removal of the suspension of work forward, consistent with other terms of the grant agreement. In no event will the Conservancy be liable to the Grantee for any costs or damages associated with any period of suspension invoked pursuant to this provision, nor will the Conservancy be liable for any costs in the event that, after a suspension, no funds are available and the grant agreement is then cancelled based on budget contingencies.

Actions of the State that may lead to suspension or cancellation include, but are not limited to:

- Lack of appropriated funds;
- Executive order directing suspension or cancellation of grant agreements; or
- Conservancy or California Natural Resources Agency directive requiring suspension or cancellation of grant agreements.

Actions of the Grantee that may lead to suspension or cancellation of the grant include, but are not limited to:

- Failing to execute an agreement with the Conservancy within six months;
- Withdrawing from the grant program;
- Real property cannot be acquired at State-approved fair market value;
- Losing willing seller(s);
- Failing to submit required documentation within the time periods specified in the grant agreement;

- Failing to submit evidence of environmental or permit compliance as specified by the grant agreement;
- Changing project scope, cost share, or other funding component without prior review and approval from the Conservancy; failure to provide or properly document a funding match or in-kind service commitment;
- Failure to utilize conservation corps, if such utilization is committed in the grant proposal;
- Failing to complete the project;
- Failing to demonstrate sufficient progress; or
- Failing to comply with pertinent laws.

Standard Conditions

The Conservancy will attach the *General Grant Provisions* to the grant agreement at the time the grant agreement is in development. The *General Grant Provisions* may include information regarding audits, amendments, liability insurance, and rights to data.

APPENDIX A – USEFUL WEB LINKS

SAN JOAQUIN RIVER CONSERVANCY

HOMEPAGE: WWW.SJRC.CA.GOV

California Department of Fish and Wildlife
Homepage:
https://www.wildlife.ca.gov/

Department of Conservation
Homepage:
http://www.conservation.ca.gov/Index/Pages/Index.aspx
Watershed Program:
http://www.conservation.ca.gov/dlrp/wp/Pages/Index.aspx

Department of Industrial Relations
Homepage:
http://www.dir.ca.gov/

State Water Resources Control Board
Homepage:
http://www.swrcb.ca.gov/
California Environmental Data Exchange Center:
http://ceden.org/
Surface Water Ambient Monitoring Program:
http://www.swrcb.ca.gov/water_issues/programs/swamp/

California Conservation Corps
Homepage:
http://www.ccc.ca.gov/Pages/default.aspx

California Water Action Plan
Homepage:
http://resources.ca.gov/california_water_action_plan/

CEQA Information
Summary:
https://www.wildlife.ca.gov/Conservation/CEQA/Purpose
California State Clearinghouse Handbook:
http://opr.ca.gov/docs/SCH_Handbook_2012.pdf
Environmental Information:
http://ceres.ca.gov/index.html

Climate Change Information
CDFW's Climate Science Program:
http://www.dfg.ca.gov/Climate_and_Energy/Climate_Change/
Safeguarding California: Reducing Climate Risk:

http://resources.ca.gov/docs/climate/Final_Safeguarding_CA_Plan_July_31_2014.pdf
National Fish, Wildlife, and Plants Climate Adaptation Strategy:
http://www.wildlifeadaptationstrategy.gov/pdf/NFWPCAS-Final.pdf

Enabling Legislation

Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1)
http://www.leginfo.ca.gov/pub/13-14/bill/asm/ab_1451-1500/ab_1471_bill_20140813_chaptered.pdf

NEPA Information

U.S. Environmental Protection Agency – Basic Information:
http://www.epa.gov/compliance/basics/nepa.html

Water Conservation and Efficiency Plans

U.S. Environmental Protection Agency – Water Sense:
http://www.epa.gov/WaterSense/pubs/guide.html
Alliance for Water Efficiency:
http://www.allianceforwaterefficiency.org/Water_Conservation_Planning_Introduction.aspx

Wildlife Conservation Board

Homepage:
https://www.wcb.ca.gov/

Bond Accountability Website

Homepage:
https://bondaccountability.resources.ca.gov/

APPENDIX B – GLOSSARY OF TERMS

Applicant – an entity that is formally submitting a grant application. This is the same entity that would enter into an agreement with the State should the grant be awarded. The grant applicant must be an eligible entity.

Application – an individual application package for grants pursuant to this grant program, including a detailed proposal responding to the Proposal Solicitation and any required attachments (also referred to as a "Proposal").

California Water Action Plan – a plan released by Governor Edmund G. Brown in January 2014, with the objectives of more reliable water supplies, the restoration of important species and habitat, and more resilient and sustainably managed water infrastructure. Proposition 1 provides funding to implement these objectives (WAT §79071(e)).

Disadvantaged Community – means communities meeting the definition in WAT §79505(a).

Economically Distressed Areas – means areas meeting the definition in WAT §79702(k).

Eligible costs – expenses incurred by the Grantee during the agreement performance period of an approved agreement that may be reimbursed by the Conservancy.

Eligible entity – means public agencies, nonprofit organizations, public utilities, federally recognized Indian tribes, state Indian tribes listed on the Native American Heritage Commission's California Tribal Consultation List, and mutual water companies (WAT §79712(a)).

Evaluation Criteria – a set of required and/or desired attributes used to assess the relative merits of proposals.

Evaluation Panels and advisory committees – one or more groups of representatives of the Conservancy, its member public agencies, partner agencies and entities, and technical and scientific advisors assembled to review and evaluate all complete and eligible proposals and to make funding recommendations to the San Joaquin River Conservancy Board.

Grant agreement – an agreement between the Conservancy (or the WCB on behalf of the Conservancy) and the Grantee specifying the payment of funds by the Conservancy for the performance of the project scope by the Grantee within the term of the agreement.

Grantee – refers to the applicant once funds are awarded for a proposal and a grant agreement is executed (i.e., a grant recipient).

Grantor – Wildlife Conservation Board, which administers grants on behalf of the Conservancy pursuant to budget act provisions and a memorandum of understanding. Conservancy bond funds are appropriated in the WCB budget. The WCB will ultimately be the Grantor in any grant agreement resulting from this program.

Nonprofit 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 (WAT §79702(p)).

Performance measure – a quantitative measure used to track progress toward project objectives and desired outcomes.

Project – refers to a work effort included in the proposal to be performed and accomplished by the applicant. Provided the project meets eligibility criteria, it may include land acquisition; planning, permitting, and CEQA compliance; design and working drawings; and/or construction of physical facilities and other improvements.

Proposal – refers to the detailed application submitted for a project proposed for funding (see also "Application).

Proposition 1 – "Water Quality, Supply, and Infrastructure Improvement Act of 2014" passed by California voters on November 4, 2014, and as set forth in Division 26.7 of the California Water Code. Proposition 1 authorizes the Conservancy's grant program under WAT §79731(g).

Public agency – means a state agency or department, special district, joint powers authority, city, county, city and county, or other political subdivision of the state (WAT §79702(s)).

San Joaquin River Conservancy – a regionally governed State agency established by the Legislature to develop and manage the San Joaquin River Parkway, a planned 22-mile natural and recreational area generally within the river floodplain extending from Friant Dam to California State Route 99.

San Joaquin River Conservancy jurisdictional planning area – The Conservancy may fund projects within the Parkway planning area, which is generally the river and floodplain within the 22-mile reach of the San Joaquin River between Friant Dam and State Route 99, and within the watershed immediately tributary to this reach within Fresno and Madera counties.

San Joaquin River Parkway Master Plan – documents, including a certified Environmental Impact Report, that collectively set forth the Conservancy's goals, objectives, policies, plans, and mitigation measures for developing the San Joaquin River Parkway (1997, and any approved updates). The plan encompasses land acquisition for Parkway purposes; habitat conservation and restoration; natural and cultural resources conservation; and public access, recreation, and education, compatible with the conservation of resources.

San Joaquin River Restoration Program (SJRRP) - a comprehensive long-term effort to restore flows to the San Joaquin River from Friant Dam to the confluence of Merced River and restore a self-sustaining Chinook salmon fishery in the river while reducing or avoiding adverse water supply impacts from restoration flows. The SJRRP is a direct result of a legal Settlement reached in September 2006 to provide sufficient fish habitat in the San Joaquin River below Friant Dam near Fresno, California, by the U.S. Departments of the

Interior and Commerce, the Natural Resources Defense Council, and the Friant Water Users Authority. The State of California has SJRRP obligations under the terms of the Settlement.

Technical Reviewers – individuals participating in evaluating the scientific and technical merit of proposals. These professionals may include representatives from WCB, other agencies, or other outside experts. Individuals serving as technical reviewers will be professionals in fields relevant to the proposed projects (WAT §79707(f)).

The definition of other terms pertinent to the grant program are found in Proposition 1 at WAT §79702.

APPENDIX C – GRANT ACCOUNTING AND AUDITING REQUIREMENTS

The list below details the documents/records that State Auditors would need to review in the event of a Grant Agreement being audited. Grantees should ensure that such records are maintained for each State funded Program/Project. Where applicable, this list also includes documents, which will be required for audit purposes in the grant proposal and during reporting and invoicing, relating to cost accounting for any funding match or in-kind service committed to by the Grantee.

State Audit Document Requirements

Internal Controls:

1. Organization chart (e.g. Grantee'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. State funding expenditure tracking
    e. Guidelines, policies, and procedures on State funded Program/Project
3. Audit reports of the Grantee's internal control structure and/or financial
4. Statements within the last two years.
5. Prior audit reports on State funded Program/Project.

State Funding:

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

Agreements:

1. All subcontractor and consultant contracts and related documents, if applicable.
2. Agreements between the Grantee, member agencies, and project partners as related to the State funded Program/Project.

Invoices:

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

Cash Documents:

1. Receipts (copies of warrants) showing payments received from the State.
2. Deposit slips or bank statements showing deposit of the payments received from the State.

3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, and/or agents under the Grant Agreement.

Accounting Records:

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

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

Personnel:

1. List of all contractors and Grantee staff that worked on the State funded Program/Project.
2. Payroll records including timesheets for contractor staff and the Grantee's staff

Project Files:

1. All supporting documentation maintained in the Program/Project files.
2. All Grant Agreement-related correspondence.