

Meeting Date: 8/16/2016

Report Type: Consent

Report ID: 2016-00752

Title: Agreement: Plumbing Services for Leak-Free Sacramento Program

Location: Citywide

Recommendation: Pass a Motion authorizing the City Manager or the City Manager's designee to execute a Nonprofessional Services Agreement with Southwest Environmental, Inc. to perform leak detection and repair and fixture replacement for water service customers in disadvantaged area communities, in an amount not-to-exceed \$500,000.

Contact: Michael Malone, Operations Manager, (916) 808-6226; Julie Friedman, Program Specialist, (916) 808-7898, Department of Utilities

Presenter: None

Department: Department Of Utilities

Division: Operations & Maintenance Admin

Dept ID: 14001211

Attachments:

- 1-Description/Analysis
- 2-Background
- 3-Contract

City Attorney Review

Approved as to Form
Joe Robinson
8/3/2016 5:32:27 PM

Approvals/Acknowledgements

Department Director or Designee: Bill Busath - 7/28/2016 1:15:00 PM

Description/Analysis

Issue Detail: The Department of Utilities (DOU) has established a program to assist City water service customers in disadvantaged area communities with leak detection and repair or replacement of indoor and outdoor leaky fixtures. DOU authorized repairs and fixture replacements will be paid for with the Department of Water Resources Water-Energy Grant funds of \$2.5 million awarded to the City for District Metered Areas within disadvantaged area communities (Resolution 2015-0308, September 15, 2015).

City Council authorized DOU to use a Request for Qualifications (RFQ) process to establish a pool of pre-qualified on-call plumbers to perform this work. However, after advertising, posting three weeks on the City's bid line, and making telephone calls introducing the bid opportunity to 16 local plumbers, only one Statement of Qualifications (SOQ) was received. The RFQ selection panel carefully reviewed the SOQ submitted and has determined that the submitting firm, Southwest Environmental, Inc. (SWE), is qualified to perform this work. Staff is recommending contract award to SWE.

Policy Considerations: The recommendations in this report are in accordance with the City's policy for the procurement of Nonprofessional Services, AP 4101, and the provisions of City Code Chapter 3.56, that require Council approval of nonprofessional services contracts of \$100,000 or more. "Leak-Free Sacramento" is in line with the City Water Conservation Plan adopted by City Council in October 2013 and consistent with the City Council focus area of sustainability, and supports water use reduction efforts in response to ongoing drought conditions.

Economic Impacts: None

Environmental Considerations:

The Community Development Department, Environmental Planning Services Manager has reviewed the project and has determined that the leak detection and repair activities are exempt from review under the California Environmental Quality Act (CEQA) under Section Number 15061(b)(3) of the CEQA Guidelines. The activity is covered by the general rule that CEQA applies only to projects that have the potential for causing significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

Sustainability: The proposed project is consistent with the City's Sustainability Master Plan goal by enabling DOU to protect sources of water and provide a safe and reliable water supply for the Sacramento region.

Commission/Committee Action: None

Rationale for Recommendation: On June 10, 2016, DOU issued RFQ No. Q16141071032 for Contracted Plumbers for the “Leak-Free Sacramento” Program. The project was publicly advertised and one SOQ was received and opened on July 1, 2016. A six-member selection panel evaluated the SOQ submitted by Southwest Environmental, Inc.(SWE). The panel evaluated and rated the contractor based on experience, references, expertise, and qualifications, in addition to price and ability to serve and be responsive to up to three customers per day. After this review, the panel and staff determined that the company possesses the required expertise and experience. Panel staff were very satisfied with the recommendations and performance reviews provided by SWE’s references, which included other cities and the Sacramento Regional Water Authority. All of the SOQ references provided by SWE testified that SWE delivered excellent technical expertise and a detailed understanding of their project. The contractor will be working on customer’s private property and has a high degree of experience and good customer relations skills to minimize potential issues that may arise.

Financial Considerations: The recommended leak detection, repair, and replacement program is funded by a Department of Water Resources (DWR) Water Energy Grant and no City funds will be used. The proposed agreement with Southwest Environmental is for a not-to-exceed total of \$500,000. Sufficient grant funds exist in the District Metered Area Management Grant project (G14160100) to support this reimbursement program.

Local Business Enterprise (LBE): Southwest Environmental Inc. has complied with the City’s minimum 5% LBE participation level on this contract.

Background

In 2013, the City adopted a Water Conservation Plan which includes recommendations to intensify the system-wide leak detection program to help achieve the 20 percent per capita water use reduction by 2020 mandated by the 2009 Water Conservation Act. In keeping with the Water Conservation Plan, the Department of Utilities (DOU) has been augmenting its leak detection and repair program.

On June 24, 2015, DWR announced the award to the City of Sacramento of the maximum grant amount of \$2,500,000, based on funding three to four DMAs within disadvantaged communities (DACs), to help identify existing leaks within the water distribution system, and fund both City-asset and customer-side leak repairs identified in the DACs. The DWR Water-Energy Grant award has no requirement for matching funds from the City and is a continuation of the DMA pilot project with the majority of funding to be used for the repair and replacement of leaking infrastructure in disadvantaged communities.

On September 15, 2015, City Council approved and accepted the grant to fund the DMA for Water Loss Control Project, up to the maximum grant amount of \$2,500,000 (Resolution No. 2015-0729).

The customer-side leak repair and replacement project is entitled “Leak-Free Sacramento,” and will help homeowners living in DACs to sustain and integrate water, energy, and greenhouse gas emissions reduction benefiting the City of Sacramento’s economy and environment while ensuring social equity. Through “Leak-Free Sacramento,” the 18,000 single family homeowners living within the DAC with leaky indoor or outdoor fixtures can receive free leak repairs or fixture replacement services if needed during the period of September 2016 through October 2017. In addition to conserving water and energy, “Leak Free Sacramento” may benefit homeowners by lowering their water bill due to the reduced amount of water lost.

Historically, customer-side leaks are common within the City; this repair funding program will decrease the burden on low-income area residents to fix single family property owner service-side leaks. “Leak-Free Sacramento” includes program start-up, outreach, and funding of the repairs and fixture replacements. Outreach from DOU staff includes sending postcards to the eligible City water customers who have leaks detected through Advanced Metering Infrastructure (AMI). Other outreach activities will provide information about the program to homeowners in the selected areas and to council offices that have DACs in their districts. A hotline and website will be available to customers, and customer service will be available five days during the week. Funding from the grant will last approximately 14 months and it is estimated that at least 125 service-side leak repairs for DAC-area water users will be made.

PROJECT #: G14160100-14781
PROJECT NAME: Leak-Free Sacramento Program
DEPARTMENT: Utilities
DIVISION: Operation and Maintenance

CITY OF SACRAMENTO

NONPROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made at Sacramento, California, as of _____, by and between the **CITY OF SACRAMENTO**, a municipal corporation ("CITY"), and

Southwest Environmental, Inc.
11545 Sorrento Valley Rd, Suite 315
San Diego, CA 92121
Phone: (800) 307-5700
Fax: (858) 576-9018

("CONTRACTOR"), who agree as follows:

1. **Contract.** The Contract shall consist of this Agreement and each of the following documents (if applicable), which are incorporated herein by reference.

Invitation to Bid	Contractor's Bid Proposal Form
Instructions to Bidders	Workers' Compensation Certificate
Local Business Enterprise (LBE) Requirements	Certificate(s) of Insurance
Drug-Free Workplace Policy and Affidavit	Technical Specifications
Declaration of Compliance (Equal Benefits Ordinance)	
Declaration of Compliance (Living Wage Ordinance)	

2. **Services.** Subject to the terms and conditions set forth in this Agreement, CONTRACTOR shall provide to CITY the services described in Exhibit A. CONTRACTOR shall provide said services at the time, place, and in the manner specified in Exhibit A. CONTRACTOR shall not be compensated for services outside the scope of Exhibit A unless prior to the commencement of such services: (a) CONTRACTOR notifies CITY and CITY agrees that such services are outside the scope of Exhibit A; (b) CONTRACTOR estimates the additional compensation required for these additional services; and (c) CITY, after notice, approves in writing a Supplemental Agreement specifying the additional services and amount of compensation therefor. CITY shall have no obligations whatsoever under this Agreement and/or any Supplemental Agreement, unless and until this Agreement or any Supplemental Agreement is approved by the Sacramento City Manager or the City Manager's authorized designee, or by the Sacramento City Council, as required by the Sacramento City Code.
3. **Payment.** CITY shall pay CONTRACTOR for services rendered pursuant to this Agreement at the times and in the manner set forth in Exhibit B. The payments specified in Exhibit B shall be the only payments to be made to CONTRACTOR for the services rendered pursuant to this Agreement unless pursuant to Section 1, above, CITY approves additional compensation for additional services. CONTRACTOR shall submit all billings for said services to CITY in the manner specified in Exhibit B, or, if not specified in Exhibit B, according to the usual and customary procedures and practices that CONTRACTOR uses for billing clients similar to CITY.
4. **Facilities and Equipment.** Except as set forth in Exhibit C, CONTRACTOR shall, at its sole cost and expense, furnish all facilities and equipment that may be required for furnishing services pursuant to this

Agreement. CITY shall furnish to CONTRACTOR only the facilities and equipment listed in Exhibit C according to any terms and conditions set forth in Exhibit C.

5. **General Provisions; Grant Agreement Requirements.** The General Provisions set forth in Exhibit D, that include indemnity and insurance requirements, are part of this Agreement. In the event of any conflict between the General Provisions and any terms or conditions of any document prepared or provided by CONTRACTOR and made a part of this Agreement, including without limitation any document relating to the scope of services or payment therefor, the General Provisions shall control over those terms or conditions. In addition, this Agreement is subject to the terms and requirements of the Grant Agreement between the State of California (Department of Water Resources) and the City of Sacramento, Grant No. 4600011116, attached hereto as Exhibit G and incorporated herein by this reference, including any duly approved amendments (the "Grant Agreement"). CONTRACTOR will comply with all applicable provisions of the Grant Agreement, including but not limited to the following sections of the Standard Conditions (Exhibit D) to the Grant Agreement: Sections D.5, D.15, D.18, D.23, D.24, D.25, D.26, D.28, D.30, D.31, D.38, D.40, D.48, and D.50. If there is any conflict between the Grant Agreement and any term or requirement in this Agreement, the Grant Agreement shall control over the conflicting term or requirement in this Agreement.
6. **Wage Requirements.** This Agreement is subject to the provisions of Sacramento City Code Chapter 3.58, Living Wage. The requirements of Sacramento City Code Chapter 3.58 are summarized in Exhibit E. The CONTRACTOR is required to sign the attached Declaration of Compliance (Living Wage Ordinance) to assure compliance with these requirements. In addition, for services that constitute "public works" under California Labor Code section 1720 et seq., payment of prevailing rate of wages is required as indicated in Exhibit A, Section 4 of this Agreement. If both prevailing wage and living wage requirements apply, CONTRACTOR shall pay the higher of the two rates.
7. **Non-Discrimination in Employee Benefits.** This Agreement is subject to the provisions of Sacramento City Code Chapter 3.54, Non-Discrimination in Employee Benefits by City Contractors. The requirements of Sacramento City Code Chapter 3.54 are summarized in Exhibit F. CONTRACTOR is required to sign the attached Declaration of Compliance (Equal Benefits Ordinance), to assure compliance with these requirements.
8. **Authority.** The person signing this Agreement for CONTRACTOR hereby represents and warrants that he/she is fully authorized to sign this Agreement on behalf of CONTRACTOR and to bind CONTRACTOR to the performance of its obligations hereunder.
9. **Exhibits.** All exhibits referred to herein are attached hereto and are by this reference incorporated as if set forth fully herein.

Executed as of the day and year first above stated.

CITY OF SACRAMENTO
A Municipal Corporation

By: _____

Print name: _____

Title: _____

For: John F. Shirey, City Manager

ATTEST:

City Clerk

APPROVED TO AS FORM:

City Attorney

Attachments

- Exhibit A – Scope of Service
- Exhibit B – Fee Schedule/Manner of Payment
- Exhibit C – Facilities/Equipment Provided
- Exhibit D – General Provisions
- Exhibit E – Living Wage Requirements
- Exhibit F – Non-Discrimination in Employee Benefits
- Exhibit G – Grant Agreement Number 4600011116

CONTRACTOR:

Southwest Environmental, Inc.

NAME OF FIRM

33-0573283

Federal I.D. No.

388.9008.3

State I.D. No.

1026075

City of Sacramento Business Op. Tax Cert. No.

TYPE OF BUSINESS ENTITY (*check one*):

- Individual/Sole Proprietor
- Partnership
- XXXXX Corporation (*may require 2 signatures*)
- Limited Liability Company
- Other (*please specify: _____*)

Courtney W. Booth
Signature of Authorized Person

Courtney W. Booth President
Print Name and Title

Additional Signature (*if required*)

Print Name and Title

DECLARATION OF COMPLIANCE
Living Wage Ordinance

Name of Contractor: **Southwest Environmental, Inc.**

Address: **11545 Sorrento Valley Rd, Suite 315, San Diego, CA 92121**

The above named Contractor ("Contractor") hereby declares and agrees as follows:

1. Contractor has read and understands the Living Wage Requirements (the "Requirements") attached hereto as Exhibit E.
2. As a condition of receiving this Contract, Contractor agrees to fully comply with the Requirements, as well as any additional requirements that may be specified in the City of Sacramento's Living Wage Ordinance codified at Chapter 3.58 of the Sacramento City Code (the "Ordinance"). If required by the Ordinance, Contractor will pay not less than the minimum compensation specified in the Ordinance to Contractor's employees, for all time spent performing any work under this Contract.
3. If the amount of this Contract is less than \$100,000, as a condition of receiving this Contract, Contractor will notify the City of Sacramento ("City") in writing if the aggregate value of this Contract and of any other Nonprofessional Services contract(s) covered by the Ordinance that the City has awarded to Contractor within the previous 12 months, is \$100,000 or more.
4. Contractor acknowledges and agrees that the Requirements, the Ordinance and this Declaration shall constitute part of this Contract, and that these provisions shall govern in the event of any conflict with any other provisions of the Contract.
5. Contractor further acknowledges and agrees that any violation of the Requirements or the Ordinance constitutes a material breach of this Contract, and that, if such a breach occurs, the City will be authorized to terminate the Contract, and pursue all available legal and equitable remedies.
6. If requested by the City, Contractor will promptly submit certified payroll records to the City, for itself and/or for Contractor's subcontractor(s), as requested by the City, and Contractor will take any other steps as may be required by the City to determine whether Contractor's subcontractor(s) or Contractor have complied with the Requirements and the Ordinance.
7. Contractor will require all of its subcontractors who are covered by these requirements to comply with the Requirements and any additional requirements that may be specified in the Ordinance, and Contractor will include these requirements in all subcontracts covered by the Ordinance.
8. Contractor agrees to defend, indemnify and hold harmless the City, its officers and employees against any claims, actions, damages, costs (including reasonable attorney fees) or other liabilities of any kind arising from any violation of the Requirements or the Ordinance by Contractor or by any subcontractor retained to perform work or provide services under this Contract.

The undersigned declares under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that he or she is authorized to bind the Contractor to the provisions of this Declaration.

Courtney W. Booth
Signature of Authorized Representative

Date: 8.10.16

Print Name: **Courtney Booth**

Title: **President**

**DECLARATION OF COMPLIANCE
Equal Benefits Ordinance**

Name of Contractor: **Southwest Environmental, Inc.**

Address: **11545 Sorrento Valley Rd, Suite 315, San Diego, CA 92121**

The above named Contractor ("Contractor") hereby declares and agrees as follows:

1. Contractor has read and understands the Requirements of the Non-Discrimination In Employee Benefits Code (the "Requirements") attached hereto as Exhibit F.
2. As a condition of receiving this Contract, Contractor agrees to fully comply with the Requirements, as well as any additional requirements that may be specified in the City of Sacramento's Non-Discrimination In Employee Benefits Code codified at Chapter 3.54 of the Sacramento City Code (the "Ordinance").
3. Contractor understands, to the extent that such benefits are not preempted or prohibited by federal or state law, employee benefits covered by the Ordinance are any of the following:
 - a. Bereavement Leave
 - b. Disability, life, and other types of insurance
 - c. Family medical leave
 - d. Health benefits
 - e. Membership or membership discounts
 - f. Moving expenses
 - g. Pension and retirement benefits
 - h. Vacation
 - i. Travel benefits
 - j. Any other benefit offered to employees

Contractor agrees that if Contractor offers any of the above-listed employee benefits, Contractor will offer those benefits, without discrimination between employees with spouses and employees with domestic partners, and without discrimination between the spouses and domestic partners of such employees.

4. Contractor understands that Contractor will not be considered to be discriminating in the provision or application of employee benefits under the following conditions or circumstances:
 - a. If the actual cost of providing a benefit to a domestic partner or spouse exceeds the cost of providing the same benefit to a spouse or domestic partner of an employee, Contractor will not be required to provide the benefit, nor shall it be deemed discriminatory, if Contractor requires the employee to pay the monetary difference in order to provide the benefit to the domestic partner or to the spouse.
 - b. If Contractor is unable to provide a certain benefit, despite taking reasonable measures to do so, if Contractor provides the employee with a cash equivalent Contractor will not be deemed to be discriminating in the application of that benefit.

- c. If Contractor provides employee benefits neither to employee's spouses nor to employee's domestic partners.
 - d. If Contractor provides employee benefits to employees on a basis unrelated to marital or domestic partner status.
 - e. If Contractor submits written evidence of making reasonable efforts to end discrimination in employee benefits by implementing policies that will be enacted before the first effective date after the first open enrollment process following the date this Agreement is executed by the City of Sacramento ("City"). Contractor understands that any delay in the implementation of such policies may not exceed one (1) year from the date this Agreement is executed by the City, and applies only to those employee benefits for which an open enrollment process is applicable.
 - f. Until administrative steps can be taken to incorporate nondiscrimination in employee benefits. The time allotted for these administrative steps will apply only to those employee benefits for which administrative steps are necessary and may not exceed three (3) months from the date this Agreement is executed by the City.
 - g. Until the expiration of a current collective bargaining agreement(s) if employee benefits are governed by such collective bargaining agreement(s).
 - h. Contractor takes all reasonable measures to end discrimination in employee benefits by either requesting that the union(s) involved agree to reopen the agreement(s) in order for Contractor to take whatever steps are necessary to end discrimination in employee benefits or by ending discrimination in employee benefits without reopening the collective bargaining agreement(s).
 - i. In the event Contractor cannot end discrimination in employee benefits despite taking all reasonable measures to do so, Contractor provides a cash equivalent to eligible employees for whom employee benefits are not available. Unless otherwise authorized in writing by the City Manager, Contractor understands this cash equivalent must begin at the time the union(s) refuse to allow the collective bargaining agreement(s) to be reopened or not longer than three (3) months after the date this Agreement is executed by the City.
5. Contractor understands that failure to comply with the provisions of Section 4(a) through 4(i), above, will subject Contractor to possible suspension and/or termination of this Agreement for cause; repayment of any or all of the Agreement amount disbursed by the City; debarment for future agreements until all penalties and restitution have been paid in full and/or for up to two (2) years; and/or the imposition of a penalty, payable to the City, in the sum of \$50.00 for each employee, for each calendar day during which the employee was discriminated against in violation of the provisions of the Ordinance.
6. Contractor understands and agrees to provide notice to each current employee and, within ten (10) days of hire, to each new employee, of their rights under the Ordinance. Contractor further agrees to maintain a copy of each such letter provided, in an appropriate file for inspection by

authorized representatives of the City. Contractor also agrees to prominently display a poster informing each employee of these rights.

7. Contractor understands that Contractor has the right to request a waiver of, or exemption from, the provisions of the Ordinance by submitting a written request to the City's Procurement Services Division prior to Agreement award, which request shall identify the provision(s) of the Ordinance authorizing such waiver or exemption and the factual basis for such waiver or exemption. The City shall determine in its sole discretion whether to approve any such request.
8. Contractor agrees to defend, indemnify and hold harmless, the City, its officers and employees, against any claims, actions, damages, costs (including reasonable attorney fees), or other liabilities of any kind arising from any violation of the Requirements or of the Ordinance by Contractor.

The undersigned declares under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that he or she is authorized to bind the Contractor to the provisions of this Declaration.



Signature of Authorized Representative

Date: 8.10.16

Print Name: **Courtney Booth**

Title: **President**

EXHIBIT A

NONPROFESSIONAL SERVICES AGREEMENT

SCOPE OF SERVICES

1. Representatives.

The CITY Representative for this Agreement is:

Julie Friedman, Program Specialist
5730 24th Street Bldg # 8
Sacramento, CA 95822
Phone: (916) 808-7898
Fax: (916) 421-4596
Email: JFriedman@cityofsacramento.org

All CONTRACTOR questions pertaining to this Agreement shall be referred to the CITY Representative or the Representative's designee.

The CONTRACTOR Representative for this Agreement is:

Southwest Environmental, Inc.
11545 Sorrento Valley Rd, Suite 315
San Diego, CA 92121
Phone: (800) 307-5700
Fax: (858) 576-9018
Email: cbooth@swe-inc.com

All CITY questions pertaining to this Agreement shall be referred to the CONTRACTOR Representative. All correspondence to CONTRACTOR shall be addressed to the address set forth on page one of this Agreement. Unless otherwise provided in this Agreement, all correspondence to the CITY shall be addressed to the CITY Representative.

2. Scope of Services.

The services provided shall be as set forth in Attachment 1 to Exhibit A, attached hereto and incorporated herein.

3. Time of Performance. The services described herein shall be provided during the period, September 1, 2016 through October 31, 2017

4. Prevailing Wage Requirement. *[To be completed by the City Representative:]*

The services provided under this Agreement constitute "public works" under California Labor Code section 1720 et seq. and are either **[check one if applicable]:**

_____ Construction work in an amount exceeding \$25,000; or

XXXX

Alteration, demolition, repair or maintenance work in an amount exceeding \$15,000.

If either line is checked above, this Agreement is subject to the provisions of Sacramento City Code section 3.60.180 which requires, among other things, that CONTRACTOR pay not less than the prevailing rate of wages as determined by the Director of the California Department of Industrial Relations pursuant to California Labor Code section 1773. If payment of the prevailing rate of wages is required, CONTRACTOR and every lower-tier subcontractor shall submit certified payroll and labor compliance documentation electronically when and as required by CITY. CONTRACTOR is responsible for compliance with Sacramento City Code section 3.60.180, and shall include these requirements in every subcontract or subagreement. This Agreement is subject to compliance monitoring and enforcement by the California Labor Code section 1771.4.

Attachment 1 to Exhibit A

Leak-Free Sacramento Scope of Services

2016-2017

The Department of Utilities (DOU) Leak-Free Sacramento program is designed to help disadvantaged area communities (DACs) single family residential homeowners with leak repairs. Through this Program, the DOU is pleased to have the support of the Department of Water Resources Water Energy Grant to aide with sustaining and integrating water, energy and greenhouse gas emissions reduction, helping the City of Sacramento's economy and environment while ensuring social equity. The following policy sets forth all requirements to be met prior to assistance being provided.

Program Qualifications

Qualifications for participation in the Leak-Free Sacramento Program (Program) are contingent upon applicants meeting the following criteria:

- Live within the one of the DAC areas.
 - The City will only promote to targeted customers in this area with irregular water use.
- Residential Class Customer(s)
 - Single family residential dwellings.
- Customer(s) applying for plumbing assistance is considered a homeowner for purposes of this program only if they:
 - Own both the home and the land on which the home rests (mobile homes in a mobile park that owns all the land are common example of homes not eligible for assistance).
 - Are the permanent resident(s) in the home for which plumbing assistance is needed.
- Plumbing assistance will **not** be rendered if such assistance will result in hazardous environmental conditions or allow an existing hazardous environmental condition to continue. If a hazardous environmental condition is found, such as mold, asbestos, lead it must be abated per the applicable regulations.
- Home must be habitable and safe for occupation to be eligible for services. Examples of circumstances that would make a home not eligible include areas open to the outside, lack of complete roofing, floors that are too unstable for toilets to be seated properly or a home settled from its original support structure in a way that makes work on it unsafe. If the contracted plumber notes concern regarding structural stability or general safety of the home, it will be assessed by the DOU Program staff and referred to City of Sacramento Code Compliance as needed.
- Homeowner must be qualified by living within a DAC and be a DOU water customer. The customer(s) must verify permanent residency by identification, current utility bill, and tax return or deed to the home.

Program Procedures for DOU Program Staff

Applicants are verified and approved by DOU through the following process:

1. Program participants generally learn about the Program through a postcard that the DOU will mail out to residences with leaks detected from the AMI (Advanced Metering Infrastructure) system. Upon learning about the program, the customer is referred to a hotline or email address and will contact DOU Program staff to verify that they are qualified for this program. Homeowners will provide DOU Program staff with their contact number and address, and once approved, DOU Program staff will refer them to the Leak-Free Sacramento web site to obtain an application or they will be mailed an application.
2. Once DOU Program staff receive the customer's application they will verify all documentation needed for approval:
 - Identification cards
 - Proof of residency (can be a piece of mail or electricity bill)
 - Proof of home ownership (showing client's name) (i.e. taxes or house deed)
3. Once an applicant is qualified, DOU Program staff will give the customer a confirmation number. They will enter the customer's information into a secure spreadsheet. The list will include the client's name, address, phone number and water account number, and a description of the nature of the problem if applicable. Approval with a confirmation number does not guarantee any repairs. Repairs must be justified by the contracted plumber and final approval must be made by DOU Program staff.
4. The DOU Program staff will send the confirmation number and the customer's information to the contracted plumber in a pdf "work order" via email.
5. The contracted plumber will contact the customer directly to schedule a service call.

Homeowner Qualification Period

Homeowners remain qualified for a 30 day period after initial approval for one service call for all repairs. After this time period has expired, and no repairs are completed, the homeowner must re-qualify through the DOU Program staff before any services through the program will be rendered. Customers MAY NOT call the contracted plumber directly to schedule additional work even if repairs were made under the program in the past.

Customers may be disqualified from the program, if at any point during the one month period DOU learns of a change in status of any of the qualifying criteria. For example, if a customer is qualified for the Program but a month later or so rents out their house. In this case they no longer reside in the home needing assistance and are ineligible to receive service.

A customer may also be disqualified if they are non-responsive to contact efforts by DOU Program staff or by the contracted plumber to schedule an appointment for a pre-inspection and repair or replacement service. In the case where DOU Program staff and/or the contracted plumber attempted contact by phone or written letter a total of three (3) times or more, the circumstances will be reviewed on a case-by-case basis by DOU Program staff on whether or not to continue to make contact.

Scope of Services

The contracted plumber will be responsible for coordinating with DOU Program staff in obtaining the approved list of participants who qualify for the program. The list will have the participant's information along with their identified plumbing problems to be verified by the contracted plumber. The contracted plumber will be responsible for contacting participants and setting an appointment time for repairs to be made within a one-week period of receiving notice from DOU. Repairs must be made within five (5) business days of initial inspection, unless DOU Program staff approves otherwise.

Prior to commencing work at the customer's address, the contracted plumber will be responsible for obtaining a signed Leak-Free Sacramento Leak Detection and Repair Agreement form before work begins. This form must be signed by the customer/homeowner, contracted plumber and DOU Program staff. The DOU Program staff does not need to sign off on work prior to completion if the total amount of repairs is less than \$200. The contracted plumber will be responsible for assessing the working situation prior to initiating work to ensure that repairs and/or retrofits can be properly accomplished. The assessment should include determining any structural weaknesses or any potential problems that will prohibit the repairs from being accomplished. In addition, if a contracted plumber deems the situation, prior to starting the repairs, as a threat to health, safety, and welfare, for the contracted plumber or the customer, the contracted plumber will be allowed to refuse to perform the services with proper notice to the DOU.

- The DOU will only address potable water leaks; drain line or other problems that take sewer water to sewer lines is not qualified.
- The contracted plumber is to make every attempt to repair a leak before replacement of a part is determined. If the contracted plumber believes that any repair of a fixture will be short-lived due to the condition of the fixture, they should consult with the DOU program staff about whether to perform a replacement service.
- Cosmetic or structural repairs may be made by the contracted plumber's sub-contractor.
- All plumbing work is scheduled and completed through a contracted plumber, and approved through the Program staff.
- Contracted Plumber must have appropriate identification showing that they are working with Leak-Free Sacramento when visiting a customer's home

Approved Plumbing Repairs

The following includes, but is not limited to, repairs that can be made through the program:

1. **Toilets** – Contracted plumber will be responsible for repairing toilets, if a repair is impossible or if a high-flow toilet (greater than 1.6 gallons per flush) is found in the client's residence, it can be replaced with a new High Efficiency Toilet. The Contracted plumber must use toilets approved by the DOU and all invoices must reflect this or they will not be compensated. The cost of replacement of all toilets will be coordinated by DOU Program staff with the Regional Water Authority and their Toilet Replacement Program.
- Contracted plumber shall provide a set price in the attached Estimated Plumbing Costs Form for the removal and retrofit of an existing high flow toilet to include **ALL labor**, foreseen or unforeseen, excluding flange repair or replacement only.

- Contracted plumber shall provide a set price in the attached Estimated Plumbing Costs Form for toilet flange replacements to include **ALL labor**, foreseen or unforeseen.
- Repair will include the removal and replacement of the fill valve, flapper, flapper stand pipe, seating area, and tank to bowl gasket with new bolts.
- High flow toilets may be replaced with High Efficiency Toilets.
- Low flow toilets (less than 1.6 gallons per flush) may not be replaced with High Efficiency Toilets.
 - If a low flow toilet already exists at the location, repairs are to be made to ensure proper working condition.
 - The only exception to this policy is if a low flow toilet is non-repairable, then a low flow toilet may be replaced with a new High Efficiency Toilet upon approval from DOU Program staff.
 - Major Cosmetic Repairs will be determined by the DOU if eligible and non-standard interior parts that must be ordered will be determined by the DOU if eligible.
 - The contracted plumber must obtain prior authorization from the DOU.
- If the homeowner has a documented need for ADA compliant toilets or is 65 years of age or older, ADA toilets can be installed as a replacement for existing high flow toilets only. Existing low flow toilets (less than 1.6 gallons per flush) are not eligible for ADA retrofit. Unless the existing low flow toilet is unrepairable, then it can be replaced with ADA retrofit. DOU Program staff must verify this.
- Toilets will not be replaced if the flooring of the lavatory or other structural problems prohibits the replacement of the toilet.

3. Lavatory Faucets – Contracted plumber shall provide a set price in the attached Estimated Plumbing Costs Form for the removal and replacement of an existing lavatory faucet assembly to include **ALL labor**, foreseen or unforeseen.

- New lavatory faucet assembly must include 1.0 gallon per minute aerators

4. Kitchen Faucets – Contracted plumber shall provide a set price in the attached Estimated Plumbing Costs Form for the removal and replacement of an existing kitchen faucet assembly to include **ALL labor**, foreseen or unforeseen.

- New kitchen faucet assembly must include 1.5 gallon per minute aerators.

5. Shower/Tub valves- Contracted plumber shall provide a set price in the attached Estimated Plumbing Costs Form for the removal and replacement of an existing single handle or existing two-handle Tub/Shower valve or Tub diverter valve assembly to include **ALL labor**, foreseen or unforeseen.

- New Tub/Shower valve assembly must be low-flow certified.

6. Hose Bibbs- Contracted plumber shall provide a set price in the attached Estimated Plumbing Costs Form for the removal and replacement of existing outside hose bibb assemblies to include **ALL labor**, foreseen or unforeseen.

7. Other Repairs – Contracted plumber shall provide a standard flat rate in the attached Estimated Plumbing Costs Form for all repairs outside of the aforementioned services listed in this RFQ including:

- **Water Heaters**
- **Water Service Lines**
- **Water Lines Within the Home**
 - Contracted plumber will complete limited repairs to water lines within the home. They will not break into foundations for repairs, but may assess options for rerouting water lines when feasible.

- All replacement material/fixtures **must** be approved and meet the requirements of the DOU.
- Contracted plumber must provide a purchase invoice for materials purchased for plumbing services.

8. Aerators and Showerheads- As part of the site visit, Contracted plumber shall be responsible for replacing all kitchen faucet aerators with 1.5 gallon per minute (GPM) aerators; all lavatory faucet aerators with 1.0 GPM aerators; and all showerheads with 1.5 GPM or 1.75 GPM flows are to be provided by the contracted plumber. Contracted plumber shall provide a set price in the attached Estimated Plumbing Costs Form for these replacements on a per unit cost basis for each fixture installed.

Contracted Plumber Work Process

The contracted plumber must contact the customer directly to schedule a service call and utilize the work process described below. The contracted plumber is required to complete the required forms before actual work begins at the property and also upon completion. The DOU reserves the right to change the contracted plumber assignments for any assigned project prior to the commencement of work at no cost to the DOU.

DOU Leak-Free Sacramento Work Authorization Form:

Prior to beginning work, the contracted plumber must:

- Document the work anticipated to be done at the property with the estimate for the total cost of the repairs or replacement, and obtain the customer's signature on the Leak-Free Sacramento Work Authorization Form.
- Provide the original to DOU Program staff.
- If the customer does not want to sign the form (which includes the Homeowner's Waiver of Damages), the contracted plumber's repairs or replacement cannot be made. The contracted plumber should ask the customer to discuss their concerns immediately with DOU Program staff if the customer is unwilling to sign.

DOU Leak-Free Sacramento Leak Detection and Repair Agreement

- Prior to any troubleshooting and leak repairs by the contracted plumber requiring removal of building materials, the contracted plumber will have the homeowner sign the Leak-Free Sacramento Leak Detection and Repair Agreement which removes DOU liability for property damage and provide a copy to DOU Program staff.

DOU Leak-Free Sacramento Work Completion Form

- Upon job completion, the contracted plumber must have the customer sign the Leak-Free Sacramento Work Completion Form. If any additional work was necessary and was not originally listed on the Leak-Free Sacramento Work Authorization Form, it is required for the contracted plumber to list the additional work on the form as long as it has been approved by Program staff.
- If the contracted plumber discovers that more work is needed, approval can be done via a phone call to DOU Program staff. The time and date of phone call approval needs to be documented along with name of staff that approved it.

The contracted plumber is required to leave a copy of the signed Leak-Free Sacramento Work Authorization Form and Leak-Free Sacramento Work Completion Form with the customer. A copy of the signed Leak-Free Sacramento Leak Detection and Repair Agreement should also be left with the customer when applicable.

It is the responsibility of the contracted plumber to complete the Leak-Free Sacramento forms. A completed and signed copy of each form with original signatures is required to be submitted to DOU Program staff with the contracted plumber's invoice. No payment from the DOU will be made to the contracted plumber prior to the receipt of these forms.

Cost Schedule for Repairs

The following is a cost schedule established for invoices submitted by the contracted plumber through the program:

- Contracted plumber will provide information one day in advance to DOU Program staff on all scheduled Leak-Free Sacramento appointments for service. This will facilitate inspection visits that DOU staff may choose to make at any time to assure high quality service and accurate assessment of repair challenges.
- Repairs under \$200 – the contracted plumber is authorized to make these repairs without prior approval from the DOU, but must complete all pertinent forms (discussed above) and take photos for pre- and post-repair for documentation of work completed.
- Repairs over \$200— requires prior approval from the DOU before contracted plumber can make repairs. The contracted plumber will contact the DOU Program staff to request and receive authorization of repairs and must complete all pertinent forms (discussed above) and take photos for pre- and post-repair for documentation of work completed.
- Repairs estimated over \$1,000 require the contracted plumber to provide a line item cost estimate of repairs along with DOU prior approval, and photo documentation. Authorization can be given by the DOU Program staff and a DOU site visit may be required.
- Repair estimates over \$2,000 or repairs/issues with unusual circumstances - the DOU Program staff will require the Administrator's advice and/or approval before work authorization is given to the contracted plumber. A DOU site visit must be completed prior to authorization given.
- Repairs may be made up to a value of \$4,000, but not more.
- If a contracted plumber submits an invoice and the amount exceeds the authorized amount and prior approval was not received, then the contracted plumber will submit the invoice for the appropriate authorized amount only.
- Work should be completed within normal business hours - Monday through Friday, five days per week. DOU will not approve overtime unless prior approval is obtained by the contracted plumber for an emergency that requires the customer's water to be shut-off for an extended period of time due to property damage.

Generating Leak-Free Sacramento Work Orders

1. DOU Program staff will verify customer eligibility for the Program:
 - Customer lives in a DAC
 - Customer owns their home and lives in residence

2. DOU Program staff will check the Program database to find out if the property has ever qualified for Program assistance in the past. They will enter into the Program database:
 - First name
 - Last name
 - Street Number
 - Street Name
 - Zip Code
 - Home Phone Number
 - Alternate Number, if listed

3. DOU Program staff will generate a Leak-Free Sacramento Work Order
 - Customer Description—type of leaks or problems (if applicable)
 - Date Received—the date the Leak-Free Sacramento application is received
 - Date Assigned—the date a contracted plumber is assigned
 - Contracted Plumber Assigned—name of contracted plumber
 - Customer is 65 years of age or older or qualifies for ADA compliance (Toilet Replacement)

4. DOU Program staff will email the contracted plumber with a referral spreadsheet of qualified work orders for customers. These can come in during any business day of the week and include any range of Program referrals.

The homeowner name on the DOU Program staff referral spreadsheet must match the name on the Program database.

Contracted plumber contacted directly by homeowner is required to notify DOU Program staff and get approval before scheduling an appointment.

Invoicing

1. Upon receipt of contracted plumber invoice for payment, Program staff will review and approve all invoices submitted through the Leak-Free Sacramento Program. The following steps are taken to process the invoices:
 - Staff reviews content of invoices to ensure proper billing. Contracted plumber is not to bill DOU for travel time to obtain standard items. If these charges are included, the invoice will not be approved and will be returned to the contracted plumber for correction.
 - Once approved for payment, the invoice will be sent over to DOU's Business and Integrated Planning (BIP) division.
 - DOU's BIP will give final approval and send out payment.

Processing Plumbing Invoices

The contracted plumber, upon the completion of repairs, will submit an invoice for payment. Along with the invoice the contracted plumber should include the original copy of the following:

- Leak-Free Sacramento Work Authorization Form
- Leak-Free Sacramento Work Completion Form
- Copy of Original Invoice from Plumbing Company
- Program Leak Detection and Repair Agreement (if applicable)

If a contracted plumber submits an incomplete Authorization and Completion Form, DOU will not remit payment for these repairs.

It is the responsibility of the plumbing company to complete the Work Authorization Form and Work Completion Form including customer signatures at the appointment. Failure to do so will cause a delay, and in some cases the refusal of, payment to the contracted plumbing company by DOU for the submitted invoice for Program repairs.

Once the invoice has been reviewed and approved by Program staff, the information must be updated in the Program database. Once all information is updated, the invoice is then submitted to the DOU BIP for payment processing.

The contracted plumber will receive payment from DOU within eight weeks.

EXHIBIT B

NONPROFESSIONAL SERVICES AGREEMENT

FEE SCHEDULE/MANNER OF PAYMENT

1. **CONTRACTOR's Compensation.** The total of all fees paid to the CONTRACTOR for the performance of all services set forth in Exhibit A, including normal revisions (hereafter the "Services"), and for all authorized Reimbursable Expenses, shall not exceed the total sum of **\$500,000.00**.
2. **Billable Rates.** CONTRACTOR shall be paid for the performance of Services as set forth in Attachment 1 to Exhibit B, attached hereto and incorporated herein.
3. **CONTRACTOR's Reimbursable Expenses.** Reimbursable Expenses shall be limited to actual expenditures of CONTRACTOR for expenses that are necessary for the proper completion of the Services and shall only be payable if specifically authorized in advance by CITY.
4. **Payments to CONTRACTOR.**
 - A. Payments to CONTRACTOR shall be made within a reasonable time after receipt of CONTRACTOR's invoice, said payments to be made in proportion to services performed or as otherwise specified in Attachment 1 to Exhibit B. CONTRACTOR may request payment on a monthly basis. CONTRACTOR shall be responsible for the cost of supplying all documentation necessary to verify the monthly billings to the satisfaction of CITY.
 - B. All invoices submitted by CONTRACTOR shall contain the following information:
 - (1) Job Name
 - (2) Description of services billed under this invoice, and overall status of project
 - (3) Date of Invoice Issuance
 - (4) Sequential Invoice Number
 - (5) CITY's Purchase Order Number
 - (6) Total Contract Amount
 - (7) Amount of this Invoice (Itemize all Reimbursable Expenses)
 - (8) Total Billed to Date
 - (9) Total Remaining on Contract
 - (10) Updated project schedule. This shall identify those steps that shall be taken to bring the project back on schedule if it is behind schedule.
 - C. Items shall be separated into Services and Reimbursable Expenses. Billings that do not conform to the format outlined above shall be returned to CONTRACTOR for correction. CITY shall not be responsible for delays in payment to CONTRACTOR resulting from CONTRACTOR's failure to comply with the invoice format described below.

D. Requests for payment shall be sent to:

5730 24th Street Bldg # 8

Sacramento, CA 95822

Phone: (916) 808-7898

Fax: (916) 421-4596

Email: JFriedman@cityofsacramento.org

Attn: Julie Friedman, Program Specialist

5. **Additional Services.** Additional Services are those services related to the scope of services of CONTRACTOR set forth in Exhibit A but not anticipated at the time of execution of this Agreement. Additional Services shall be provided only when a Supplemental Agreement authorizing such Additional Services is approved by CITY in accordance with CITY's Supplemental Agreement procedures. CITY reserves the right to perform any Additional Services with its own staff or to retain other contractors to perform said Additional Services.
6. **Accounting Records of CONTRACTOR.** During performance of this Agreement and for a period of three (3) years after completing all Services and Additional Services hereunder, CONTRACTOR shall maintain all accounting and financial records related to this Agreement, including, but not limited to, records of CONTRACTOR's costs for all Services and Additional Services performed under this Agreement and records of CONTRACTOR's Reimbursable Expenses, in accordance with generally accepted accounting practices, and shall keep and make such records available for inspection and audit by representatives of the CITY upon reasonable written notice.
7. **Taxes.** CONTRACTOR shall pay, when and as due, any and all taxes incurred as a result of CONTRACTOR's compensation hereunder, including estimated taxes, and shall provide CITY with proof of such payment upon request. CONTRACTOR hereby agrees to indemnify CITY for any claims, losses, costs, fees, liabilities, damages or injuries suffered by CITY arising out of CONTRACTOR's breach of this Section 7.

Attachment 1 to Exhibit B

Leak Free Sacramento: Estimated Plumbing Costs Form

(WS) WaterSense approved products (currently EPA approved WaterSense products are limited to bathroom faucets, showerheads and toilets)

		Repair	Replace	Reroute
Kitchen	Sinks	\$ L&M	\$ L&M	
	Faucets	\$ 110	\$ 285*	
	Aerators	\$ N/A	\$ 18	
	Disposal Leak	\$ 110	\$ 425	
Lavatory	Bathtubs	\$ L&M	\$ L&M	
	Shower Heads (WS)	\$ N/A	\$ 35	
	Sink Faucets (WS)	\$ 110	\$ 260*	
	Bathtub Faucets	\$ 110	\$ 360*	
	Toilets (WS)	\$ 110	\$ 485	
	Sinks	\$ L&M	\$ L&M	
	Tub and Shower Valves	\$ 110	\$ 375***	
Large Parts	Water Heaters (Gas)	\$ 130	\$ 1,300**	
	Water Heaters (Elec)	\$ 130	\$ 1,550**	
Small Parts	Hose Bibbs		\$ 195	
	Quarter-Turn Angle Valves		\$ 85	
Miscellaneous	Supply Line	\$ 35		
	Leak in Wall	\$ L&M		
	Slab or Home Exterior Leak	\$ L&M		\$ L&M
	Irrigation System	\$ L&M		

L&M: Items denoted L&M will be repaired/replaced on a Labor and Materials basis. Each of these items will have unique circumstances and different fixture styles. We are not able to estimate on a per unit basis.

* Kitchen, Lavatory and Bathtub Faucets will only be standard fixtures.

** Pricing is for standard 40 gallon Water Heaters.

*** Excludes time and /or structural demolition and replacement if required.

Page 27 of the RFQ requested pricing for toilet flange repair. Estimate for toilet flange repair is \$125 each.

Estimate for toilet flange replacement is \$350 each.

EXHIBIT C

NONPROFESSIONAL SERVICES AGREEMENT

FACILITIES AND EQUIPMENT TO BE PROVIDED BY CITY

CITY shall *[check one]*

 XXX Not furnish any facilities or equipment for this Agreement; or

 Furnish the following facilities or equipment for the Agreement *[list, if applicable]*:

EXHIBIT D

NONPROFESSIONAL SERVICES AGREEMENT

GENERAL PROVISIONS

1. Independent Contractor.

- A. It is understood and agreed that CONTRACTOR (including CONTRACTOR's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto for any purpose whatsoever. Neither CONTRACTOR nor CONTRACTOR's assigned personnel shall be entitled to any benefits payable to employees of CITY. CITY is not required to make any deductions or withholdings from the compensation payable to CONTRACTOR under the provisions of this Agreement, and CONTRACTOR shall be issued a Form 1099 for its services hereunder. As an independent contractor, CONTRACTOR hereby agrees to indemnify and hold CITY harmless from any and all claims that may be made against CITY based upon any contention by any of CONTRACTOR's employees or by any third party, including but not limited to any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Agreement or by reason of the nature and/or performance of any Services under this Agreement. (As used in this Exhibit D, the term "Services" shall include both Services and Additional Services as such terms are defined elsewhere in this Agreement.)
- B. It is further understood and agreed by the parties hereto that CONTRACTOR, in the performance of its obligations hereunder, is subject to the control and direction of CITY as to the designation of tasks to be performed and the results to be accomplished under this Agreement, but not as to the means, methods, or sequence used by CONTRACTOR for accomplishing such results. To the extent that CONTRACTOR obtains permission to, and does, use CITY facilities, space, equipment or support services in the performance of this Agreement, this use shall be at the CONTRACTOR's sole discretion based on the CONTRACTOR's determination that such use will promote CONTRACTOR's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Agreement, the CITY does not require that CONTRACTOR use CITY facilities, equipment or support services or work in CITY locations in the performance of this Agreement.
- C. If, in the performance of this Agreement, any third persons are employed by CONTRACTOR, such persons shall be entirely and exclusively under the direction, supervision, and control of CONTRACTOR. Except as may be specifically provided elsewhere in this Agreement, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by CONTRACTOR. It is further understood and agreed that CONTRACTOR shall issue W-2 or 1099 Forms for income and employment tax purposes, for all of CONTRACTOR's assigned personnel and subcontractors.
- D. The provisions of this Section 1 shall survive any expiration or termination of this Agreement. Nothing in this Agreement shall be construed to create an exclusive relationship between CITY and CONTRACTOR. CONTRACTOR may represent, perform services for, or be employed by such additional persons or companies as CONTRACTOR sees fit provided that CONTRACTOR does not violate the provisions of Section 5, below.

2. **Licenses; Permits, Etc.** CONTRACTOR represents and warrants that CONTRACTOR has all licenses, permits, City Business Operations Tax Certificate, qualifications, and approvals of whatsoever nature that are legally required for CONTRACTOR to practice its profession or provide any services under the Agreement. CONTRACTOR represents and warrants that CONTRACTOR shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, and approvals

that are legally required for CONTRACTOR to practice its profession or provide such Services. Without limiting the generality of the foregoing, if CONTRACTOR is an out-of-state corporation, CONTRACTOR warrants and represents that it possesses a valid certificate of qualification to transact business in the State of California issued by the California Secretary of State pursuant to Section 2105 of the California Corporations Code.

3. **Time.** CONTRACTOR shall devote such time and effort to the performance of Services pursuant to this Agreement as is necessary for the satisfactory and timely performance of CONTRACTOR's obligations under this Agreement. Neither party shall be considered in default of this Agreement, to the extent that party's performance is prevented or delayed by any cause, present or future, that is beyond the reasonable control of that party.
4. **CONTRACTOR Not Agent.** Except as CITY may specify in writing, CONTRACTOR and CONTRACTOR's personnel shall have no authority, express or implied, to act on behalf of CITY in any capacity whatsoever as an agent. CONTRACTOR and CONTRACTOR's personnel shall have no authority, express or implied, to bind CITY to any obligations whatsoever.
5. **Conflicts of Interest.** CONTRACTOR covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, that would conflict in any manner with the interests of CITY or that would in any way hinder CONTRACTOR's performance of Services under this Agreement. CONTRACTOR further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor, without the written consent of CITY. CONTRACTOR agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the interests of CITY at all times during the performance of this Agreement. If CONTRACTOR is or employs a former officer or employee of the CITY, CONTRACTOR and any such employee(s) shall comply with the provisions of Sacramento City Code Section 2.16.090 pertaining to appearances before the City Council or any CITY department, board, commission or committee.
6. **Confidentiality of CITY Information.** During performance of this Agreement, CONTRACTOR may gain access to and use CITY information regarding inventions, machinery, products, prices, apparatus, costs, discounts, future plans, business affairs, governmental affairs, processes, trade secrets, technical matters, systems, facilities, customer lists, product design, copyright, data, and other vital information (hereafter collectively referred to as "City Information") that are valuable, special and unique assets of the CITY. CONTRACTOR agrees to protect all City Information and treat it as strictly confidential, and further agrees that CONTRACTOR shall not at any time, either directly or indirectly, divulge, disclose or communicate in any manner any City Information to any third party without the prior written consent of CITY. In addition, CONTRACTOR shall comply with all CITY policies governing the use of the CITY network and technology systems, as set forth in applicable provisions of the City of Sacramento Administrative Policy Instructions # 30. A violation by CONTRACTOR of this Section 6 shall be a material violation of this Agreement and shall justify legal and/or equitable relief.
7. **CONTRACTOR Information.**
 - A. CITY shall have full ownership and control, including ownership of any copyrights, of all information prepared, produced, or provided by CONTRACTOR pursuant to this Agreement. In this Agreement, the term "information" shall be construed to mean and include: any and all work product, submittals, reports, plans, specifications, and other deliverables consisting of documents, writings, handwritings, typewriting, printing, photostatting, photographing, computer models, and any other computerized data and every other means of recording any form of information, communications, or representation, including letters, works, pictures, drawings, sounds, or symbols, or any combination thereof. CONTRACTOR shall not be responsible for any unauthorized modification or use of such information for other than its intended purpose by CITY.

- B. CONTRACTOR shall fully defend, indemnify and hold harmless CITY, its officers and employees, and each and every one of them, from and against any and all claims, actions, lawsuits or other proceedings alleging that all or any part of the information prepared, produced, or provided by CONTRACTOR pursuant to this Agreement infringes upon any third party's trademark, trade name, copyright, patent or other intellectual property rights. CITY shall make reasonable efforts to notify CONTRACTOR not later than ten (10) days after CITY is served with any such claim, action, lawsuit or other proceeding, provided that CITY's failure to provide such notice within such time period shall not relieve CONTRACTOR of its obligations hereunder, which shall survive any termination or expiration of this Agreement.
- C. All proprietary and other information received from CONTRACTOR by CITY, whether received in connection with CONTRACTOR's proposal to CITY or in connection with any Services performed by CONTRACTOR, will be disclosed upon receipt of a request for disclosure, pursuant to the California Public Records Act; provided, however, that, if any information is set apart and clearly marked "trade secret" when it is provided to CITY, CITY shall give notice to CONTRACTOR of any request for the disclosure of such information. The CONTRACTOR shall then have five (5) days from the date it receives such notice to enter into an agreement with the CITY, satisfactory to the City Attorney, providing for the defense of, and complete indemnification and reimbursement for all costs (including plaintiff's attorney fees) incurred by CITY in any legal action to compel the disclosure of such information under the California Public Records Act. The CONTRACTOR shall have sole responsibility for defense of the actual "trade secret" designation of such information.
- D. The parties understand and agree that any failure by CONTRACTOR to respond to the notice provided by CITY and/or to enter into an agreement with CITY, in accordance with the provisions of subsection C, above, shall constitute a complete waiver by CONTRACTOR of any rights regarding the information designated "trade secret" by CONTRACTOR, and such information shall be disclosed by CITY pursuant to applicable procedures required by the Public Records Act.

8. **Standard of Performance.** CONTRACTOR shall perform all Services required pursuant to this Agreement in the manner and according to the standards currently observed by a competent practitioner of CONTRACTOR's profession in California. All products of whatsoever nature that CONTRACTOR delivers to CITY pursuant to this Agreement shall be prepared in a professional manner and conform to the standards of quality normally observed by a person currently practicing in CONTRACTOR's profession, and shall be provided in accordance with any schedule of performance specified in Exhibit A. CONTRACTOR shall assign only competent personnel to perform Services pursuant to this Agreement. CONTRACTOR shall notify CITY in writing of any changes in CONTRACTOR's staff assigned to perform the Services required under this Agreement, prior to any such performance. In the event that CITY, at any time during the term of this Agreement, desires the removal of any person assigned by CONTRACTOR to perform Services pursuant to this Agreement, because CITY, in its sole discretion, determines that such person is not performing in accordance with the standards required herein, CONTRACTOR shall remove such person immediately upon receiving notice from CITY of the desire of CITY for the removal of such person.

9. **Term; Suspension; Termination.**

- A. This Agreement shall become effective on the date that it is approved by both parties, set forth on the first page of the Agreement, and shall continue in effect until both parties have fully performed their respective obligations under this Agreement, unless sooner terminated as provided herein.
- B. CITY shall have the right at any time to temporarily suspend CONTRACTOR's performance

hereunder, in whole or in part, by giving a written notice of suspension to CONTRACTOR. If CITY gives such notice of suspension, CONTRACTOR shall immediately suspend its activities under this Agreement, as specified in such notice.

- C. CITY shall have the right to terminate this Agreement at any time by giving a written notice of termination to CONTRACTOR. If CITY gives such notice of termination, CONTRACTOR shall immediately cease rendering Services pursuant to this Agreement. If CITY terminates this Agreement:
- (1) CONTRACTOR shall, not later than five days after such notice of termination, deliver to CITY copies of all information prepared pursuant to this Agreement.
 - (2) CITY shall pay CONTRACTOR the reasonable value of Services rendered by CONTRACTOR prior to termination; provided, however, CITY shall not in any manner be liable for lost profits that might have been made by CONTRACTOR had the Agreement not been terminated or had CONTRACTOR completed the Services required by this Agreement. In this regard, CONTRACTOR shall furnish to CITY such financial information as in the judgment of the CITY is necessary for CITY to determine the reasonable value of the Services rendered by CONTRACTOR. The foregoing is cumulative and does not affect any right or remedy that CITY may have in law or equity.

10. Indemnity.

- A. Indemnity: CONTRACTOR shall defend, hold harmless and indemnify CITY, its officers and employees, and each and every one of them, from and against any and all actions, damages, costs, liabilities, claims, demands, losses, judgments, penalties, costs and expenses of every type and description, including, but not limited to, any fees and/or costs reasonably incurred by CITY's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), including but not limited to Liabilities arising from personal injury or death, damage to personal, real or intellectual property or the environment, contractual or other economic damages, or regulatory penalties, arising out of or in any way connected with performance of or failure to perform this Agreement by CONTRACTOR, any sub-consultant, subcontractor or agent, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, whether or not (i) such Liabilities are caused in part by a party indemnified hereunder or (ii) such Liabilities are litigated, settled or reduced to judgment; provided that the foregoing indemnity does not apply to liability for any damage or expense for death or bodily injury to persons or damage to property to the extent arising from the sole negligence or willful misconduct of CITY, its agents, servants, or independent contractors who are directly responsible to CITY, except when such agents, servants, or independent contractors are under the direct supervision and control of CONTRACTOR.
- B. Insurance Policies; Intellectual Property Claims: The existence or acceptance by CITY of any of the insurance policies or coverages described in this Agreement shall not affect or limit any of CITY's rights under this Section 10, nor shall the limits of such insurance limit the liability of CONTRACTOR hereunder. This Section 10 shall not apply to any intellectual property claims, actions, lawsuits or other proceedings subject to the provisions of Section 7.B., above. The provisions of this Section 10 shall survive any expiration or termination of this Agreement.

11. **Insurance Requirements.** During the entire term of this Agreement, CONTRACTOR shall maintain the insurance coverage described in this Section 11.

Full compensation for all premiums that CONTRACTOR is required to pay for the insurance coverage

described herein shall be included in the compensation specified for the Services provided by CONTRACTOR under this Agreement. No additional compensation will be provided for CONTRACTOR's insurance premiums.

It is understood and agreed by the CONTRACTOR that its liability to the CITY shall not in any way be limited to or affected by the amount of insurance coverage required or carried by the CONTRACTOR in connection with this Agreement.

A. Minimum Scope & Limits of Insurance Coverage

- (1) Commercial General Liability Insurance providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage, and personal injury, arising out of activities performed by or on behalf of CONTRACTOR, its sub-consultants, and subcontractors, products and completed operations of CONTRACTOR, its sub-consultants, and subcontractors, and premises owned, leased or used by CONTRACTOR, its sub-consultants, and subcontractors, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.
- (2) Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per accident. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the CONTRACTOR.

No automobile liability insurance shall be required if CONTRACTOR completes the following certification:

"I certify that a motor vehicle will not be used in the performance of any work or services under this agreement." _____ (CONTRACTOR initials)

- (3) Workers' Compensation Insurance with statutory limits, and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Worker's Compensation policy shall include a waiver of subrogation in favor of the CITY. If no work or services will be performed on or at CITY facilities or CITY Property, the CITY Representative may waive this requirement by selecting the option below:

Workers' Compensation waiver of subrogation in favor of the City is not required.
_____ (CITY Representative initials)

No Workers' Compensation insurance shall be required if CONTRACTOR completes the following certification:

"I certify that my business has no employees, and that I do not employ anyone. I am exempt from the legal requirements to provide Workers' Compensation insurance." _____ (CONTRACTOR initials)

B. Additional Insured Coverage

- (1) Commercial General Liability Insurance: The CITY, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects

general liability arising out of: activities performed by or on behalf of CONTRACTOR, its sub-consultants, and subcontractors; products and completed operations of CONTRACTOR, its sub-consultants, and subcontractors; and premises owned, leased or used by CONTRACTOR, its sub-consultants, and subcontractors.

- (2) Automobile Liability Insurance: The CITY, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

- (1) Except for professional liability, CONTRACTOR's insurance coverage, including excess insurance, shall be primary insurance as respects CITY, its officials, employees, and volunteers. Any insurance or self-insurance maintained by CITY, its officials, employees, or volunteers shall be in excess of CONTRACTOR's insurance and shall not contribute with it.
- (2) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to CITY, its officials, employees, or volunteers.
- (3) Coverage shall state that CONTRACTOR's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (4) CITY will be provided with thirty (30) days written notice of cancellation or material change in the policy language or terms.

D. Acceptability of Insurance

Insurance shall be placed with insurers with a Bests' rating of not less than A:VI. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Section 11 must be declared to and approved by the CITY in writing prior to the execution of this Agreement.

E. Verification of Coverage

- (1) CONTRACTOR shall furnish CITY with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the CITY representative named in Exhibit A. Copies of policies shall be delivered to the CITY on demand. Certificates of insurance shall be signed by an authorized representative of the insurance carrier.
- (2) For all insurance policy renewals during the term of this Agreement, CONTRACTOR shall send insurance certificates reflecting the policy renewals directly to:

City of Sacramento
c/o Ebix RCS
Reference #: (This number will be provided by EBIX after Agreement approval.)
PO Box 257
Portland, MI 48875-0257

Insurance certificates also may be faxed to (770) 325-3340, or e-mailed to:
CertsOnly-Portland@ebix.com

- (3) The CITY may withdraw its offer of contract or cancel this Agreement if the certificates of insurance and endorsements required have not been provided prior to execution of this Agreement. The CITY may withhold payments to CONTRACTOR and/or cancel the Agreement if the insurance is canceled or CONTRACTOR otherwise ceases to be insured as required herein.

F. Subcontractors

CONTRACTOR shall require and verify that all sub-consultants and subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in subsection A, above.

12. Equal Employment Opportunity. During the performance of this Agreement, CONTRACTOR, for itself, its assignees and successors in interest, agrees as follows:

- A. Compliance With Regulations: CONTRACTOR shall comply with the Executive Order 11246 entitled "Equal Opportunity in Federal Employment", as amended by Executive Order 11375 and 12086, and as supplemented in Department of Labor regulations (41 CFR Chapter 60), hereinafter collectively referred to as the "Regulations".
- B. Nondiscrimination: CONTRACTOR, with regards to the work performed by it after award and prior to completion of the work pursuant to this Agreement, shall not discriminate on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation in selection and retention of subcontractors, including procurement of materials and leases of equipment. CONTRACTOR shall not participate either directly or indirectly in discrimination prohibited by the Regulations.
- C. Solicitations for Subcontractors, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiations made by CONTRACTOR for work to be performed under any subcontract, including all procurement of materials or equipment, each potential subcontractor or supplier shall be notified by CONTRACTOR of CONTRACTOR's obligation under this Agreement and the Regulations relative to nondiscrimination on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation.
- D. Information and Reports: CONTRACTOR shall provide all information and reports required by the Regulations, or by any orders or instructions issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the CITY to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of CONTRACTOR is in the exclusive possession of another who fails or refuses to furnish this information, CONTRACTOR shall so certify to the CITY, and shall set forth what efforts it has made to obtain the information.
- E. Sanctions for Noncompliance: In the event of noncompliance by CONTRACTOR with the nondiscrimination provisions of this Agreement, the CITY shall impose such sanctions as it may determine to be appropriate including, but not limited to:
 - (1) Withholding of payments to CONTRACTOR under this Agreement until CONTRACTOR complies;

(2) Cancellation, termination, or suspension of the Agreement, in whole or in part.

F. **Incorporation of Provisions:** CONTRACTOR shall include the provisions of subsections A through E, above, in every subcontract, including procurement of materials and leases of equipment, unless exempted by the Regulations, or by any order or instructions issued pursuant thereto. CONTRACTOR shall take such action with respect to any subcontract or procurement as the CITY may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, CONTRACTOR may request CITY to enter such litigation to protect the interests of CITY.

13. Entire Agreement. This document, including all Exhibits, contains the entire agreement between the parties and supersedes whatever oral or written understanding they may have had prior to the execution of this Agreement. No alteration to the terms of this Agreement shall be valid unless approved in writing by CONTRACTOR, and by CITY, in accordance with applicable provisions of the Sacramento City Code.

14. Severability. If any portion of this Agreement or the application thereof to any person or circumstance shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

15. Waiver. Neither CITY acceptance of, or payment for, any Service or Additional Service performed by CONTRACTOR, nor any waiver by either party of any default, breach or condition precedent, shall be construed as a waiver of any provision of this Agreement, nor as a waiver of any other default, breach or condition precedent or any other right hereunder.

16. Enforcement of Agreement. This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. Venue of any litigation arising out of or connected with this Agreement shall lie exclusively in the state trial court or Federal District Court located in Sacramento County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.

17. Assignment Prohibited. The expertise and experience of CONTRACTOR are material considerations for this Agreement. CITY has a strong interest in the qualifications and capability of the persons and entities that will fulfill the obligations imposed on CONTRACTOR under this Agreement. In recognition of this interest, CONTRACTOR shall not assign any right or obligation pursuant to this Agreement without the written consent of the CITY. Any attempted or purported assignment without CITY's written consent shall be void and of no effect.

18. Binding Effect. This Agreement shall be binding on the heirs, executors, administrators, successors and assigns of the parties, subject to the provisions of Section 17, above.

19. Use Tax Requirements. During the performance of this Agreement, CONTRACTOR, for itself, its assignees and successors in interest, agrees as follows:

A. **Use Tax Direct Payment Permit:** For all leases and purchases of materials, equipment, supplies, or other tangible personal property used to perform the Agreement and shipped from outside California, the Contractor and any subcontractors leasing or purchasing such materials, equipment, supplies or other tangible personal property shall obtain a Use Tax Direct Payment Permit from the California State Board of Equalization ("SBE") in accordance with the applicable SBE criteria and requirements.

- B. Sellers Permit: For any construction contract and any construction subcontract in the amount of \$5,000,000 or more, Contractor and the subcontractor(s) shall obtain sellers permits from the SBE and shall register the jobsite as the place of business for the purpose of allocating local sales and use tax to the City. Contractor and its subcontractors shall remit the self-accrued use tax to the SBE, and shall provide a copy of each remittance to the City.

- C. The above provisions shall apply in all instances unless prohibited by the funding source for the Agreement.

EXHIBIT E

LIVING WAGE REQUIREMENTS (Nonprofessional Service Agreement)

The Living Wage Ordinance

The City of Sacramento's Living Wage Ordinance (the "LWO") is codified as Chapter 3.58 of the Sacramento City Code. The LWO requires certain firms that enter into agreements or contracts (all subsequent references to a "contract" or "contracts" will refer to both contracts and agreements) to provide certain services to or for the CITY, to pay a specified minimum level of compensation to their employees for time spent performing any work on the CITY contract. The LWO also applies to certain subcontractors.

The LWO applies to contracts entered into, amended, or renewed or extended at the CITY's discretion, on or after March 1, 2004 (the "LWO Effective Date").

Contracts and Contractors Covered by the LWO

Determining whether the LWO applies to a specific CITY contract, contractor or subcontractor, depends on whether the contract, contractor and/or subcontractor meet the criteria specified in the LWO for contract type, contract amount, contractor size (# of employees), subcontract amount and subcontractor size (# of employees). These criteria are summarized below.

Contract Type

The LWO applies only to contracts for Nonprofessional Services. Under the LWO, this includes contracts for any services of a nonprofessional character, including but not limited to tree trimming services, repair services for motor vehicles and office equipment, vehicle towing, and security services.

The LWO does not apply to: (1) Incidental services, such as delivery, installation or maintenance, that are provided under contracts for the purchase or lease of equipment, supplies, or other personal property; (2) contracts that are subject to CITY, state, or federal prevailing-wage requirements; (3) contracts for professional services (including but not limited to services rendered by engineers, architects, auditors, banks, consultants, actuaries and attorneys); and (4) contracts with nonprofit corporations that are organized under section 501 of the Internal Revenue Code and have fewer than 100 employees, whether full or part time.

Contract Amount

The LWO applies to contracts entered into or amended after the LWO Effective Date that provide compensation from the CITY of \$100,000 or more. In addition, the LWO applies to a contract entered into or amended after the LWO Effective Date that, by itself, does not reach this amount, if the aggregate value of that contract and of any other Nonprofessional Services contracts covered by the LWO that the CITY has awarded to the same person or firm within the previous

12 months, is \$100,000 or more. IT IS THE CONTRACTOR'S RESPONSIBILITY TO DETERMINE WHETHER THIS AGGREGATE VALUE IS \$100,000 OR MORE, AND TO NOTIFY THE CITY IN WRITING WHENEVER THIS IS THE CASE.

Contractor Size

The LWO only applies to a contractor that has at least 25 employees, working either full or part time. The number of employees that a contractor has is determined by adding the contractor's employees and the employees of any other person or entity deemed to be a "Related Person" under the LWO.^a

Subcontract Amount

The LWO applies to a subcontractor providing services under a covered contract if the amount of the subcontract is at least 25% of the contract amount, without regard to the number of employees the subcontractor has.

Subcontractor Size

The LWO also applies to a subcontractor providing services under a covered contract if the subcontractor has at least 25 employees, working either full or part time, whether or not the amount of the subcontract is at least 25% of the contract amount.

Payment of Living Wage to Covered Employees

If a contractor or subcontractor meets the criteria specified in the LWO for contract type, contract amount, contractor size, subcontract amount and/or subcontractor size, the contractor or subcontractor is deemed to be a "Covered Employer" under the LWO. The LWO requires a Covered Employer to provide specified minimum compensation to its employees who perform work directly related to the CITY contract (these employees are called "Covered Employees" under the LWO), for all hours the Covered Employees perform under the CITY contract.^b

^a The LWO provides that a person or entity is a Related Person when any of the following circumstances exists:

- (1) The person or entity and the contractor are both corporations, and (i) share a majority of members of their governing boards, or (ii) have two or more officers in common, or (iii) are controlled by the same majority shareholder or shareholders (control means more than 50% of the corporation's voting power), or (iv) are in a parent-subsidiary relationship (such a relationship exists when one corporation directly or indirectly owns shares possessing more than 50% of another corporation's voting power); or
- (2) The person or entity otherwise controls and directs, or is controlled and directed by, the contractor, as determined by the City Manager.

^b A Covered Employee includes full-time, part-time, contingent, contract and temporary employees, but does not include: (1) individuals who participate in job-training-and-education programs that have, as their express purpose, the provision of basic job skills and education to participants, with the goal of earning a high-school-equivalency diploma and permanent employment; (2) student interns; (3) individuals participating in specialized-training programs; and (4) an employee whose term and conditions of employment are governed by a bona fide collective-bargaining agreement containing an express waiver of the LWO.

The minimum compensation required is as follows:

- (1) If health benefits are provided to Covered Employees and the Covered Employer's contribution for the benefits is at least \$1.50 for each hour, then the rates are as follows:
 - (a) During 2007, the greater of \$10.00 an hour or \$9.00 adjusted by the increase in the Consumer Price Index for All Urban Consumers, San Francisco/Oakland/San Jose area (1982--1984=100) from January 1, 2004, through December 31, 2006.
 - (b) For each year after 2007, the rate shall be based on the rate from the immediately preceding year adjusted by the increase in the Consumer Price Index for All Urban Consumers, San Francisco/Oakland/San Jose area (1982--1984=100) from January 1 through December 31 of the immediately preceding year.

- (2) If health benefits are not provided to Covered Employees or if health benefits are provided but the Covered Employer's contribution for the benefits is less than \$1.50 for each hour, then the rates are as follows:
 - (a) During 2007, the greater of \$11.50 an hour or \$10.50 adjusted by the increase in the Consumer Price Index for All Urban Consumers, San Francisco/Oakland/San Jose area (1982--1984=100) from January 1, 2004, through December 31, 2006.
 - (b) For each year after 2007, the rate shall be based on the rate from the immediately preceding year adjusted by the increase in the Consumer Price Index for All Urban Consumers, San Francisco/Oakland/San Jose area (1982--1984=100) from January 1 through December 31 of the immediately preceding year.

Notification to Covered Employees

The LWO requires a Covered Employer to give each existing employee and (at the time of hire) each new employee a copy of the following written notification:

This company may enter into a contract to perform services for the City of Sacramento. If you work on such a contract, then you are entitled to be paid a living wage for each hour so worked. For more information, see Chapter 3.58 of the Sacramento City Code, which can be viewed at www.cityofsacramento.org.

The LWO requires the above notification to be provided in each language spoken by 10% or more of the Covered Employer's workforce.

The LWO also requires a Covered Employer to inform all employees of their possible right to the federal Earned Income Credit (EIC), and to make available to those employees any forms required to secure advance EIC payments from the Covered Employer.

Subcontractor Compliance

A contractor is responsible for requiring all of its subcontractors who are covered by these requirements to comply with the provisions of the LWO, by including these requirements in all subcontracts covered by the LWO.

Other Provisions of the LWO

Use of Funds Paid Under CITY Contracts

Under the LWO, Covered Employers may not directly use CITY funds to persuade Covered Employees to support or oppose unionization, and Covered Employers may not directly use CITY funds to schedule or hold meetings related to union representation during the Covered Employees' working hours. These restrictions do not apply to expenditures made during good-faith collective bargaining or to expenditures required under bona fide collective-bargaining agreements.

No Reduction in Non-Wage Benefits

Under the LWO, Covered Employers may not fund any wage increases required by the LWO, nor shall Covered Employers otherwise respond to the enactment of the LWO, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of their employees.

No Retaliation

The LWO prohibits a Covered Employer from taking any adverse action against a Covered Employee because the Covered Employee does any of the following: (1) exercises or asserts his or her rights under the LWO; (2) informs or assists other Covered Employees concerning their rights and the Covered Employer's obligations under the LWO; (3) complains about the Covered Employer's failure to comply with the LWO; or (4) seeks to enforce the LWO.

No Reduction in Collective-Bargaining Wage Rates

The LWO does not require or authorize any Covered Employer to reduce wages set by a collective-bargaining agreement or required under any prevailing-wage law.

Violations and Monitoring

The LWO provides that any violation of the LWO by a CITY contractor constitutes a material breach of the contract, and authorizes the CITY to terminate the contract and pursue all available legal and equitable remedies. In order to monitor compliance, the LWO authorizes the CITY to require Covered Employers to verify their compliance with the LWO by submitting certified payroll records to the CITY, and to take such other steps as may be necessary for the CITY to determine whether the requirements of the LWO have been satisfied.

The LWO also includes provisions authorizing an employee or interested person to file a judicial action against a contractor or subcontractor for violation of the LWO.

Declaration of Compliance

To assure compliance with the LWO, any person or entity entering into a contract to provide Nonprofessional Services to or for the CITY, on or after March 1, 2004, is required to provide the CITY with a signed Declaration of Compliance in the form required by the CITY, prior to the CITY's execution of the contract. The Declaration of Compliance shall be signed by a duly authorized representative of the person or entity entering into the contract, and, when accepted by the CITY, shall constitute part of the contract.

Additional Information

- For a complete description of the LWO's provisions, refer to the LWO codified at Sacramento City Code Chapter 3.58. The Sacramento City Code is available on the internet at www.cityofsacramento.org.
- For more information on the LWO requirements and the CITY's LWO program, contact Procurement Services at 916-808-6240.

EXHIBIT F

REQUIREMENTS OF THE NON-DISCRIMINATION IN EMPLOYEE BENEFITS CODE

INTRODUCTION

The Sacramento Non-Discrimination In Employee Benefits Code (the "Ordinance"), codified as Sacramento City Code Chapter 3.54, prohibits City contractors from discriminating in the provision of employee benefits between employees with spouses and employees with domestic partners, and between the spouses and domestic partners of employees.

APPLICATION

The provisions of the Ordinance apply to any contract or agreement (as defined below), between a Contractor and the City of Sacramento, in an amount exceeding \$100,000.00. The Ordinance applies to that portion of a contractor's operations that occur: (i) within the City of Sacramento; (ii) on real property outside the City of Sacramento if the property is owned by the City or if the City has a right to occupy the property; or (iii) at any location where a significant amount of work related to a City contract is being performed.

The Ordinance does not apply: to subcontractors or subcontracts of any Contractor or contractors; to transactions entered into pursuant to cooperative purchasing agreements approved by the Sacramento City Council; to legal contracts of other governmental jurisdictions or public agencies without separate competitive bidding by the City; where the requirements of the ordinance will violate or are inconsistent with the terms or conditions of a grant, subvention or agreement with a public agency or the instructions of an authorized representative of any such agency with respect to any such grant, subvention or agreement; to permits for excavation or street construction; or to agreements for the use of City right-of-way where a contracting utility has the power of eminent domain.

DEFINITIONS

As set forth in the Ordinance, the following definitions apply:

"Contract" means an agreement for public works or improvements to be performed, or for goods or services to be purchased or grants to be provided, at the expense of the City or to be paid out of moneys deposited in the treasury or out of the trust money under the control or collected by the City. "Contract" also means a written agreement for the exclusive use ("exclusive use" means the right to use or occupy real property to the exclusion of others, other than the right reserved by the fee owner) or occupancy of real property for a term exceeding 29 days in any calendar year, whether by singular or cumulative instrument, (i) for the operation or use by others of real property owned or controlled by the City for the operation of a business, social, or other establishment or organization, including leases, concessions, franchises and easements, or (ii) for the City's use or occupancy of real property owned by others, including leases, concessions, franchises and easements.

"Contract" shall not include: a revocable at-will use or encroachment permit for the use of or encroachment on City property regardless of the ultimate duration of such permit; excavation, street construction or street use permits; agreements for the use of City right-of-way where a contracting utility has the power of eminent domain; or agreements governing the use of City property that constitute a public forum for activities that are primarily for the purpose of espousing or advocating causes or ideas and that are generally protected by the First Amendment to the United States Constitution or that are primarily recreational in nature.

"Contractor" means any person or persons, firm partnership or corporation, company, or combination thereof, that enters into a Contract with the City. "Contractor" does not include a public entity.

“Domestic Partner” means any person who has a currently registered domestic partnership with a governmental entity pursuant to state or local law authorizing the registration.

“Employee Benefits” means bereavement leave; disability, life, and other types of insurance; family medical leave; health benefits; membership or membership discounts; moving expenses; pension and retirement benefits; vacation; travel benefits; and any other benefit given to employees. “Employee benefits” shall not include benefits to the extent that the application of the requirements of this chapter to such benefits may be preempted by federal or state.

CONTRACTOR’S OBLIGATION TO PROVIDE THE CITY WITH DOCUMENTATION AND INFORMATION

Contractor shall provide the City with documentation and information verifying its compliance with the requirements of the Ordinance within ten (10) days of receipt of a request from the City. Contractors shall keep accurate payroll records, showing, for each City Contract, the employee’s name, address, Social Security number, work classification, straight time pay rate, overtime pay rate, overtime hours worked, status and exemptions, and benefits for each day and pay period that the employee works on the City Contract. Each request for payroll records shall be accompanied by an affidavit to be completed and returned by the Contractor, as stated, attesting that the information contained in the payroll records is true and correct, and that the Contractor has complied with the requirements of the Ordinance. A violation of the Ordinance or noncompliance with the requirements of the Ordinance shall constitute a breach of contract.

EMPLOYER COMPLIANCE CERTIFICATE AND NOTICE REQUIREMENTS

(a) All contractors seeking a Contract subject to the Ordinance shall submit a completed Declaration of Compliance Form, signed by an authorized representative, with each proposal, bid or application. The Declaration of Compliance shall be made a part of the executed contract, and will be made available for public inspection and copying during regular business hours.

(b) The Contractor shall give each existing employee working directing on a City contract, and (at the time of hire), each new employee, a copy of the notification provided as Attachment “A.”

(c) Contractor shall post, in a place visible to all employees, a copy of the notice provided as Attachment “B.”

Attachment A



YOUR RIGHTS UNDER THE CITY OF SACRAMENTO'S NON-DISCRIMINATION IN EMPLOYEE BENEFITS CODE

On (date), your employer (the "Employer") entered into a contract with the City of Sacramento (the "City") for (contract details), and as a condition of that contract, agreed to abide by the requirements of the City's Non-Discrimination In Employee Benefits Code (Sacramento City Code Section 3.54).

The Ordinance does not require the Employer to provide employee benefits. The Ordinance does require that if certain employee benefits are provided by the Employer, that those benefits be provided without discrimination between employees with spouses and employees with domestic partners, and without discrimination between the spouse or domestic partner of employees.

The Ordinance covers any employee working on the specific contract referenced above, but only for the period of time while those employees are actually working on this specific contract.

The included employee benefits are:

- Bereavement leave
- Disability, life and other types of insurance
- Family medical leave
- Health benefits
- Membership or membership discounts
- Moving expenses
- Pension and retirement benefits
- Vacation
- Travel benefits
- Any other benefits given to employees

(Employee Benefits does not include benefits that may be preempted by federal or state law.)

If you feel you have been discriminated or retaliated against by your employer in the terms and conditions of your application for employment, or in your employment, or in the application of these employee benefits, because of your status as an applicant or as an employee protected by the Ordinance, or because you reported a violation of the Ordinance, and after having exhausted all remedies with your employer,

You May . . .

- Submit a written complaint to the City of Sacramento, Contract Services Unit, containing the details of the alleged violation. The address is:

City of Sacramento
Procurement Services Division
915 I Street, New City Hall, 2nd Floor
Sacramento, CA 95814

- Bring an action in the appropriate division of the Superior Court of the State of California against the Employer and obtain the following remedies:
 - Reinstatement, injunctive relief, compensatory damages and punitive damages
 - Reasonable attorney's fees and costs

Attachment B



YOUR RIGHTS UNDER THE CITY OF SACRAMENTO'S NON-DISCRIMINATION IN EMPLOYEE BENEFITS CODE

If your employer provides employee benefits, they must be provided to those employees working on a City of Sacramento contract without discriminating between employees with spouses and employees with domestic partners.

The included employee benefits are:

- Bereavement leave
- Disability, life and other types of insurance
- Family medical leave
- Health benefits
- Membership or membership discounts
- Moving expenses
- Pension and retirement benefits
- Vacation
- Travel benefits
- Any other benefits given to employees

If you feel you have been discriminated against by your employer . . .

You May . . .

- Submit a written complaint to the City of Sacramento, Contract Services Unit, containing the details of the alleged violation. The address is:

City of Sacramento
Procurement Services Division
915 I Street, New City Hall, 2nd Floor
Sacramento, CA 95814

- Bring an action in the appropriate division of the Superior Court of the State of California against the employer and obtain reinstatement, injunctive relief, compensatory damages, punitive damages and reasonable attorney's fees and costs.

Discrimination and Retaliation Prohibited.

If you feel you have been discriminated or retaliated against by your employer in the terms and conditions of your application for employment, or in your employment, because of your status as an applicant or as an employee protected by the Ordinance, or because you reported a violation of this Ordinance . . .

You May Also . . .

Submit a written complaint to the City of Sacramento, Contract Services Unit, at the same address, containing the details of the alleged violation.

EXHIBIT G

**GRANT AGREEMENT BETWEEN THE STATE OF CALIFORNIA (DEPARTMENT OF WATER RESOURCES) AND
CITY OF SACRAMENTO
4600011116**

**Water-Energy Grant Program
Funded by the Greenhouse Gas Reduction Fund
As Authorized in Section 2 of the Budget Act of 2013 (Senate Bill 103, Section 11)**

THIS GRANT AGREEMENT is entered into by and between the Department of Water Resources of the State of California, herein referred to as the "State" or "DWR" and the City of Sacramento, a city government in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Grantee", which parties do hereby agree as follows:

1. **PURPOSE.** State shall provide funding from the Greenhouse Gas Reduction Fund (Health and Safety Code Section 29710 et seq.) to Grantee to assist in financing projects associated with Section 2 of the Budget Act of 2013 (Senate Bill 103, Section 11) hereinafter collectively referred to as the "Water-Energy Grant Program."
2. **TERM OF GRANT AGREEMENT.** The term of this Grant Agreement begins on the date this Grant Agreement is executed by State, and terminates on March 30, 2016, or when all of the Parties' obligations under this Grant Agreement are fully satisfied, whichever occurs earlier. Execution date is the date the State signs this Grant Agreement indicated on page 8.
3. **TOTAL PROJECT COST.** The reasonable Total Cost of the Project is estimated to be \$2,500,000.
4. **GRANT AMOUNT.** The maximum amount payable by the State under this Agreement shall not exceed \$2,500,000.
5. **GRANTEE COST SHARE.** Grantee agrees to fund the difference between the total Project Cost, and the Grant Amount (amount specified in Paragraph 4). Cost State will not be reviewed by the State for invoicing purposes; however, the Grantee is required to maintain all financial records associated with the project in accordance with Exhibit H (State Audit Document Requirements).
6. **GRANTEE'S RESPONSIBILITY.** Grantee and its representatives shall:
 - a) Faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A (Work Plan) and in accordance with Exhibit B (Budget) and Exhibit C (Schedule).
 - b) Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Grant Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Grantee in the application, documents, amendments, and communications filed in support of its request for Greenhouse Gas Reduction Fund financing.
 - c) Comply with all applicable California laws and regulations.
 - d) Implement the Project in accordance with applicable provisions of the law.
 - e) Fulfill its obligations under the Grant Agreement, and be responsible for the performance of the project.
7. **AS A CONDITION.** State shall have no obligation to disburse money for project under this Grant Agreement until Grantee has satisfied the following conditions (if applicable):
 - a) Grantee demonstrates the availability of sufficient funds to complete the project by submitting the most recent year-end financial statement.
 - b) For the term of this Grant Agreement, Grantee submits timely Progress Reports as specified by Paragraph 17, "Submission of Reports" and Appendix C, Schedule.
 - c) Grantee submits deliverables as specified in Paragraph 17 of this Grant Agreement and in Exhibit A.
 - d) Prior to the commencement of construction or implementation activities, Grantee shall submit the following to the State for each project:
 - 1) Final plans and specifications certified by a California Registered Professional (Civil Engineer or Geologist), as appropriate for the approved project as listed in Exhibit A of this Grant Agreement.
 - 2) Environmental Documentation:
 - i) Copies of all applicable final environmental permits.
 - ii) Documents that satisfy the CEQA process.

**GRANT AGREEMENT BETWEEN THE STATE OF CALIFORNIA (DEPARTMENT OF WATER RESOURCES) AND
CITY OF SACRAMENTO
4600011116**

**Water-Energy Grant Program
Funded by the Greenhouse Gas Reduction Fund
As Authorized in Section 2 of the Budget Act of 2013 (Senate Bill 103, Section 11)**

THIS GRANT AGREEMENT is entered into by and between the Department of Water Resources of the State of California, herein referred to as the "State" or "DWR" and the City of Sacramento, a city government in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Grantee", which parties do hereby agree as follows:

1. **PURPOSE.** State shall provide funding from the Greenhouse Gas Reduction Fund (Health and Safety Code Section 39710 et seq.) to Grantee to assist in financing projects associated with Section 2 of the Budget Act of 2013 (Senate Bill 103, Section 11) hereinafter collectively referred to as the "Water-Energy Grant Program."
2. **TERM OF GRANT AGREEMENT.** The term of this Grant Agreement begins on the date this Grant Agreement is executed by State, and terminates on March 30, 2018, or when all of the Parties' obligations under this Grant Agreement are fully satisfied, whichever occurs earlier. Execution date is the date the State signs this Grant Agreement indicated on page 8.
3. **TOTAL PROJECT COST.** The reasonable Total Cost of the Project is estimated to be \$2,500,000.
4. **GRANT AMOUNT.** The maximum amount payable by the State under this Agreement shall not exceed \$2,500,000.
5. **GRANTEE COST SHARE.** Grantee agrees to fund the difference between the Total Project Cost, and the Grant Amount (amount specified in Paragraph 4). Cost Share will not be reviewed by the State for invoicing purposes; however, the Grantee is required to maintain all financial records associated with the project in accordance with Exhibit H (State Audit Document Requirements).
6. **GRANTEE'S RESPONSIBILITY.** Grantee and its representatives shall:
 - a) Faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A (Work Plan) and in accordance with Exhibit B (Budget) and Exhibit C (Schedule).
 - b) Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Grant Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Grantee in the application, documents, amendments, and communications filed in support of its request for Greenhouse Gas Reduction Fund financing.
 - c) Comply with all applicable California laws and regulations.
 - d) Implement the Project in accordance with applicable provisions of the law.
 - e) Fulfill its obligations under the Grant Agreement, and be responsible for the performance of the project.
7. **BASIC CONDITIONS.** State shall have no obligation to disburse money for project under this Grant Agreement until Grantee has satisfied the following conditions (if applicable):
 - a) Grantee demonstrates the availability of sufficient funds to complete the project by submitting the most recent year-end financial statement.
 - b) For the term of this Grant Agreement, Grantee submits timely Progress Reports as specified by Paragraph 17, "Submission of Reports" and Appendix C, Schedule.
 - c) Grantee submits deliverables as specified in Paragraph 17 of this Grant Agreement and in Exhibit A.
 - d) Prior to the commencement of construction or implementation activities, Grantee shall submit the following to the State for each project:
 - 1) Final plans and specifications certified by a California Registered Professional (Civil Engineer or Geologist, as appropriate) for the approved project as listed in Exhibit A of this Grant Agreement.
 - 2) Environmental Documentation:
 - i) Copies of all applicable final environmental permits,
 - ii) Documents that satisfy the CEQA process,

- iii) State has completed its CEQA compliance review as a Responsible Agency, and
- iv) Grantee receives written concurrence from the State of Lead Agency's CEQA document and State notice of verification of environmental permit submittal.

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

3) A monitoring plan as required by Paragraph 19, "Project Monitoring Plan Requirements."

- 8. DISBURSEMENT OF FUNDS. State will disburse to Grantee the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Grant Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the federal government, or any loss of tax-free status on state bonds, pursuant to any federal statute or regulation. Any and all money disbursed to Grantee under this Grant Agreement and any and all interest earned by Grantee on such money shall be used solely to pay Eligible Project Costs, as defined in Paragraph 9.
- 9. ELIGIBLE PROJECT COST. Grantee shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Exhibit B. Eligible project costs include the reasonable costs of studies, engineering, design, land and easement acquisition, legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project construction/implementation. Reasonable administrative expenses may be included as Total Project Costs and will depend on the complexity of the project preparation, planning, coordination, construction, acquisitions, and implementation. Reimbursable administrative expenses are the necessary costs incidentally but directly related to the project including the portion of overhead and administrative expenses that are directly related to the project included in this Agreement in accordance with the standard accounting practices of the Grantee. Work performed on the project after July 1, 2014 shall be eligible for reimbursement.

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

- a) Costs, other than those noted above.
- b) Operation and maintenance costs, including post construction performance and monitoring costs.
- c) Purchase of equipment not an integral part of a project.
- d) Establishing a reserve fund.
- e) Purchase of water supply.
- f) Monitoring and assessment costs for efforts required after project construction is complete.
- g) Replacement of existing funding sources for ongoing programs.
- h) Travel and per diem costs (per diem includes subsistence and other related costs).
- i) Support of existing agency requirements and mandates (e.g., punitive regulatory agency requirement).
- j) Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a project, as set forth and detailed by engineering and feasibility studies.
- k) Payment of principal or interest of existing indebtedness or any interest payments unless the debt is incurred after execution of this Grant Agreement, the State agrees in writing to the eligibility of the costs for reimbursement before the debt is incurred, and the purposes for which the debt is incurred are otherwise eligible costs. However, this shall be tracked as part of the Grantee cost share.
- l) Overhead not directly related to project costs.

- 10. METHOD OF PAYMENT. Submit a copy of invoice for costs incurred and supporting documentation to the DWR Project Manager via Grant Review and Tracking Systems (GRANTS). Additionally, the original invoice form with signature and date (in ink) of Grantee's Project Representative, as indicated on page 7 of this

Agreement, must be sent to the DWR Project Manager for approval. Invoices submitted via GRanTS shall include the following information:

- a) Costs incurred for work performed in implementing the project during the period identified in the particular invoice.
- b) Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for the project during the period identified in the particular invoice for the implementation of a project.
- c) Invoices shall be submitted on forms provided by State and shall meet the following format requirements:
 - 1) Invoices must contain the date of the invoice, the time period covered by the invoice, and the total amount due.
 - 2) Invoices must be itemized based on resource categories (i.e., line items) specified in Exhibit B. The amount claimed for salaries/wages/consultant fees must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).
 - 3) Sufficient supporting documentation (e.g. receipts, copies of checks, time sheets) as determined by the State must be provided for all costs included in the invoice. Cost Share shall be accounted for separately in the progress reports.
 - 4) Each invoice shall clearly delineate those costs claimed for reimbursement from the State's Grant Amount, as depicted in Paragraph 4.
 - 5) DWR Project Manager will notify Grantee, in a timely manner, when, upon review of an Invoice, the State determines that any portion or portions of the costs claimed are not eligible costs or are not supported by documentation or receipts acceptable to State. Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to State to cure such deficiency(ies). If Grantee fails to submit adequate documentation curing the deficiency(ies), State will adjust the pending invoice by the amount of ineligible or unapproved costs.

11. WITHHOLDING OF DISBURSEMENTS BY STATE. If State determines that a project is not being implemented in accordance with the provisions of this Grant Agreement, or that Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if Grantee does not remedy any such failure to State's satisfaction, State may withhold from Grantee all or any portion of the State funding and take any other action that it deems necessary to protect its interests. Where a portion of the State funding has been disbursed to the Grantee and State notifies Grantee of its decision not to release funds that have been withheld pursuant to Paragraph 12, the portion that has been disbursed shall thereafter be repaid immediately with interest at the California general obligation bond interest rate at the time the State notifies the Grantee, as directed by State. State may consider Grantee's refusal to repay the requested disbursed amount a contract breach subject to the default provisions in Paragraph 12, "Default Provisions." If State notifies Grantee of its decision to withhold the entire funding amount from Grantee pursuant to this paragraph, this Grant Agreement shall terminate upon receipt of such notice by Grantee and the State shall no longer be required to provide funds under this Grant Agreement and the Grant Agreement shall no longer be binding on either party.

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

- a) Substantial breaches of this Grant Agreement, or any supplement or amendment to it, or any other agreement between Grantee and State evidencing or securing Grantee's obligations.
- b) Making any false warranty, representation, or statement with respect to this Grant Agreement or the application filed to obtain this Grant Agreement.
- c) Failure to operate or maintain project(s) in accordance with this Grant Agreement.
- d) Failure to make any remittance required by this Grant Agreement.
- e) Failure to comply with Labor Compliance Program requirements (Paragraph 16).
- f) Failure to submit timely progress reports.
- g) Failure to routinely invoice State.
- h) Failure to meet any of the requirements set forth in Paragraph 13, "Continuing Eligibility."

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

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

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

13. CONTINUING ELIGIBILITY. Grantee must meet the following ongoing requirement(s) to remain eligible to receive State funds:

- a) An urban water supplier that receives grant funds governed by this Grant Agreement shall maintain compliance with the Urban Water Management Planning Act (CWC§10610 et. seq.) and Sustainable Water Use and Demand Reduction, Part 2.55. of Division 6 (CWC§10608 et. seq.);
- b) An agricultural water supplier must maintain compliance with Sustainable Water Use and Demand Reduction, Part 2.55 of Division 6 of the (CWC§10608 et. seq.);
- c) Grantee's diverting surface water must maintain compliance with diversion reporting requirements as outlined in Part 5.1 of Division 2 of the CWC;
- d) Grantees that have been designated as monitoring entities under the California Statewide Groundwater Elevation Monitoring (CASGEM) Program must maintain reporting compliance, as required by CWC§10932 and the CASGEM Program.

14. PERMITS, LICENSES, APPROVALS, AND LEGAL OBLIGATIONS. Grantee shall be responsible for obtaining any and all permits, licenses, and approvals required for performing any work under this Grant Agreement, including those necessary to perform design, construction, or operation and maintenance of the Project. Grantee shall be responsible for observing and complying with any applicable federal, state, and local laws, rules or regulations affecting any such work, specifically those including, but not limited to, environmental, procurement, and safety laws, rules, regulations, and ordinances. Grantee shall provide copies of permits and approvals to State.

15. RELATIONSHIP OF PARTIES. Grantee is solely responsible for design, construction, and operation and maintenance of project within the work plan. Review or approval of plans, specifications, bid documents, or other construction documents by State is solely for the purpose of proper administration of funds by State and shall not be deemed to relieve or restrict responsibilities of Grantee under this Grant Agreement.

16. LABOR COMPLIANCE. Grantee agrees to comply with all applicable California Labor Code requirements and Standard Condition D.28 in Exhibit D. Grantee must meet the requirements of Labor Code section 1771.5 by monitoring and enforcing prevailing wage requirements on public works projects that receive state funding and on other projects that are legally required to use the Department of Industrial Relations Compliance Monitoring Unit.

At the State's request, Grantee must promptly submit written evidence of Grantee's compliance with the LCP requirements.

17. SUBMISSION OF REPORTS. The submittal and approval of all reports is a requirement for the successful completion of this Grant Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to State. All reports shall be submitted to the State's Project Manager, and shall be submitted via DWR's "Grant Review and Tracking System" (GRanTS). If requested, Grantee shall promptly provide any additional information deemed necessary by State for the approval of reports. Reports shall be presented in

the formats described in the applicable portion of Exhibit F. The timely submittal of reports is a requirement for initial and continued disbursement of State funds. Submittal and subsequent approval by the State, of a Project Completion Report is a requirement for the release of any funds retained for such project.

- Progress Reports: Grantee shall submit progress reports on a regular and consistent basis to meet the State's requirement for disbursement of funds. The reporting period shall not exceed one quarter in length. The progress reports shall be sent via e-mail to the State's Project Manager and shall be uploaded into GRANTS at the frequency specified in Exhibit C, Project Schedule. The progress reports shall provide a brief description of the work performed during the reporting period including: Grantee's activities, milestones achieved, any accomplishments, and any problems encountered in the performance of the work under this Agreement.
- Project Completion Report: Grantee shall prepare and submit to State a separate Project Completion Report for the project included in Exhibit A. Grantee shall submit a Project Completion Report within ninety (90) calendar days of project completion. Project Completion Report(s) shall include, in part, a description of actual work done, any changes or amendments to the project, and a final schedule showing actual progress versus planned progress, copies of any final documents or reports generated or utilized during a project. The Project Completion Report shall also include, if applicable, certification of final project by a California Registered Professional (Civil Engineer or Geologist, as appropriate), consistent with Standard Condition D.19 in Exhibit D. A DWR "Certification of Project Completion" form will be provided by the State.
- Grant Completion Report: Upon completion of all projects included in Exhibit A, Grantee shall submit to State a Grant Completion Report. The Grant Completion Report shall be submitted within ninety (90) calendar days of submitting the Project Completion Report for the final project to be completed under the Grant Agreement. The Grant Completion Report shall include reimbursement status, a brief description of each project completed, and how those projects will reduce greenhouse gas emissions, water use and energy use as a result of project implementation. Retention for the last project to be completed as part of this Grant Agreement will not be disbursed until the Grant Completion Report is submitted to and approved by the State.
- Post-Performance Reports: Grantee shall submit a single Post-Performance Report to State within ninety (90) calendar days after the first operational year of a project has elapsed.

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

19. PROJECT MONITORING PLAN REQUIREMENTS. Exhibit A of this Grant Agreement shall contain activities to develop and submit to State a Project Monitoring Plan. Along with guidance provided in Exhibit I, "Project Monitoring Plan Components," the Project Monitoring Plan should also include:

- a) Baseline (pre-project) water use and energy use.

- b) Proposed savings
- c) Brief discussion of how water and energy savings will be monitored.
- d) Methodology of monitoring.
- e) Frequency of monitoring.
- f) Location of monitoring points.
- g) Performance targets

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

20. STATEWIDE MONITORING REQUIREMENTS. Grantee shall ensure that all groundwater projects and projects that include groundwater monitoring requirements are consistent with the Groundwater Quality Monitoring Act of 2001 (Part 2.76 (commencing with Section 10780) of Division 6 of California Water Code) and, where applicable, that projects that affect water quality shall include a monitoring component that allows the integration of data into statewide monitoring efforts, including where applicable, the Surface Water Ambient Monitoring Program carried out by the State Water Resources Control Board.
21. NOTIFICATION OF STATE. Grantee shall promptly notify State, in writing, of the following items:
- a) Events or proposed changes that could affect the scope, budget, or work performed under this Grant Agreement. Grantee agrees that no substantial change in the scope of a project will be undertaken until written notice of the proposed change has been provided to State and State has given written approval for such change. Substantial changes generally include changes to the work plan, schedule or term, and budget.
 - b) Any public or media event publicizing the accomplishments and/or results of this Grant Agreement and provide the opportunity for attendance and participation by State's representatives. Grantee shall make such notification at least 14 calendar days prior to the event.
 - c) Final inspection of the completed work on a project by a California Registered Professional (Civil Engineer or Geologist, as appropriate), in accordance with Standard Condition D.19 in Exhibit D. Grantee shall notify the State's Project Manager of the inspection date at least 14 calendar days prior to the inspection in order to provide State the opportunity to participate in the inspection.
22. NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Grant Agreement shall be in writing. Notices may be transmitted by any of the following means:
- a) By delivery in person.
 - b) By certified U.S. mail, return receipt requested, postage prepaid.
 - c) By "overnight" delivery service; provided that next-business-day delivery is requested by the sender.
 - d) By electronic means.

Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U. S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the addresses set forth in Paragraph 24. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.

23. PERFORMANCE EVALUATION. Upon completion of this Grant Agreement, Grantee's performance will be evaluated by the State and a copy of the evaluation will be placed in the State file and a copy sent to the Grantee.

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

Department of Water Resources
Arthur Hinojosa, P.E., Chief
Chief, Division of IRWM
P.O. Box 942836
Sacramento CA 94236-0001
Phone: (916) 651-9220
e-mail: Arthur.Hinojosa@water.ca.gov

City of Sacramento
William Busath
Department of Utilities Director
1395 35th Avenue
Sacramento, CA 95822
Phone: (916) 808-1434
e-mail: WBusath@cityofsacramento.org

Direct all inquiries to the Project Manager:

Department of Water Resources
Benjamin Gooding
Division of Integrated Regional Water Management
3374 East Shields Avenue
Fresno, CA 93726
Phone: (559) 230-3359
e-mail: Benjamin.Gooding@water.ca.gov

City of Sacramento
Julie Friedman
Environmental Services Manager
1395 35th Avenue
Sacramento, CA 95822
Phone: (916) 808-7898
e-mail: JFriedman@cityofsacramento.org

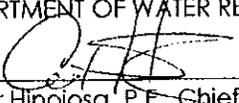
Either party may change its Project Representative or Project Manager upon written notice to the other party.

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

Exhibit A – Work Plan
Exhibit B – Budget
Exhibit C – Schedule
Exhibit D – Standard Conditions
Exhibit E – Authorizing Resolution
Exhibit F – Report Formats and Requirements
Exhibit G – Requirements for Statewide Monitoring and Data Submittal
Exhibit H – State Audit Document Requirements
Exhibit I – Project Monitoring Plan Components

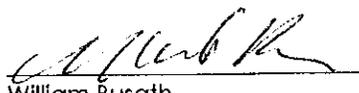
IN WITNESS WHEREOF, the parties hereto have executed this Grant Agreement.

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES


Arthur Hinojosa, P.E., Chief
Division of Integrated Regional Water Management

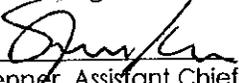
Date 12/8/15

CITY OF SACRAMENTO


William Busath
Department of Utilities Director

Date 11/18/15

Approved as to Legal Form and Sufficiency


Spencer Kenner, Assistant Chief Counsel
Office of Chief Counsel

Date 12/2/15

**EXHIBIT A
WORK PLAN**

Project Name: City of Sacramento Department of Utilities District Metered Areas (DMAs) for Water Loss Control

IMPLEMENTING AGENCY: City of Sacramento, Department of Utilities (City)

PROJECT DESCRIPTION: The project comprises selecting an additional three to four District Metered Areas (DMAs) coinciding with the City of Sacramento's water distribution service area and DAC areas, identifying key areas of leak detection, and repairing identified leaks within the system. The data the City would expect to receive from this project includes baseline customer use, an idea of background leakage, and recognition of the subtle (unreported) leaks that develop with time, and reduction of leakage losses to optimized levels.

Task 1 Project Management and Reporting

The City will respond to DWR's reporting and compliance requirements associated with the grant administration. The City will manage the grant agreement including compliance with grant requirements, and preparation and submission of supporting grant documents. The City will prepare invoices including relevant supporting documentation for submittal to DWR. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies, and the project managers responsible for implementing the project(s) contained in this agreement, and managing consultants/contractors.

The City will be responsible for compiling invoices for submittal to DWR. This includes collecting invoice documentation from each of the project proponents and compiling the information into a DWR Invoice Packet.

The City will be responsible for submitting progress reports and draft and final grant completion reports containing items per the agreement.

Deliverables:

- Progress Reports
- Draft and Final Grant Completion Report

Task 2 DMA Implementation and Analysis

This task includes analyzing and implementing three to four District Metered Areas (DMAs) coinciding with the City of Sacramento's water distribution service area and DAC areas. DMA Implementation and Analysis activities are listed below:

Task 2.1 - Select Final DMA Study Areas

- Create an additional three to four DMAs coinciding within the City of Sacramento's water distribution service area and DAC areas.
- Select the final three to four DMA study areas to be funded under this project by looking at the following criteria: DMA size, infrastructure requirements, water quality, hydraulic integrity of DMA, number of supply points into the DMA, inflow chamber design, possible backup supply point, minimum flow and pressure requirements for fire flow and insurance, customer base in DMA, looping and redundancy requirements, and target leakage level.

Task 2.2 - Implement One-year Study

The following measures will be implemented in the chosen areas:

- The boundaries will be isolated and meters will be installed on all supply lines coming into the DMA.

- Meter vaults will be designed and located on the supply lines into the DMA.
- Once the DMA boundaries have been isolated, data will be collected and a Water Loss Baseline will be calculated by utilizing the DMA supply meter data collected and the AMR/AMI consumption data from the billing database, which will produce a mass balance.
- Leakage losses will be quantified in the selected DMAs based on the "Minimum Night Time Flow" measurement principle. These measurements will quantify the leakage volume in each of the DMAs.

Task 2.3 – Report on Results

- From the data collection and analysis, a report summarizing the results will be written.
- A list of priority areas for leak detection crews to focus on will be compiled.

Deliverables:

- Draft and Final Technical Memorandum Identifying Recommended Study Areas
- 65% and 100% Plans and Specifications (Construction Documents) for Meter Vault Installations
- Proof of Advertisement
- Award of contract
- Notice to Proceed
- Notice of Completion
- Draft and Final Report on One-year Monitoring summarizing the result
- List of Priority Leak Detection Areas

Task 3 Leak Detection

This task includes leak detection and isolation using the leakage loss quantifications found in the DMA studies conducted in Task 2.2. City and contract leak detection crews will isolate leak locations and areas of concern using information and data obtained during the Task 2.2 phase. A list of leaks detected will be compiled noting specific locations and recommended resolutions.

Deliverables:

- Summary List of Leaks Detected, Locations, and Recommended Resolution

Task 4 Leak Repairs

Repairs to identified leaking infrastructure are the final component of this project.

Task 4.1 – Main Line/City Asset Repairs and Replacements

Under this task, the City will use outside contractors or in-house staff to perform repairs and replacements to City-owned infrastructure within DAC areas, including bid and construction administration.

Task 4.2 – DAC Homeowner Funding Repair Program

The activities under this task include:

- City will develop a DAC Homeowner Funding Repair program that will aid in the funding of service-side repairs for approximately 150 residents of the DAC areas.

- Develop Program start-up activities, which will include development of the DAC-area repair funding program, program structure, funding criteria, and funding mechanism.
- Conduct outreach through bill inserts, mailers, and other outreach activities designed to provide information about the program to homeowners in the selected areas.

Deliverables:

- List of Completed Repairs or Replacement of Leaking City Mains within DAC areas
- List of Completed Repairs on Homeowner-side Leaks within DAC areas
- Summarize in the applicable progress report(s) the activities for this task (for example, progress on program start-up, funding criteria developed, numbers of bill inserts or mailers distributed, brief description of other outreach activities, etc.)

Task 5 Environmental Documentation

Prepare Environmental Information Form and Notice of Exemption for the project. Copies of the documents will be provided to DWR.

City of Sacramento will comply with all applicable state and federal environmental requirements for this Project and will submit the related documentation, if required.

Deliverables:

- Copy of Notice of Exemption

Task 6 Permitting Documentation

Prepare permit documents for the project as necessary to install water meters and repairs/replacements. Permitting activities are expected to be minimal.

Deliverables:

- All required permits for the Project, if required.

Task 7 Project Monitoring Plan

City shall develop and submit a Project Monitoring Plan to track and quantify the performance of the Project. The Project Monitoring Plan will discuss the goal of the monitoring, how the monitoring will be accomplished, the frequency of monitoring, the monitoring point locations, etc. The Project Monitoring Plan will describe the applicable project benefits including water and energy savings, GHG reductions, etc., and explain how the Project benefits will be quantified. The Project Monitoring Plan should result in data collected that allows for a comparison of baseline and post-project benefits in the Grant Completion Report. The Project Monitoring Plan will also cover the post-performance monitoring per this agreement. The Project Monitoring Plan shall be submitted prior to disbursement of State funds for implementation or monitoring activities.

Deliverables:

- Project Monitoring Plan

**EXHIBIT B
BUDGET**

Project Budget	
Line Item	Grant Award
Personnel Services These individuals must be employed by the Grantee.	\$381,850
Grantee Expenses <ul style="list-style-type: none"> • Document Reproduction, Office Supplies, Office Expenses Permit Fees • Outreach Materials and Postage 	\$27,200
Professional and Consultant Services <ul style="list-style-type: none"> • DWR Coordination & Reporting; • DMA Study, Design, and Reports; • Meter Vault Design Engineering Services; • Leak Detection on City Assets; • Database Tracking and Management of Leak Detection Activities, City Repairs, Home-owner Repairs; • Development of Homeowner-side Repair Program; • Outreach Support for Homeowner Program. 	\$650,920
Construction/Implementation Costs	\$1,440,030
TOTAL	\$2,500,000

**EXHIBIT C
SCHEDULE**

Task #	Task Name	Start Date	Due Date
1	Direct Project Administration and Management	Date this Grant Agreement is executed by State (Execution date is the date the State signs this Grant Agreement indicated on page 8)	03/30/2018
	Progress Reports and Invoicing	7/1/2015	Within 30 days after the end of each quarter of calendar (for example, progress report for 2 nd quarter is due by July 30)
	<i>Draft Grant Completion Report and Invoicing</i>	02/01/2018	02/28/2018
	<i>Final Grant Completion Report and Invoicing</i>	03/15/2018	03/30/2018
	<i>Request for Retention Invoice</i>	03/15/2018	03/30/2018
2	DMA Implementation and Analysis	9/1/2015	4/15/2017
3	Leak Defectlon	9/14/2015	07/18/2017
4	Leak Repairs	9/14/2015	12/31/2017
5	Environmental Documentation	8/15/2015	10/31/2017
6	Permitting Documentation	2/1/2016	10/31/2017
7	Project Monitoring Plan	9/1/2015	<i>Prior to Disbursement of payment for Construction/Impleme ntation activities</i>

EXHIBIT D
STANDARD CONDITIONS

D.1) ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:

- a) **Separate Accounting of Funding Disbursements and Interest Records:** Grantee shall account for the money disbursed pursuant to this Grant Agreement separately from all other Grantee funds. Grantee shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Grantee shall keep complete and accurate records of all receipts, disbursements, and interest earned on expenditures of such funds. Grantee shall require its contractors or subcontractors to maintain books, records, and other documents pertinent to their work in accordance with generally accepted accounting principles and practices. Records are subject to inspection by State at any and all reasonable times.
- b) **Fiscal Management Systems and Accounting Standards:** The Grantee agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracing of grant funds to a level of expenditure adequate to establish that such funds have not been used in violation of state law or this Grant Agreement.
- c) **Disposition of Money Disbursed:** All money disbursed pursuant to this Grant Agreement shall be deposited, administered, and accounted for pursuant to the provisions of applicable law.
- d) **Remittance of Unexpended Funds:** Grantee shall remit to State any unexpended funds that were disbursed to Grantee under this Grant Agreement and were not used to pay Eligible Project Costs within a period of sixty (60) calendar days from the final disbursement from State to Grantee of funds or, within thirty (30) calendar days of the expiration of the Grant Agreement, whichever comes first.

D.2) ACKNOWLEDGEMENT OF CREDIT: Grantee shall include appropriate acknowledgement of credit to the State and to all cost-sharing partners for their support when promoting the Project or using any data and/or information developed under this Grant Agreement.

D.3) AIR OR WATER POLLUTION VIOLATION: Under State laws, the Grantee shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

D.4) AMENDMENT: This Grant Agreement may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any way contrary to applicable law. Requests by the Grantee for amendments must be in writing stating the amendment request and the reason for the request. State shall have no obligation to agree to an amendment.

D.5) AMERICANS WITH DISABILITIES ACT: By signing this Grant Agreement, Grantee assures State that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C., 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

D.6) APPROVAL: This Agreement is of no force or effect until signed by all parties to the agreement. Grantee may not submit invoices or receive payment until all required signatures have been obtained.

D.7) AUDITS: State reserves the right to conduct an audit at any time between the execution of this Grant Agreement and the completion of Project, with the costs of such audit borne by State. After completion of the Project, State may require Grantee to conduct a final audit to State's specifications, at Grantee's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and State may elect to pursue any remedies provided in Paragraph 12 or take any other action it deems necessary to protect its interests.

Pursuant to Government Code Section 8546.7, the Grantee shall be subject to the examination and audit by the State for a period of three years after final payment under this Grant Agreement with respect to all matters connected with this Grant Agreement, including but not limited to, the cost of administering this Grant Agreement. All records of Grantee or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after project completion or final billing, whichever comes later.

- D.8) **BUDGET CONTINGENCY:** If the Budget Act of the current year covered under this Grant Agreement does not appropriate sufficient funds for this Grant Program, this Grant Agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of State to make any payments under this Grant Agreement. In this event, State shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Grant Agreement and Grantee shall not be obligated to perform any provisions of this Grant Agreement. Nothing in this Grant Agreement shall be construed to provide Grantee with a right of priority for payment over any other Grantee. If funding for any fiscal year after the current year covered by this Grant Agreement is reduced or deleted by the Budget Act for purposes of this program, State shall have the option to either cancel this Grant Agreement with no liability occurring to State, or offer a Grant Agreement amendment to Grantee to reflect the reduced amount.
- D.9) **CALIFORNIA CONSERVATION CORPS:** As required in Water Code section 79038(b), Grantee shall examine the feasibility of using the California Conservation Corps or community conservation corps to accomplish the habitat restoration, enhancement and protection activities listed in the Exhibit A, Work Plan, and shall use the services of one of these organizations whenever feasible.
- D.10) **CEQA:** Activities funded under this Grant Agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA) (Public Resources Code §21000 et seq.). Information on CEQA may be found at the following links:
Environmental Information: <http://ceres.ca.gov/ceqa/>
California State Clearinghouse Handbook: <http://ceres.ca.gov/planning/sch/>
- D.11) **CHILD SUPPORT COMPLIANCE ACT:** For any Grant Agreement in excess of \$100,000, the Grantee acknowledges in accordance with Public Contract Code 7110, that:
- a) The Grantee recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
 - b) The Grantee, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
- D.12) **CLAIMS DISPUTE:** Any claim that the Grantee may have regarding performance of this agreement including, but not limited to, claims for additional compensation or extension of time, shall be submitted to the State's Project Manager, within thirty (30) days of the Grantee's knowledge of the claim. State and Grantee shall then attempt to negotiate a resolution of such claim and process an amendment to this Agreement to implement the terms of any such resolution.
- D.13) **COMPETITIVE BIDDING AND PROCUREMENTS:** Grantee shall comply with all applicable laws and regulations regarding securing competitive bids and undertaking competitive negotiations in Grantee's contracts with other entities for acquisition of goods and services and construction of public works with funds provided by State under this Grant Agreement.
- D.14) **COMPUTER SOFTWARE:** Grantee certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Grant Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.

- D.15) CONFLICT OF INTEREST:** All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code, Section 1090 and Public Contract Code, Sections 10410 and 10411, for State conflict of interest requirements.
- a) **Current State Employees:** No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
 - b) **Former State Employees:** For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.
 - c) **Employees of the Grantee:** Employees of the Grantee shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act, Cal. Gov't Code § 87100 et seq.
 - d) **Employees and Consultants to the Grantee:** Individuals working on behalf of a Grantee may be required by the Department to file a Statement of Economic Interests (Fair Political Practices Commission Form 700) if it is determined that an individual is a consultant for Political Reform Act purposes.
- D.16) DELIVERY OF INFORMATION, REPORTS, AND DATA:** Grantee agrees to expeditiously provide throughout the term of this Grant Agreement, such reports, data, information, and certifications as may be reasonably required by State.
- D.17) DISPOSITION OF EQUIPMENT:** Grantee shall provide to State, not less than 30 calendar days prior to submission of the final invoice, an itemized inventory of equipment purchased with funds provided by State. The inventory shall include all items with a current estimated fair market value of more than \$5,000.00 per item. Within 60 calendar days of receipt of such inventory State shall provide Grantee with a list of the items on the inventory that State will take title to. All other items shall become the property of Grantee. State shall arrange for delivery from Grantee of items that it takes title to. Cost of transportation, if any, shall be borne by State.
- D.18) DRUG-FREE WORKPLACE CERTIFICATION:** Certification of Compliance: By signing this Grant Agreement, Grantee, its contractors or subcontractors hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Government Code 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:
- a) Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code Section 8355(a)(1).
 - b) Establish a Drug-Free Awareness Program, as required by Government Code Section 8355(a)(2) to inform employees, contractors, or subcontractors about all of the following:
 - i) The dangers of drug abuse in the workplace,
 - ii) Grantee's policy of maintaining a drug-free workplace,
 - iii) Any available counseling, rehabilitation, and employee assistance programs, and

- iv) Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
- c) Provide, as required by Government Code Sections 8355(a)(3), that every employee, contractor, and/or subcontractor who works under this Grant Agreement:
 - i) Will receive a copy of Grantee's drug-free policy statement, and
 - ii) Will agree to abide by terms of Grantee's condition of employment, contract or subcontract.
- D.19) **FINAL INSPECTION AND CERTIFICATION BY REGISTERED PROFESSIONAL:** Upon completion of the construction project, and as determined by State, Grantee shall provide for a final inspection and certification by the appropriate registered professional (California Registered Civil Engineer or Geologist) that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Grant Agreement. Grantee shall notify the State's Project Manager of the inspection date at least 14 calendar days prior to the inspection in order to provide State the opportunity to participate in the inspection.
- D.20) **GRANTEE COMMITMENTS:** Grantee accepts and agrees to comply with all terms, provisions, conditions and commitments of this Grant Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by the Grantee in the application, documents, amendments, and communications filed in support of its request for funding.
- D.21) **GRANTEE NAME CHANGE:** Approval of the State's Program Manager is required to change the Grantee's name as listed on this Grant Agreement. Upon receipt of legal documentation of the name change the State will process an amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.
- D.22) **GOVERNING LAW:** This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
- D.23) **INDEMNIFICATION:** Grantee shall indemnify and hold and save the State, its officers, agents, and employees, free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Project and this Agreement, including, but not limited to any claims or damages arising from planning, design, construction, maintenance and/or operation of levee rehabilitation measures for this Project and any breach of this Agreement. Grantee shall require its contractors or subcontractors to name the State, its officers, agents and employees as additional insured on their liability insurance for activities undertaken pursuant to this Agreement.
- D.24) **INDEPENDENT CAPACITY:** Grantee, and the agents and employees of Grantees, in the performance of the Grant Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.
- D.25) **INSPECTION OF BOOKS, RECORDS, AND REPORTS:** During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Grant Agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Grant Agreement. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and State may withhold disbursements to Grantee or take any other action it deems necessary to protect its interests.
- D.26) **INSPECTIONS OF PROJECT BY STATE:** State shall have the right to inspect the work being performed at any and all reasonable times during the term of the Grant Agreement. This right shall extend to any subcontracts, and Grantee shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Grant Agreement with State.
- D.27) **INVOICE DISPUTES:** In the event of an invoice dispute, payment will not be made until the dispute is resolved and a corrected invoice submitted. Failure to use the address exactly as provided may result in return of the invoice to the Grantee. Payment shall be deemed complete upon deposit of the payment, properly addressed, postage prepaid, in the United States mail. Any claim that Grantee may

have regarding the performance of this Grant Agreement including, but not limited to claims for additional compensation or extension of time, shall be submitted to the DWR Project Manager within thirty (30) calendar days of Grantee's knowledge of the claim. State and Grantee shall then attempt to negotiate a resolution of such claim and process an amendment to the Grant Agreement to implement the terms of any such resolution.

- D.28) LABOR CODE COMPLIANCE:** The Grantee will be required to keep informed of and take all measures necessary to ensure compliance with applicable California Labor Code requirements, including, but not limited to, Section 1720 *et seq.* of the California Labor Code regarding public works, limitations on use of volunteer labor (California Labor Code Section 1720.4), labor compliance programs (California Labor Code Section 1771.5) and payment of prevailing wages for work done and funded pursuant to these Guidelines, including any payments to the Department of Industrial Relations under Labor Code Section 1771.3.
- D.29) MODIFICATION OF OVERALL WORK PLAN:** At the request of the Grantee, the State may at its sole discretion approve non-material changes to the portions of Exhibits B and C which concern the budget and schedule without formally amending this Grant Agreement. Non-material changes with respect to the Project budget are changes that only result in reallocation of the budget and will not result in an increase in the amount of the State Grant Agreement. Non-material changes with respect to the Project schedule are changes that will not extend the term of this Grant Agreement. Requests for non-material changes to the budget and schedule must be submitted by the Grantee to the State in writing and are not effective unless and until specifically approved by the State's Project Manager in writing.
- D.30) NONDISCRIMINATION:** During the performance of this Grant Agreement, Grantee and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital status, and denial of medial and family care leave or pregnancy disability leave. Grantee and its contractors or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and its contractors or subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code § 12990 (a-f) *et seq.*) and the applicable regulations promulgated there under (California Code of Regulations, Title 2, Section 7285 *et seq.*). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Grantee and its contractors or subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
- Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Grant Agreement.
- D.31) NO DISCRIMINATION AGAINST DOMESTIC PARTNERS:** For contracts over \$100,000 executed or amended after January 1, 2007, the Grantee certifies by signing this Grant Agreement, under penalty of perjury under the laws of State of California that Grantee is in compliance with Public Contract Code section 10295.3.
- D.32) OPINIONS AND DETERMINATIONS:** Where the terms of this Grant Agreement provide for action to be based upon, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.
- D.33) PERFORMANCE AND ASSURANCES:** Grantee agrees to faithfully and expeditiously perform or cause to be performed all Project work as described in Exhibit A, "Work Plan" and to apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law.

- D.34) PRIORITY HIRING CONSIDERATIONS:** If this Grant Agreement includes services in excess of \$200,000, the Grantee shall give priority consideration in filling vacancies in positions funded by the Grant Agreement to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.
- D.35) PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION:** The Grantee shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Project, or with Grantee's service of water, without prior permission of State. Grantee shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of Grantee to meet its obligations under this Grant Agreement, without prior written permission of State. State may require that the proceeds from the disposition of any real or personal property be remitted to State.
- D.36) REMEDIES NOT EXCLUSIVE:** The use by either party of any remedy specified herein for the enforcement of this Grant Agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.
- D.37) RETENTION:** Notwithstanding any other provision of this Grant Agreement, State shall, for each project, withhold five percent (5.0%) until January 1, 2018 and ten percent (10.0%), thereafter, of the funds requested by Grantee for reimbursement of Eligible Costs. Each project in this Grant Agreement will be eligible to release its respective retention when that project is completed and Grantee has met requirements of Paragraph 17, "Submissions of Reports" as follows: At such time as the "Project Completion Report" required under Paragraph 17 is submitted to and approved by State, State shall disburse the retained funds as to that project to Grantee, except in the case of the last project to be completed under this Grant Agreement, in which case retention for such project will not be disbursed until the "Grant Completion Report" is submitted to and approved by State.
- D.38) RIGHTS IN DATA:** Grantee agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes and other written or graphic work produced in the performance of this Grant Agreement shall be made available to the State and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act., Cal. Gov't Code §6250 et seq. Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Grant Agreement, subject to appropriate acknowledgement of credit to State for financial support. Grantee shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so. The State shall have the right to use any data described in this paragraph for any public purpose.
- D.39) SEVERABILITY:** Should any portion of this Grant Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Grant Agreement shall continue as modified.
- D.40) STATE REVIEWS:** The parties agree that review or approval of project applications, documents, permits, plans, and specifications or other project information by the State is for administrative purposes only and does not relieve the Grantee of their responsibility to properly plan, design, construct, operate, maintain, implement, or otherwise carry out the project.
- D.41) SUSPENSION OF PAYMENTS:** This Grant Agreement may be subject to suspension of payments or termination, or both, and Grantee may be subject to debarment if the State determines that:
- a) Grantee, its contractors, or subcontractors have made a false certification, or
 - b) Grantee, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Grant Agreement.
- D.42) SUCCESSORS AND ASSIGNS:** This Grant Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Grant Agreement or any part thereof, rights hereunder, or interest herein by the Grantee shall be valid unless and until it is approved by State and made subject to such reasonable terms and conditions as State may impose.
- D.43) TERMINATION BY GRANTEE:** Subject to State approval which may be reasonably withheld, Grantee may terminate this Agreement and be relieved of contractual obligations. In doing so, Grantee must provide

a reason(s) for termination. Grantee must submit all progress reports summarizing accomplishments up until termination date.

- D.44) **TERMINATION FOR CAUSE:** Subject to the right to cure under Paragraph 12, the State may terminate this Grant Agreement and be relieved of any payments should Grantee fail to perform the requirements of this Grant Agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 12.
- D.45) **TERMINATION WITHOUT CAUSE:** The State may terminate this Agreement without cause on 30 days advance written notice. The Grantee shall be reimbursed for all reasonable expenses incurred up to the date of termination.
- D.46) **THIRD PARTY BENEFICIARIES:** The parties to this Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or any duty, covenant, obligation or understanding established herein.
- D.47) **TIMELINESS:** Time is of the essence in this Grant Agreement.
- D.48) **TRAVEL:** Grantee agrees that travel and per diem costs shall NOT be eligible for reimbursement with State funds. Travel includes the costs of transportation, subsistence, and other associated costs incurred by personnel during the term of this Grant Agreement.
- D.49) **WAIVER OF RIGHTS:** None of the provisions of this Grant Agreement shall be deemed waived unless expressly waived in writing. It is the intention of the parties here to that from time to time either party may waive any of its rights under this Grant Agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Grant Agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.
- D.50) **WORKERS' COMPENSATION:** Grantee affirms that it is aware of the provisions of Section 3700 of the California Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and Grantee affirms that it will comply with such provisions before commencing the performance of the work under this Grant Agreement and will make its contractors and subcontractors aware of this provision.

**EXHIBIT E
AUTHORIZING RESOLUTION**

RESOLUTION NO. 2015-0042

Adopted by the Sacramento City Council

February 17, 2015

**GRANT FUNDING APPLICATION FOR THE DEPARTMENT OF WATER RESOURCES
WATER-ENERGY GRANT PROGRAM**

BACKGROUND

- A. In 2013, the City adopted a Water Conservation Plan which includes recommendations to intensify the system-wide leak detection program to help achieve water use reduction goals.
- B. To implement the Water Conservation Plan recommendations and as the next step for a medium to long-term water loss reduction strategy, the City's Department of Utilities (DOU) is augmenting its leak detection and repair program with District Metered Area (DMA) Management.
- C. DMAs are discrete areas of the water distribution system that have a defined boundary encompassing 500-5,000 metered service connections. DMA Management and leak detection through isolation and submetering can reduce the volume of real water losses, saving water and energy, and reducing greenhouse gas emissions.
- D. The DMA program is eligible for State grant funding under the Department of Water Resources 2014 Water-Energy Grant Program pursuant to Senate Bill No. 103 Section 11 (2013-2014 Regular Session).
- E. The California Department of Water Resources 2014 Water-Energy Grant has a maximum amount of \$2.5 million and does not require local matching funds.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. The City Manager, or the City Manager's designee, is authorized to apply for a California Department of Water Resources 2014 Water-Energy Grant to fund the Department of Utilities District Metered Areas for Water Loss Control Project up to the maximum grant amount of \$2.5 million, and to execute all agreements related to the grant on behalf of the City if the grant is awarded.

Section 2. The Director of Utilities and the Director's designees are authorized as the City's agent to prepare the necessary data, conduct investigations, conduct all negotiations, and submit all documents required in connection with the grant application and, if the grant is awarded, the grant agreement, including but not limited to applications, payment requests, and documentation of compliance with all requirements applicable to the grant and completion of the project funded by the grant.

Section 3. The City Council has reviewed the purpose of the application and supports the application being submitted.

Table of Contents:

Exhibit A - City of Sacramento Grant Application to California Department of Water Resources to obtain a 2014 Water-Energy Grant

Adopted by the City of Sacramento City Council on February 17, 2015, by the following vote:

Ayes: Members Ashby, Carr, Hansen, Harris, Jennings, Schenirer, and Warren

Noes: None

Abstain: None

Absent: Mayor Johnson

Vacant: District 6

Attest:

Digitally signed by Shirley A. Concolino
DN: c=Shirley A. Concolino, o=City of Sacramento, ou=City Clerk, email=sconcolino@cityofsacramento.org, c=US
Date: 2015.02.20 15:06:30 -0800

Shirley Concolino, City Clerk

EXHIBIT F
REPORT FORMATS AND REQUIREMENTS

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

PROGRESS REPORTS

Progress reports shall generally use the following format. This format may be modified as necessary to effectively communicate information. For each project, describe the work performed including:

Project Status

Describe the work performed during the time period covered by the report, organized by Exhibit A, "Work Plan" tasks/subtasks/categories, including but not limited to:

- Updates on all ongoing tasks.
- Estimates of the percent (%) complete.
- Discussion of any project related work completed this reporting period.
- Milestones or deliverables completed/submitted.
- Impediments to completion of any task.
- Photos documenting progress.

Cost Information

For each project provide the following:

- A comparison of project task(s) percent complete with percent invoiced.
- A list of any changes approved to the budget in accordance with Grant Agreement and a revised budget, by task, if changed from latest budget in the Overall Work Plan.

Schedule Information

A list of any changes approved to the Schedule in accordance with Grant Agreement and a revised schedule, by task, if changed from latest reported schedule.

Anticipated Activities Next Quarter

Provide a description of anticipated activities for the next quarterly reporting period.

PROJECT COMPLETION REPORT

Project Completion Reports shall generally use the following format.

Executive Summary

Provide a brief summary of project information and include the following items:

- Brief description of work proposed to be done in the original Grant application.
- Description of actual work completed and any deviations from Exhibit A. List any official amendments to this Grant Agreement, with a short description of the amendment.

Reports and/or Products

The following items should be provided:

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

Costs and Dispositions of Funds

Provide a list of:

- The date each invoice was submitted to State
- The amount of each invoice
- The date(s) the check(s) was/were received
- The amount of the check (If a check has not been received for the final invoice, then state this in this section.)
- A summary of the payments made by the Grantee for meeting its cost sharing obligations under this Grant Agreement.
- A summary of final funds disbursement including:
 - Labor cost of personnel of agency/ major consultant /sub-consultants. Indicate personnel, hours, rates, type of profession and reason for consultant, i.e., design, CEQA work, etc.
 - Project cost information, shown by material, equipment, labor costs, and any change orders
 - Any other incurred cost detail
 - A statement verifying separate accounting of funding disbursements
- Summary of project cost including the following items:
 - Accounting of the cost of project expenditure;
 - Include all internal and external costs not previously disclosed; and
 - A discussion of factors that positively or negatively affected the project cost and any deviation from the original project cost estimate.

Additional Information

- Benefits derived from the project, with quantification of such benefits provided, if applicable.
- A final project schedule showing actual progress verse planned progress as shown in Exhibit B.
- Certification by a California Registered Professional (Civil Engineer or Geologist, as appropriate) that the project was conducted in accordance with the approved work plan and any approved modifications thereto.
- Submittal schedule for the Post Performance Report and an outline of the proposed reporting format.

GRANT COMPLETION REPORT

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

Executive Summary

Reports and/or products

- Brief comparison of work proposed in the original grant application and actual work done.
- Brief description of the projects completed and how they will reduce greenhouse gas emission and reduce water and energy use.
- If applicable, a short discussion on how the IRWM Plan will assist in reducing dependence on Delta water supplies.
- If applicable, a discussion of the water supply or water quality benefits to Disadvantaged Community(ies) as part of this Grant Agreement

Cost & Disposition of Funds Information

- A summary of final funds disbursement for each project.

Additional Information

- A final schedule showing individual project's actual progress duration verse planned progress.
- Certification from a California Registered Professional (Civil Engineer or Geologist, as appropriate) that the Program was conducted in accordance with the approved work plan and any approved modifications thereto. Discussion of the synergies of the completed projects, including the integration of project benefits and a comparison of actual benefits versus those discussed in the original proposal.

- Submittal schedule for the Post Performance Reports for each of the projects in this Grant Agreement.

POST-PERFORMANCE REPORT

Report should be concise and focus on how the project is actually performing compared to its expected performance; whether the project is being operated and maintained, and providing intended benefits as proposed.

Reports and/or products

- Time period of the annual report (i.e., Oct 2016 through September 2017)
- Short project description
- Discussion of the project savings compared to baseline water and energy usage.
- An assessment of any explanations for any differences between the expected versus actual project benefits in meeting IRWM priorities as stated in the original Water-Energy Grant application. Where applicable, the reporting should include quantitative metrics, i.e., new acre-feet of water conserved that year, acres of wildlife habitat added, etc.
- Summary of any additional costs and/or benefits deriving from the project since its completion, if applicable
- Continued reporting on meeting the Output Indicators and Targets discussed in the Project Monitoring Plan discussed in Paragraph 19 of this Grant Agreement
- Any additional information relevant to or generated by the continued operation of the project

EXHIBIT G
REQUIREMENTS FOR STATEWIDE MONITORING AND DATA SUBMITTAL

Surface and Groundwater Quality Data

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

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

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

Groundwater Level Data

Grantee shall submit to DWR groundwater level data collected as part of this grant. Water level data must be submitted using the California Statewide Groundwater Elevation Monitoring (CASGEM) online data submission system. Grantee should use their official CASGEM Monitoring Entity or Cooperating Agency status to gain access to the online submittal tool and submit data. If the data is from wells that are not part of the monitoring network, the water level measurements should be classified as voluntary measurements in the CASGEM system. If the grantee is not a Monitoring Entity or Cooperating Agency, please contact your DWR grant project manager for further assistance with data submittal. The activity of data submittal should be documented in appropriate progress or final project reports, as described in Exhibit F. Information regarding the CASGEM program can be found at <http://www.water.ca.gov/groundwater/casgem/>.

EXHIBIT H
STATE AUDIT DOCUMENT REQUIREMENTS AND FUNDING MATCH GUIDELINES
FOR GRANTEES

State Audit Document Requirements

The list below details the documents/records that State Auditors typically reviews 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 of documents also includes documents relating to the Grantee's funding match which will be required for audit purposes.

Internal Controls:

1. Organization chart (e.g., Agency's overall organization chart and organization chart for this Grant Agreement's funded 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, policy(ies), and procedures on State funded Program/Project
3. Audit reports of the Grantee's internal control structure and/or financial statements within last two years.
4. 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.

Contracts:

1. All subcontractor and consultant contracts and related, if applicable.
2. Contracts 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

Project Files:

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

EXHIBIT I
PROJECT MONITORING PLAN COMPONENTS

Introduction

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

Project Monitoring Plan

- Proposed water and energy savings
- Monitoring Metrics (ex: Kg CO₂e greenhouse gas, acre-feet/MG of water, or KWh energy)
- Special Environmental Considerations (e.g., resource agency requirements, permit requirements, CEQA/NEPA mitigation measures)
- Performance Targets, (water use reduction, energy use reduction, and greenhouse gas emission reduction)
- Method of Reporting (ex: paper reports, online databases, public meetings)
- Frequency of Duration Monitoring and Reporting (pre-and-post monitoring frequency)
- Frequency and Duration of Maintenance Activities
- Responsible Party (who is conducting monitoring and/or maintenance) Implementing responsibility (i.e., who is responsible for monitoring and maintenance)
- Adaptive Management Strategies (i.e., what happens when routine monitoring or maintenance encounters a problem)