

EXHIBIT A – WORK PLAN

See Exhibit A to State Grant Agreement No. 4600015401

PROJECT 2: ESPERANZA STREET WATERLINE IMPROVEMENTS, PHASE 1

PROJECT 2: Esperanza Street Waterline Improvements, Phase 1**IMPLEMENTING AGENCY:** Cabazon Water District**PROJECT DESCRIPTION:** The project will replace and upsize approximately 900 linear feet of a failing water line in Cabazon, California. The project will conserve approximately 0.3 AFY and will improve flows to meet fire code, bringing the 27 service connections within the preferred threshold for fire protection.**Budget Category (a): Project Administration**Task 1: Project Management

Manage Grant Agreement including compliance with grant requirements, and preparation and submission of supporting grant documents and coordination with the Grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via the Grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR via the Grantee.

Prepare Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Quarterly Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

Budget Category (b): Land Purchase/EasementTask 3: Land Purchase

No land purchase or easement acquisition is required for this project.

Deliverables: N/A**Budget Category (c): Planning/Design/Engineering/Environmental Documentation**Task 4: Feasibility Studies

Not applicable; the project is consistent with previous projects completed by Cabazon Water District and is necessary to address a system deficiency.

Deliverables: N/A

Task 5: CEQA Documentation

Complete environmental review pursuant to CEQA. Prepare all necessary environmental documentation. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting

The following permits are anticipated to be acquired for this project: an encroachment permit from Riverside County to perform work within the Riverside County right-of-way. The encroachment permit will be secured prior to construction but cannot be secured until the contractor is selected.

Deliverables:

- Permits as required

Task 7: Design

Preliminary and final design for the pipeline will be completed. All designs will comply with applicable construction and health and safety standards. Final plans and specifications will be provided.

Deliverables:

- 100% Design Plans and Specifications

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

Deliverables:

- Bid Documents
- Proof of Advertisement
- Award of Contract
- Notice to Proceed

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. A full-time engineering construction observer will be on site for the duration of the project. Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/ updating project schedule, reviewing contractor log submittals and pay requests, forecasting cash flow, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion and record drawings will be provided to DWR.

Deliverables:

- DWR Certificate of Project Completion
- Record Drawings

Task 11: Construction

Construction activities include mobilization of equipment and transport to the site; setting up temporary facilities (e.g., construction barriers), clearing site for construction as needed, and identification of existing underground utilities to avoid as necessary; Excavate trench to remove existing 4" steel pipe. Construct approximately 900 feet of 8-inch PVC water main and connect to the existing system. Connect the water main to existing meters and hydrants, and complete backfill and compaction of trench; site cleanup and site restoration (e.g., trench backfilling, post-construction restoration of the roadway), and removal of all temporary facilities and equipment.

Deliverables:

- Photographic Documentation of Progress

EXHIBIT B – BUDGET

See Exhibit B to State Grant Agreement No. 4600015401

PROJECT 2: ESPERANZA STREET WATERLINE IMPROVEMENTS, PHASE 1

PROJECT 2: Esperanza Street Waterline Improvements, Phase 1

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	05/01/2023	05/01/2025
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	05/01/2023	12/01/2023
d	Construction / Implementation	08/02/2023	02/01/2025

Budget Category (c) overlaps with Budget Category (d) to accommodate finalization of the Project Monitoring Plan (Task 8) and completion of the Notice of Exemption (Task 5), while beginning the Construction contracting processes (Task 9).

PROJECT 3: Lions Park Recycled Water Conversion Project

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	05/01/2023	09/30/2025
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	05/01/2023	02/28/2024
d	Construction / Implementation	01/01/2024	06/30/2025

Budget Category (c) overlaps with Budget Category (d) to accommodate finalization of the Project Monitoring Plan (Task 8) and to begin the Construction contracting processes (Task 9).

EXHIBIT C – SCHEDULE

See Exhibit C to State Grant Agreement No. 4600015401

PROJECT 2: ESPERANZA STREET WATERLINE IMPROVEMENTS, PHASE 1

PROJECT 1: Twin Pines Water Supply Reliability and Fire Protection Upgrades

Implementing Agency: High Valleys Water District

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share**	Total Cost
(a)	Project Administration	\$3,324	\$0	\$20,000	\$23,324
(b)	Land Purchase / Easement	\$2,000	\$0	\$0	\$2,000
(c)	Planning / Design / Engineering / Environmental Documentation	\$72,000	\$0	\$0	\$72,000
(d)	Construction / Implementation	\$887,000	\$0	\$0	\$887,000
	TOTAL COSTS	\$964,324	\$0	\$20,000	\$984,324

NOTES:

*The project received a 100% cost share waiver.

**Other Cost Share fund source(s): High Valleys Water District General Fund, provided as in-kind labor by District staff.

PROJECT 2: Esperanza Street Waterline Improvements, Phase 1

Implementing Agency: Cabazon Water District

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share**	Total Cost
(a)	Project Administration	\$8,000	\$0	\$8,000	\$16,000
(b)	Land Purchase / Easement	\$0	\$0	\$0	\$0
(c)	Planning / Design / Engineering / Environmental Documentation	\$41,000	\$0	\$2,000	\$43,000
(d)	Construction / Implementation	\$294,700	\$0	\$6,000	\$300,700
	TOTAL COSTS	\$343,700	\$0	\$16,000	\$359,700

NOTES:

*The project received a 100% cost share waiver.

**Other Cost Share fund source(s): Cabazon Water District General Fund, provided as in-kind labor by District staff.

EXHIBIT D -- INSURANCE REQUIREMENTS

I. Minimum Scope and Limits of Insurance

Subgrantee shall procure and at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

A. Commercial General Liability Insurance with a minimum limit of \$1,000,000.00 per occurrence for bodily injury, personal injury and property damage and a general aggregate limit of \$2,000,000.00 per project or location.

B. Automobile Liability Insurance for any owned, non-owned or hired vehicle used in connection with the performance of this Agreement with a combined single limit of \$1,000,000.00 per accident for bodily injury and property damage. If Subgrantee does not use any owned, non-owned or hired vehicles in the performance of Services under this Agreement, Subgrantee shall obtain a non-owned auto endorsement to the Commercial General Liability policy.

C. Workers' Compensation Insurance as required by the State of California and Employer's Liability Insurance with a minimum limit of \$1,000,000.00 per accident for bodily injury or disease. If Subgrantee has no employees while performing Services under this Agreement, workers' compensation policy is not required; however, Subgrantee shall execute a declaration that it has no employees.

D. Professional Liability/Errors and Omissions Insurance with minimum limits of \$1,000,000.00 per claim and in the aggregate.

II. Acceptability of Insurers.

The insurance policies required under this Article shall be issued by an insurer admitted to write insurance in the State of California with a rating of A:VII or better in the latest edition of the A.M. Best Insurance Rating Guide. Self-insurance shall not be considered to comply with the insurance requirements under this Article.

III. Additional Insured.

The commercial general and automobile liability policies shall contain an endorsement naming THE CITY, its officers, employees, agents and volunteers as additional insureds.

IV. Primary and Non-Contributing.

The insurance policies required under this Article shall apply on a primary non-contributing basis in relation to any other insurance or self-insurance available to THE CITY. Any insurance or self-insurance maintained by THE CITY, its officers, employees, agents or volunteers, shall be in excess of Subgrantee's insurance and shall not contribute with it.

V. Subgrantee's Waiver of Subrogation.

The insurance policies required under this Article shall not prohibit Subgrantee and Subgrantee's employees, agents or sub-contractors from waiving the right of subrogation prior to a loss. Subgrantee hereby waives all rights of subrogation against THE CITY.

VI. Deductibles and Self-Insured Retentions.

Any deductibles or self-insured retentions must be declared to and approved by THE CITY. At THE CITY's option, Subgrantee shall either reduce or eliminate the deductibles or self-insured retentions with respect to THE CITY; or Subgrantee shall procure a bond guaranteeing payment of losses and expenses.

VII. Cancellations or Modifications to Coverage.

Subgrantee shall not cancel, reduce or otherwise modify the insurance policies required by this Article during the term of this Agreement. The commercial general and automobile liability policies required under this Agreement shall be endorsed to state that should the issuing insurer cancel the policy before the expiration date, the issuing insurer will endeavor to mail 30 days' prior written notice to THE CITY. If any insurance policy required under this Article is canceled or reduced in coverage or limits, Subgrantee shall, within two (2) Business Days of notice from the insurer, phone, fax or notify THE CITY via certified mail, return receipt requested, of the cancellation of or changes to the policy.

EXHIBIT E -- DRUG-FREE WORKPLACE POLICY CERTIFICATION

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CITY OF BANNING

ADMINISTRATIVE POLICY

Subject: Drug Free Workplace Policy		Policy No. AP-08
Reference: Code of Federal Regulations: 49 CFR Part 655 and Part 40, as amended from time to time; and the Federal Motor Carriers Safety Act ("FMCSA") regulations	Effective 1/1/96; Revised 9/2001; Revised 6/2003	Page No. 47 Of 47

I agree to notify my department head/manager before beginning work when using, before or during work, drugs, medications, or any other substance which I believe could foreseeably interfere with my effective job performance or operation of a City vehicle or equipment.

Date: _____

Employee (signature)

Employee Name (printed)

RESOLUTION NO. 2003-41

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING APPROVING THE DRUG FREE WORKPLACE POLICY, AS AMENDED, EFFECTIVE JUNE 2003.

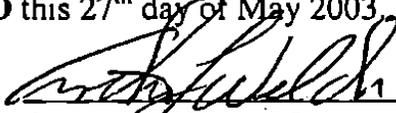
WHEREAS, a number of federal and state rules and regulations require that the City establish a drug free workplace policy, including establishment of drug testing procedures for its transit and paratransit systems and vehicles subject to the U.S. Department of Transportation and the Federal Motor Carriers Safety Act;

WHEREAS, in August 2001, the Federal Transit Administration promulgated significant revisions to the Code of Federal Regulations governing the testing methods set forth in 49 CFR Part 40, which the City was required to incorporate into its policy; and

WHEREAS, 49 CFR Part 655 mandates that the required policy be formally approved by the governing body of the agency engaged in the transit and safety-sensitive functions defined therein;

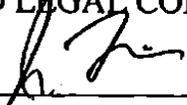
NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Banning adopts the Drug Free Workplace Policy, As Amended, Effective June 2003.

PASSED, APPROVED, AND ADOPTED this 27th day of May 2003



Arthur L. Welch, Mayor
City of Banning

APPROVED AS TO FORM
AND LEGAL CONTENT



John F. Wilson
City Attorney

ATTEST

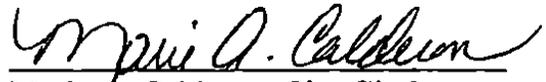


Marie A Calderon, City Clerk
City of Banning

CERTIFICATION

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2003-41 was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 27th day of May, 2003 by the following vote, to wit:

AYES: Councilmembers Hanna, Machisic, Palmer, Salas, Mayor Welch
NOES: None
ABSTAIN: None
ABSENT: None



Marie A. Calderon, City Clerk
City of Banning, California

CITY OF BANNING		
ADMINISTRATIVE POLICY		
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I. PURPOSE

The City of Banning (the "City") is committed to providing its employees and the public with an environment that is free of the effects of the use of illegal drugs and the misuse of alcohol.

The goal is furthered by the adoption of this policy. This policy is intended to encourage behavior that ensures that the city workplace is free from the effects of on-duty and off-duty use of illegal drugs and misuse of alcohol. This same policy is intended to obtain a change in any employee behavior that is inconsistent with the goal of a drug-free and alcohol-free workplace.

This policy also includes regulations that are mandated under federal law to insure the safe operation by the City of its transit and paratransit systems and vehicles subject to U.S. Department of Transportation regulations. This policy sets forth guidelines to maintain a drug and alcohol-free workplace in compliance with the Drug-Free Workplace Act of 1990, and the Omnibus Transportation Employee Testing Act of 1991. This policy is intended to comply with all applicable Federal regulations governing workplace anti-drug and alcohol programs in the transit industry. Specifically, the Federal Transit Administration ("FTA") of the U.S. Department of Transportation has published 49 CFR Part 655, as amended. Those regulations mandate urine drug testing and breath alcohol testing for safety-sensitive positions, and prohibit performance of safety-sensitive functions when there is a positive test result. The U.S. Department of Transportation ("USDOT") has also published 49 CFR Part 40, as amended, that sets standards for the collection and testing of urine and breath specimens.

This policy also includes guidelines to maintain a drug and alcohol-free workplace independent of the federal requirements described above.

THIS POLICY DOES NOT APPLY TO THE SWORN PERSONNEL OF THE CITY.

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II. DECLARATION OF A DRUG FREE WORKPLACE

The City of Banning hereby declares that the unlawful purchase, manufacture, distribution, dispensing, possession, or use of controlled substances or misuse of alcohol in violation of these guidelines by an Employee constitutes immoral or unprofessional conduct, dishonesty, incompetence, and evident unfitness for service, for any involved employee and shall constitute grounds for disciplinary action to and including termination from service.

III. APPLICABILITY

Except as otherwise specifically indicated, the policies and procedures set forth herein shall be applicable to all employees of the City of Banning. Where specifically set forth, certain of the rules in this policy are solely applicable to employees in "Safety-Sensitive" positions, DOT Drivers and Covered Employees as defined in this Policy and listed in Exhibit A.

IV. DEFINITIONS

Accident

- A. Shall have its commonly accepted meaning when applied to non-safety sensitive positions and safety sensitive positions that are not DOT Drivers. An Employee shall be subject to the alcohol and drug testing requirements of this policy only under the circumstances where if, as a result of the Accident:
- (1) An individual, ("individual" includes the Employee or any other individual) dies;
 - (2) An individual suffers a bodily injury and immediately receives medical treatment for the injury; or
 - (3) One or more vehicles or pieces of equipment with a value of \$3,500 or more incur disabling damage as the result of the occurrence,

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including the personal vehicle of an Employee when driven in the scope of employment.

B. In addition, and not in limitation, as to DOT Drivers, Covered Employees and Employees performing Safety Sensitive Functions, Accident shall mean an occurrence involving the operation of a revenue service vehicle even when not in revenue service, and/ or which involves the operation of a vehicle that requires a Commercial Driver's License to operate, if as a result:

- (1) An individual dies;
- (2) An individual suffers a bodily injury and immediately receives medical treatment away from the scene of the accident; or
- (3) One or more vehicles incur disabling damage as the result of the occurrence and are transported away from the scene by a tow truck or other vehicle.

Adulterated specimen means a specimen that contains a substance that is not expected to be present in human urine, or contains a substance expected to be present but is at a concentration so high that it is not consistent with human urine.

Alcohol means the intoxicating agent in beverage alcohol, ethyl alcohol, or other low molecular weight alcohol contained in any beverage, mixture, mouthwash, candy, food, preparation or medication.

Alcohol Test means the compulsory production and submission of breath by an employee in accordance with the provisions of this Policy for analysis to detect prohibited alcohol use.

Alcohol Concentration is expressed in terms of grams of alcohol per 210 liters of breath as measured by an evidential breath-testing device.

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Applicant means any person applying for employment with the City of Banning.

Canceled Test is a drug test that has been declared invalid by a Medical Review Officer. A canceled test is neither positive nor negative.

Confirmatory Test is a second drug or alcohol test administered to verify the results of a first drug or alcohol test.

Controlled Substance. Any drugs that are classified by the Drug Enforcement Administration (DEA) into the five schedules or classes on the basis of their potential for abuse, accepted use, and accepted safety under medical supervision. (See also **Prohibited Drug/Substance** and **Illegal Drugs**). The presence of a drug on any of these schedules establishes that it is "controlled" and also defines the nature of the supervisory control that must be exercised.

Covered Employee means an employee who is a DOT Driver, or is performing a Safety-sensitive Function. (see Attachment "A").

Department Head means an employee of the City who is responsible for the operations of a subdivision of the City work force and whose job description substantially states that they work under the direct guidance and direction of the City Manager, and who is not otherwise named a Manager in their job title.

Designated Employer Representative ("DER") An employee authorized by the employer to take immediate action to remove employees from safety-sensitive duties and to make required decisions in testing.

Dilute specimen means a specimen with creatinine and specific gravity values that are lower than expected for human urine.

Disabling damage means damage which precludes departure of any vehicle from the scene of the occurrence in its usual manner in daylight after

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simple repairs. Disabling damage includes damage to vehicles that could have been operated but would have been further damaged if so operated, but does not include damage which can be remedied temporarily at the scene of the occurrence without special tools or parts, tire disablement without other damage even if no spare tire is available, or damage to headlights, taillights, turn signals, horn, mirrors or windshield wipers that makes them inoperative.

DOT (Department of Transportation) Driver means any employee who is required under state law to obtain a commercial driver's license and who as part of their duties drives, or can be called upon at any time to drive, one of the following vehicles:

- A. One having a Gross Vehicle Weight Rating (GVWR) as assigned by the manufacturer of 26,001 pounds or more; or
- B. One having a Gross Combination Weight Rating (GVWR) of 26,001 pounds or more, inclusive of a towed vehicle having a weight rating in excess of 10,000 pounds; or
- C. One designed to carry 16 or more passengers including the driver; or
- D. One, regardless of size, that transports hazardous materials in a quantity requiring that vehicle to be placarded.

Drug Test means the compulsory production and submission of urine by an Employee in accordance with the provisions of this policy for chemical analysis to detect prohibited drug use.

Drug & Alcohol Program Manager An employee authorized by the Employer to receive test results and other communications for the employer, consistent with the requirements of 49 CFR Parts 40 and 655.

Drug Use means the use of a legal drug, illegal drug or controlled substance.

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Employee means any person hired in a regular, temporary, part-time, seasonal, or probationary capacity to perform a service for the City. Includes Covered Employees, DOT Drivers, safety-sensitive functions and all other employees.

Illegal Drugs means drugs or controlled substances as specified in the California Uniform Controlled Substance Act (Division 10, of the California Health & Safety Code) which are not legally obtained. Examples include, but are not limited to, cocaine, marijuana, heroin, and PCP. Whenever used in this policy this term shall also include Controlled Substance and Prohibited Drug/Substance.

Impaired means subject to Reasonable Suspicion, as defined in these definitions.

Job Function means any and all duties of an employee, including any safety-sensitive functions.

Legal Drugs means physician prescribed controlled substances or over-the-counter drugs that are legally obtained and used for the specific purpose and in the manner for which they were prescribed.

Licensed Medical Personnel means persons certified by the appropriate licensing authority to perform the procedures set forth in this policy for the detection of illegal drugs or misuse of alcohol

Manager means the person occupying any position named as Director or Manager in the job title. Manager shall include sworn personnel in their function as a Manager of non-sworn personnel. Such sworn personnel are not themselves subject to testing under this policy.

Medical Review Officer ("MRO") means a licensed physician (medical doctor or doctor of osteopathy) responsible for receiving laboratory results

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generated by the drug testing program who has knowledge of substance of abuse disorders, and has appropriate medical training to interpret and evaluate an individual's confirmed positive test result, together with his/her medical history, and any other relevant bio-medical information.

Negative test result for a drug test means a verified presence of the identified drug or its metabolite below the minimum levels specified in 49 CFR Part 40, as amended. An alcohol concentration of less than 0.02 BAC is a negative test result.

Non-negative test result is a test result found to be adulterated, substitute, invalid, or positive for drug/drug metabolites. Non-negative results are considered a positive test or refusal to test if the MRO cannot determine legitimate medical explanation.

Positive Test Result for a drug test means a verified presence of the identified drug or its metabolite at or above the minimum levels specified in 49 CFR Part 40, as amended. A positive alcohol test result means a confirmed alcohol concentration of 0.04 BAC or greater.

Prohibited Drug/Substance means marijuana, cocaine, opiates, amphetamines, or phencyclidine at levels above the minimum thresholds as specified in 49 CFR Part 40, as amended. Also includes "Illegally Used Controlled Substance or Drugs Under the Drug-Free Workplace Act of 1990" any drug or substance identified in Schedule I through V of Section 202 of the Controlled Substance Act (21 U.S.C. 812), and as further defined by 21 CFR 1300.11 through 1300.15 is prohibited at all times in the workplace unless a legal prescription has been written for the substance. This includes, but is not limited to: marijuana, amphetamines, opiates, phencyclidine (PCP) and cocaine, as well as any drug not approved for medical use by the U.S. Drug Enforcement Administration or the U.S. Food and Drug Administration. Illegal use includes use of any illegal drug, misuse of legally prescribed drugs, and use of illegally obtained prescription drugs. Also, the medical use of marijuana, or the use of

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hemp related products, as which cause drug or drug metabolites to be present in the body above the minimum thresholds is a violation of this policy.

FEDERAL TRANSIT ADMINISTRATION DRUG TESTING REGULATIONS (49 CFR PART 655) REQUIRE THAT ALL COVERED EMPLOYEES BE TESTED FOR MARIJUANA, COCAINE, AMPHETAMINES, OPIATES, AND PHENCYCLIDINE AS DESCRIBED IN ATTACHMENT "B" OF THIS POLICY. ILLEGAL USE OF THESE FIVE DRUGS IS PROHIBITED AT ALL TIMES AND COVERED EMPLOYEES MAY BE TESTED FOR THESE DRUGS ANYTIME THAT THEY ARE ON DUTY.

Reasonable Suspicion means a belief, based on objective and articulable facts, that there are reasons to believe that drug or alcohol use is impacting job performance and safety. Reasonable Suspicion requires objective evidence, based upon specific, contemporaneous, articulable observations of the employee's appearance, behavior, speech or body odor that are consistent with possible drug use and/or alcohol misuse. As an example and not by way of exclusion of other, any of the following, alone or in combination, may constitute reasonable suspicion that an employee may have a prohibited presence of controlled substances or alcohol in his or her system:

- A. Slurred speech
- B. Alcohol odor on breath
- C. Unsteady walking or movement
- D. Physical impairment (i.e., eye dilation, shivering or erratic movement)
- E. An accident involving City property, City equipment and/or City employees
- F. Physical altercation
- G. Verbal altercation
- H. Possession of drugs or alcohol
- I. Information from a reliable person with personal knowledge of facts that place the Employee in violation of this policy. For purposes of this subsection a reliable person is one who is known to be, or reasonably believed to be trained to detect the signs and symptoms of use of illegal drugs and misuse of alcohol, or

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someone who is known to have direct and personal knowledge of facts, or reasonably believed to have direct and personal knowledge of facts that place the Employee in violation of this policy.

- J. Excitement or confusion
- K. Mood swings
- L. Disorientation or job impairment (inability to perform the job in a routine manner)
- M. Glassy eyes
- N. Drowsiness
- O. Euphoria
- P. Irritability
- Q. Aggressiveness
- R. Notification that the Employee has tested non-negative on a drug and/or alcohol test duly administered by any other administrative or law enforcement agency or any Licensed Medical Personnel.

Revenue Service Vehicles include all transit vehicles that are used for passenger transportation service or that require a Commercial Driver's License to operate.

Safety-sensitive Functions include

- A. Operation of a transit Revenue Service Vehicle even when the vehicle is not in revenue service
- B. Operation of a non-revenue service vehicle by an employee when the operation of such a vehicle requires the driver to hold a Commercial Driver's License ("CDL");
- C. Maintaining a revenue service vehicle or equipment used in revenue service;
- D. Revenue Service Vehicle dispatchers; and
- E. Carrying a firearm for security purposes

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Subject to Duty means an employee who is scheduled to report for work at an assigned time and who has not been finally and completely released from the responsibility of performing further work that day. "Subject to duty" also means any employee who is responsible for being available to perform work on an emergency basis when called to do so (e.g., in an "on-call status"), if said employee is guaranteed extra compensation because of his or her status as being "on call". An employee who is simply responsible for responding, if available, when said employee is not within either definition above, is not considered to be "subject to duty" for the purpose of this policy.

Substance Abuse Professional ("SAP") means a licensed physician (medical doctor or doctor of osteopathy) or licensed or certified psychologist, social worker, employee assistance professional, or addiction counselor (certified by the National Association of Alcoholism and Drug Abuse Counselors Certification Commission or by the International Certification Reciprocity Consortium/Alcohol and other Drug Abuse) with knowledge of drug and alcohol related disorders.

Substituted specimen. A specimen with creatinine and specific gravity values that are so diminished that they are not consistent with human urine.

Test Refusal. The following are considered a refusal to test if the employee

- A. Fails to appear for any drug, alcohol or related test within a reasonable time, as determined by the employer, after being directed to do so by the employer;
- B. Fails to remain at the testing site until the testing process is complete;
- C. Fails to provide a urine specimen for any drug test required by Part 40 or DOT agency regulations or as otherwise required.

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In the case of a directly observed or monitored collection in a drug test, fails to permit the observation or monitoring of the provision of a specimen

- D. Fails to provide a sufficient amount of urine when directed, and it has been determined, through a required medical evaluation, that there was no adequate medical explanation for the failure
- E. Fails or declines to take a second test the employer or collection has directed you to take;
- F. Fails to undergo a medical examination or evaluation, as directed by the MRO as part of the verification process, or as directed by the DER as part of the "shy bladder" procedures
- G. Fails to cooperate with any part of the testing process (e.g., refusal to empty pockets when so directed by the collector, behave in a confrontational way that disrupts the collection process)
- H. If the MRO reports that there is verified adulterated or substituted test result.
- I. Fails or refuses to take an alcohol test.
- J. Fails or refuses to provide an adequate amount of breath without a valid medical reason.

Verified negative test means a drug test result reviewed by a Medical Revenue Officer and determined to have no evidence of prohibited drug use above the minimum cutoff levels established by the Department of Health and Human Services ("DHHS").

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Verified positive test means a drug test result reviewed by a Medical Review Officer and determined to have evidence of a prohibited drug use above the minimum cutoff levels specified in 49 CFR Part 40 as revised. Refusal to submit to a drug/alcohol test shall also be considered a positive test result and a direct act of insubordination and shall result in termination from employment. A test refusal includes, but may not be limited to, the circumstances set forth in the definition of Test Refusal, above.

Validity testing is the evaluation of the specimen to determine if it is consistent with normal human urine. The purpose of validity testing is to determine whether certain adulterants or foreign substances were added to the urine, if the urine was diluted, or if the specimen was substituted

V. IMPLEMENTATION

Both the City and its employees have responsibilities for the implementation of this policy with the goal of eliminating illegal drug use and misuse of alcohol that has a negative impact on the workplace.

A. Management Responsibilities

(1) The Department Heads and Managers and their designees will fairly and equitably administer and enforce this policy without prejudice or discrimination in an effort to maintain a workplace free from the effects of illegal drug use and misuse of alcohol.

(2) The Department Heads and Managers will adequately educate and train all employees to recognize the attributes, symptoms, and characteristics associated with use of illegal drugs or misuse of alcohol.

(3) The Department Heads and Managers will provide information to all employees as to the dangers and penalties associated

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with use of Illegal Drugs or misuse of alcohol, as well as information regarding counseling services that are available.

(4) The Department Heads and Managers shall not physically search the employee, nor shall they search the personal possessions of employees without the freely-given consent of the employee or as otherwise provided by law, regulation, city policy and the applicable memorandum of understanding.

(5) Department Heads or Managers may request that an employee submit to a drug and/or alcohol test in accordance with the guidelines set forth herein.

(6) Whenever a Department Head or Manager encounters an employee who, after an appropriate request, refuses to complete and sign a medical release and consent form, [Attachment "E"] or refuses to submit to a drug and/or alcohol test upon request, the Department Head or Manager shall remind the employee of the requirements and disciplinary consequences of this policy. Such refusal may be considered insubordination and grounds for disciplinary proceedings up to and including termination.

(7) Where an Employee is *impaired* the Department Head or Manager shall, with the employee's consent and after the employee's submission to a drug and/or alcohol test, detain the employee for a reasonable time until the employee can be safely transported home by the Department Head, Manager or a designee

B. Education and Training

Every employee shall receive a copy of this policy and shall have ready access to the corresponding federal regulations including 49 CFR Parts 655 and 40. In addition, all Covered Employees will undergo a minimum of 60 minutes of

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training on the signs and symptoms of drug use including the effects and consequences of drug use on personal health, safety, and the work environment. The training also includes manifestations and behavioral cues that may indicate use of **Illegal Drugs**.

All Department Heads, Managers and their designees who are in a position to determine employee fitness for duty shall receive 60 minutes of reasonable suspicion training on the physical, behavioral, and performance indicators of probable Illegal Drug use and 60 minutes of additional reasonable suspicion training on the physical, behavioral, speech, and performance indicators of probable alcohol misuse

Information on the signs, symptoms, health effects, and consequences of alcohol misuse is presented in Attachment "B" of this policy.

C. Prohibited Drugs/Substances

(1) Use by an Employee of the Prohibited Drugs/Substances and Illegal Drugs set forth in the definitions is a violation of this policy whether such use is on or off duty.

(2) Legal Drugs: The appropriate use of legally prescribed drugs and non-prescription medications is not prohibited. However, the use of any substance which carries a warning label that indicates that mental functioning, motor skills, or judgment may be adversely affected must be reported to a Department Head or the Human Resource Director and the employee is required to provide a written release from his/her doctor or pharmacist indicating that the employee can perform his/her safety-sensitive functions.

(3) Alcohol: The use of beverages containing alcohol (including any mouthwash, medication, food, candy) or any other substances such that alcohol is present in the body while performing safety-sensitive job

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functions is prohibited. An alcohol test can be performed on a covered employee under 49 CFR Part 654 just before, during, or just after the performance of a safety-sensitive job function.

D. Prohibited Conduct

(1) All Employees are prohibited from reporting for duty or remaining on duty any time there is a quantifiable presence of a Prohibited Drug or Substance in the body above the minimum thresholds defined in 49 CFR PART 40, as amended.

(2) Each Employee is prohibited from consuming alcohol while performing job functions or while on-call to perform job functions. If an on-call employee has consummated alcohol, they must acknowledge the use of alcohol at the time that they are called to report for duty. The Employee will subsequently be relieved of hi/her on-call responsibilities.

(3) The Department Head or Manager shall not permit any Employee to perform or continue to perform job functions if he or she has actual knowledge that the Employee is using alcohol.

(4) Each Employee is prohibited from reporting to work or remaining on duty requiring the performance of Job Functions while having an alcohol concentration of 0.04 or greater regardless of when the alcohol was consumed.

(5) No Employee shall consume alcohol for eight (8) hours following involvement in an accident or until he/she submits to the post-accident drug/alcohol test, whichever occurs first.

(6) No Employee shall consume alcohol within four (4) hours prior to the performance of Job Functions.

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(7) No Employee shall consume alcohol during lunch periods, rest breaks, split shift breaks, or anytime the employee is in uniform.

(8) Consistent with the Drug-Free Workplace Act of 1990, all Employees are prohibited from engaging in the unlawful purchase, transport, manufacture, distribution, dispensing, possession, or use of prohibited substances in or outside the work place including Transit Department premises, transit vehicles, while in uniform or not in uniform and while on City of Banning business or off duty.

(9) All Employees are prohibited from engaging in the unlawful purchase, transport, manufacture, distribution, dispensing, possession, or use of prohibited substances in or outside the work place, on or off duty.

E. Drug Statute Conviction

(1) Consistent with the Drug Free Workplace Act of 1990, all Employees are required to notify their Department Head or Supervisor and the Human Resource Director of any criminal drug statute conviction within five calendar days after such conviction becomes final. Failure to comply with this provision shall result in disciplinary action that may include termination for a first violation.

(2) Failure of an employee to report within five calendar days a criminal drug statute conviction for a violation occurring in the workplace or a violation of which the City may lawfully have notice shall be cause for termination.

(3) Loss of driving privileges for a period in excess of 5 working days as a result of the use of any Illegal Drug or misuse of alcohol shall be grounds for termination where the duties of the Employee require them to be readily available to operate a City vehicle or equipment.

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F. Testing Requirements

(1) All Employees

Analytical urine drug testing and breath testing for alcohol will be conducted as required by 49 CFR Part 40. All Employees shall be subject to testing prior to employment, for reasonable suspicion and following an accident as defined in sections "K", "L", and "M" of this policy. Covered Employees are subject to random testing, as defined in section "N" of this policy. All Employees who have tested positive for drugs or alcohol on a random, reasonable suspicion, or post-accident will be tested prior to returning to duty after completion of the Substance Abuse Professional's recommended treatment program and subsequent release to duty. Follow-up testing will also be conducted following return-to-duty for a period of one to five years, with at least six tests performed during the first year. The duration and frequency of the follow-up testing above the minimum requirements will be at the discretion of the Substance Abuse Professional.

(2) Covered Employees

A drug test can be performed any time a Covered Employee is on duty. An alcohol test can be performed just before, during, or after the performance of a safety-sensitive job function.

All Covered Employees are subject to urine drug testing and breath alcohol testing as a condition of ongoing employment with the City of Banning. Any Covered Employee who refuses to comply with a request for testing shall be removed from duty and subject to discipline as defined in Section V.O of this policy.

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(3) False Information

Any Employee who is suspected of providing false information in connection with a drug test, or who is suspected of falsifying test results through tampering, contamination, adulteration, or substitution will be required to undergo a an observed collection. Verification of the above listed actions will be considered a test refusal and will result in the employees' removal from duty and disciplined as defined in Section V.O of this policy. Refusal can also include an inability to provide a sufficient urine specimen or breath sample without a valid medical explanation, as well as a verbal or written declaration, obstructive behavior, or physical absence resulting in the inability to conduct the test within the specified time frame.

G. Drug Testing Procedures

(1) Testing shall be conducted in a manner to assure a high degree of accuracy and reliability and using techniques, equipment, and laboratory facilities which have been approved by the U.S. Department of Health and Human Service ("DHHS"). All testing will be conducted consistent with the procedures set forth in 49 CFR Part 40, as amended. The procedures will be performed in a private, confidential manner and every effort will be made to protect the Employee, the integrity of the drug testing procedure and the validity of the test result.

(2) The drugs that will be tested for include ***Illegal Drugs*** as defined in this policy. After the identity of the donor is checked using picture identification, a urine specimen will be collected using the split specimen collection method described in 49 CFR Part 40, as amended. Each specimen will be accompanied by a DOT or equivalent Chain of Custody and Control Form and identified using a unique identification number that attributes the specimen to the correct individual. The specimen analysis will be conducted at a DHHS certified laboratory. An

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initial drug screen and validity test will be conducted on the primary urine specimen. For those specimens that are not negative, a confirmatory Gas Chromatography/Mass Spectrometry (GC/MS) test will be performed. The test will be considered positive if the amounts of the drug(s) and/or its metabolites identified by the GC/MS test are above the minimum thresholds established in 49 CFR Part 40, as amended.

(3) The test results from the DHHS certified laboratory will be reported to a Medical Review Officer. The MRO will review the test results to ensure the scientific validity of the test and to determine whether there is a legitimate medical explanation for a confirmed positive, substitute, or adulterated test result. The MRO will attempt to contact the employee to notify the employee of the non-negative laboratory result, and provide the employee with an opportunity to explain the confirmed laboratory test result. The MRO will subsequently review the employee's medical history/medical records as appropriate to determine whether there is legitimate medical explanation for a non-negative laboratory result. If no legitimate medical explanation is found, the test will be verified positive or refusal to test and reported to the Human Resource Director/Drug and Alcohol Program Manager ("DAPM"). If a legitimate explanation is found, the MRO will report the test result as negative to the DAPM and no further action will be taken. If the test is invalid, without a medical explanation, a retest will be conducted under direct observation.

(4) Any covered employee who questions the results of a required drug test may request that the split sample be tested. The split sample test must be conducted at a second DHHS certified laboratory with no affiliation with the laboratory that analyzed the primary specimen. The test must be conducted on the split sample that was provided by the employee at the same time that the primary sample. The method of collecting, storing, and testing the split sample will be consistent with the procedures set forth in 49 CFR Part 40, as amended. The employee's request for a split sample test must be made to the MRO within 72 hours

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of notice of the original sample verified test result. Requests made after 72 hours will only be accepted at the discretion of the MRO if the delay was due to documentable facts that were beyond the control of the employee. The City of Banning will ensure that the cost for the split specimen are covered in order for a timely analysis of the sample, however, the City will seek reimbursement for the split sample test from the employee.

(5) If the analysis of the split specimen fails to confirm the presence of the drug(s) detected in the primary specimen, if the split specimen is not able to be analyzed, or if the results of the split specimen are not scientifically adequate, the MRO will declare the original test to be canceled and will direct the collector to retest the employee under direct observation.

(6) The split specimen will be stored at the initial laboratory until the analysis of the primary specimen is completed. If the primary specimen is negative, the split will be discarded. If the primary is positive, the split will be retained for testing if so requested by the employee through the MRO. If the primary specimen is positive, it will be retained in frozen storage for one year and the split specimen will also be retained for one year.

(7) Observed collections. Consistent with 49 CFR Part 40, collection under direct observation (by a person of the same gender) with no advance notice will occur if:

(a) The laboratory reports to the MRO that a specimen is invalid, and the MRO reports to the DAPM that there was not an adequate medical explanation for the result; or

(b) The MRO reports to the DAPM that the original positive, adulterated, or substituted test result had to be

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cancelled because the test of the split specimen could not be performed.

(c) DAPM may direct a collection under direct observation of an employee if the drug test is a return-to-duty test or a follow-up test.

(d) The collector must immediately conduct a collection under direct observation if: they are directed by DAPM to do so; or

(e) The collector observes materials brought to the collection site or the employees conduct clearly indicates an attempt to tamper with a specimen or

(f) The temperature on the original specimen was out of range

(g) The original specimen appeared to have been tampered with.

(8) In addition to, and apart from the above, drug testing procedures duly followed and applied by any law enforcement agency following an accident involving an employee are deemed to be adequate to provide evidence of negative or nonnegative result for purposes of this policy.

H. Alcohol Testing Procedures

(1) Tests for breath alcohol concentration will be conducted utilizing a National Highway Traffic Safety Administration (NHTSA) approved Evidential Breath Testing Device (EBT) operated by a trained Breath Alcohol Technician ("BAT"). Alcohol screening tests may be performed using a no-evidential testing device which is also approved by NHSTA. If the initial test indicates an alcohol concentration of 0.02 or greater, a second test will be performed to confirm the results of the initial test. The confirmatory test will be conducted at least fifteen minutes after the completion of the initial test. The confirmatory test will be performed

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using a NHTSA-approved EBT operated by a trained BAT. The EBT will identify each test by a unique sequential identification number. This number, time, and unit identifier will be provided on each EBT printout. The EBT printout, along with an approved alcohol testing form, will be used to document the test, the subsequent results, and to attribute the test to the correct employee. The test will be performed in a private confidential manner as required by 49 CFR Part 40, as amended. The procedure will be followed as prescribed to protect the employee and to maintain the integrity of the alcohol testing procedures and validity of the test result.

(2) An employee who has a confirmed alcohol concentration of 0.04 or greater will be considered a positive alcohol test and in violation of this policy. The consequences of a positive alcohol test are described in Section V. subparagraph O 1-2 of this policy. Even though an employee who has a confirmed alcohol concentration of 0.02 to 0.039 is not considered positive the employee shall still be removed from duty for at least eight hours and will be subject to the consequences described in Section V. subparagraph O.1 of this policy. An alcohol concentration of less than 0.02 will be considered a negative test.

(3) If at any time the integrity of the testing procedures or the validity of the test results is compromised, the test will be canceled. Minor inconsistencies or procedural flaws that do not impact the test result will not result in a cancelled test.

(4) In addition to, and separate from the above, alcohol testing procedures duly followed and applied by any law enforcement agency following an Accident involving an Employee are deemed to be adequate to provide evidence of negative or nonnegative result for purposes of this policy.

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I. Pre-Employment Testing

All applicants for employment with the City shall undergo urine drug testing prior to hire. In addition, Covered Employees shall undergo urine testing prior to transfer into a covered position that requires the performance of a safety-sensitive function.

(1) All offers of employment for employment shall be extended conditional upon the applicant passing a drug test. An **Applicant** shall not be hired unless the applicant takes a drug test with verified negative results.

(2) A non-covered employee shall not be placed, transferred or promoted into a position as a **Covered Employee** until the employee takes a drug test with verified negative results.

(3) If an applicant fails a pre-employment drug test, the conditional offer of employment shall be rescinded. Failure of a pre-employment drug test shall disqualify an applicant for employment for a period of one year. For applicants for a safety sensitive position, evidence of the absence of drug dependency from a **Substance Abuse Professional** that meets with 49 CFR Part 40 as amended and a negative pre-employment drug test will be required prior to subsequent consideration for employment. The cost for the assessment and any subsequent treatment will be the sole responsibility of the applicant.

(4) When an employee being placed, transferred, or promoted from a non-covered position to a covered position submits a drug test with a verified positive result, the employee shall be subject to disciplinary action in accordance with Section V.O herein.

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(5) If a pre-employment/pre-transfer test is canceled, the City of Banning will require the applicant to take and pass another pre-employment drug test.

(6) In instances where a Covered Employee is on extended leave for any reason for a period of 45 calendar days or more, the employee shall be required to take a drug test under the City of Banning authority and have negative test results prior to return to the safety-sensitive job functions.

(7) In instances where a covered employee has been laid off, but is later recalled to duty, the employee will be required to take a drug and alcohol test prior to resuming active safety-sensitive status if the employee has not been subject to testing or has been out of the random testing pool for more than 45 days.

(8) An applicant with a dilute negative test result will be required to retest.

(9) This subsection does not create any rights in any person who is not an Employee of the City. As to any non-employee, this subsection is directory and not mandatory.

J. Reasonable Suspicion Training

All City of Banning Employees are subject to a drug and/or alcohol test based on **Reasonable Suspicion** as defined in this policy.

A reasonable suspicion drug and/or alcohol test may be performed any time an Employee is on duty or immediately prior to commencement of duty. The City shall be responsible for transporting the employee to the testing site. Department Heads or Managers or their designees shall

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avoid placing themselves and/or others into a situation which might endanger the physical safety of those present.

If the confirmatory drug or alcohol test is nonnegative, the employee shall be placed on administrative leave pending disciplinary action described in Section V. subparagraph O. of this policy.

An employee who refuses an instruction to submit to a Reasonable Suspicion drug and /or alcohol test shall not be permitted to finish his or her shift and shall immediately be placed on administrative leave pending disciplinary action as specified in Section V. subparagraph O. of this policy.

A written record of the observations which led to a drug and /or alcohol test based on reasonable suspicion shall be prepared and signed by the Department Head or Manager or their designee making the necessary findings prior to the release of the test results. This written record shall be submitted to the DAPM. The DAPM shall attach the record to the forms reporting the test results.

K. Post Accident Testing

All Employees shall be required to undergo Drug and Alcohol testing if they are involved in an Accident. As applied to Covered Employees this specifically includes all surviving Covered Employees that are operating the vehicle at the time of the accident and any other Employee whose performance cannot be completely discounted as a contributing factor to the accident.

(1) As soon as practicable following an Accident, the Department Head or the Manager or their designee shall notify the Employee or Employees whose performance could have contributed to the Accident of the need for the test. The Department Head or Manager

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or their designee will make the determination using the best information available at the time of the decision.

(2) The appropriate Department Head or Manager or their designee shall ensure that an Employee, required to be tested under this section, is tested as soon as practicable, but no longer than eight (8) hours after the Accident for alcohol, and within 32 hours for drugs. If an alcohol and/or drug test is not performed within two hours of the Accident, the Department Head or Manager or their designee shall document the reason(s) for the delay. If the alcohol test is not conducted within eight (8) hours, or the drug test within 32 hours, attempts to conduct the test must cease and the reasons for the failure to test documented.

(3) Any Employee involved in an Accident must refrain from alcohol use for eight (8) hours following the Accident, or until he/she undergoes a post-Accident alcohol test.

(4) An Employee who is subject to post-Accident testing who fails to remain readily available for such testing, including notifying a Department Head, Manager or their designee of his or her location if he or she leaves the scene of the Accident prior to submission to such test, may be deemed to have refused to submit to testing.

(5) Nothing in this section shall be construed to require the delay of necessary medical attention for the injured following an Accident, or to prohibit an Employee from leaving the scene of an Accident for the period necessary to obtain assistance in responding to the Accident, or to obtain necessary emergency medical care.

(6) In the event that the City is unable to perform an FTA drug and alcohol test (i.e., employee is unconscious, employee is detained by law enforcement agency), City of Banning may use drug and alcohol post-Accident test results administered by local law enforcement officials

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in lieu of the FTA test. The local law enforcement officials must have independent authority for the test and the employer must obtain the results in conformance with local law.

L. Random Testing

All Covered Employees are subjected to random, unannounced drug and alcohol testing. The selection of employees shall be made by a scientifically valid method of randomly generating an employee identifier from the appropriate pool of safety-sensitive employees.

(1) The dates for administering unannounced testing of randomly selected employees shall be spread reasonably throughout the calendar year.

(2) The number of employees randomly selected for drug/alcohol testing during the calendar year shall be not less than the percentage rates established by Federal regulations for those safety-sensitive employees subject to random testing by Federal regulations. The current random testing rate for drugs established by FTA equals fifty percent of the number of covered employees in the pool and the random testing rate for alcohol established by FTA equals ten percent of the number of covered employees in the pool.

(3) Each covered employee shall be in a pool from which the random selection is made. Each covered employee in the pool shall have an equal chance of selection each time the selections are made. Employees will remain in the pool and subject to selection, whether or not the employee has been previously tested. There is no discretion on the part of management in the selection and notification of the individuals who are to be tested.

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(4) Covered transit employees that fall under the Federal Transit Administration regulations will be included in one random pool maintained separately from the testing pool of employees that are included under other authority.

(5) Random tests can be conducted at any time during an employee's shift for drug testing. Alcohol random tests can be performed just before, during, or just after the performance of a safety sensitive duty. Testing can occur during the beginning, middle, or end of an employee's shift.

(6) Employees are required to proceed immediately to the collection site upon notification of their random selection.

(7) Refusal to submit to a random drug test shall be considered a positive test and a direct act of insubordination and shall be cause for termination.

M. Return to Duty Testing

All Employees who previously tested nonnegative on a drug or alcohol test or refused a test, must test negative for drugs, alcohol (below 0.02 for alcohol) or both and be evaluated and released by the Substance Abuse Professional before returning to work. For an initial positive drug test a Return-to-Duty test is required and an alcohol test is allowed. For an initial positive alcohol test a Return-to-Duty alcohol test is required and a drug test is allowed. The SAP should test the employee during treatment and should schedule the return-to-duty test only when there is no risk to the safety of the public or other Employees as a consequence of the Employee's use of Illegal Drugs or misuse of alcohol. If the return to duty test is positive, the employee is automatically terminated.

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N. Follow-up Testing

Employees will be required to undergo frequent, unannounced drug and alcohol testing after their return-to-duty following a period of time off as a result of a positive drug and/or alcohol test. The follow-up testing will be performed for a period of one to five years with a minimum of six tests to be performed the first year. The frequency and duration of the follow-up tests (beyond the minimums) will be determined by the SAP reflecting the SAP's assessment of the employee's unique situation and recovery progress. Follow-up testing should be frequent enough to deter and/or detect a relapse. Follow-up testing is separate and in addition to the random, post-accident, reasonable suspicion, return-to-duty and other drug or alcohol testing.

O. Result of Drug/Alcohol Test

(1) Removal from Duty

Any Employee that has a verified positive drug or alcohol test will be removed from his/her position immediately. Within 5 working days following the removal they will be informed of educational and rehabilitation programs available, and referred to a Substance Abuse Professional ("SAP") for assessment. No employee so removed will be allowed to return to duty without the approval of the SAP.

A positive drug and/or alcohol test will also result in disciplinary action as follows:

- (a) As soon as practicable after receiving notice of a non-negative drug test result, a confirmed alcohol test result, or a test refusal, the Drug and Alcohol Program Manager will contact the employee's Department Head or Manager to have the Employee removed from his/her position.

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(b) The employee shall be referred to a Substance Abuse Professional for an assessment within 5 working days or removal.

(c) The SAP will evaluate each employee to determine what assistance, if any, the employee needs in resolving problems associated with prohibited drug use or alcohol misuse.

2. Discipline

(a) **First Non-negative Test** For the first instance of a non-negative test from a sample submitted as the result of a post-accident, random, or reasonable suspicion drug/alcohol test (less than 0.04 BAC) disciplinary action against the employee shall include at a minimum:

- (1) Immediate removal from duty for a period of not less than 10 working days.
- (2) Mandatory referral to Substance Abuse Professional for assessment, formulation of a treatment plan, and execution of a return to work agreement.
- (3) Failure to execute or remain compliant with the return to work agreement shall be cause for termination from employment with the City of Banning. Compliance with the return to work agreement means that the employee has submitted to a drug/alcohol test immediately prior to returning to work; the result of that test is negative; and, in the judgment of the SAP, the employee is cooperating with his/her SAP recommended treatment program; and, the employee has agreed to periodic unannounced

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follow-up testing as defined in Section "N" of this policy.

- (4) Refusal to submit to a periodic unannounced follow-up drug/alcohol test is a direct act of insubordination and shall be cause for termination.
- (5) A periodic unannounced follow-up drug/alcohol test which results in a non-negative result shall be cause for termination from employment with the City of Banning
- (6) The above notwithstanding, cause for immediate termination exists if there is a post-accident test and the Employee refuses the test or the test is non-negative for any level of Illegal Drugs and/or a blood alcohol level above that permitted for operation of a motor vehicle in the state. Cause for termination shall exist if the Employee is removed from the workplace or is tested while on duty for Reasonable Cause testing and the Employee refuses the test or the test is non-negative for the presence of any legal of Illegal Drugs and/or the Employee has a blood alcohol level above that permitted for operation of a motor vehicle in the state.
- (7) The Employee shall not be excused from any other failure of performance as a result of time lost from work due to compliance with this section. Such failure of performance may be a separate and independent cause for disciplinary action.

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(b) **Second Non-negative Test** The second instance of a non-negative drug or alcohol (greater than 0.04 BAC) test result from a sample submitted under the random, reasonable suspicion, return to duty or follow-up drug/alcohol test at any time during employment with the City shall be cause for immediate termination.

(c) **Non-negative Test Is Cause for Termination** Any non-negative post-Accident drug and/or alcohol (greater than 0.04) test shall be cause for termination. The same shall apply to results of a test administered by a law enforcement agency.

(d) **Alcohol less than .04** A first alcohol test result of greater than 0.02 to less than 0.039 BAC shall be cause for the immediate removal of the Employee from duty for eight (8) hours or the remainder of the work day whichever is longer.

- (1) The employee shall not be allowed to return to duty until he/she submits to an alcohol test and there is a result of less than 0.02 BAC.
- (2) If the Employee has an alcohol test result of greater than 0.02 to less than 0.039 two or more times within a six month period, the employee will be removed from duty and referred to the SAP for assessment and treatment consistent with Section V.O. of this policy.
- (3) The Employee shall not be permitted to return to duty until the SAP approves such return.

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P. Cost of Treatment and Leave

(1) **Employee Responsibility.** The cost of any treatment or rehabilitation services shall be the responsibility of the Employee.

(a) The employee will be permitted to take accrued sick leave to participate in the SAP prescribed treatment program after the SAP has prescribed a treatment program.

(b) If an employee has insufficient accrued leave, the employee may be placed on leave without pay pursuant to the City's Leave Without Pay Policy until the SAP has determined that the employee has successfully completed the required treatment program and releases him/her to return to duty.

(c) Any leave taken, either paid or unpaid, may be considered leave taken under the Family and Medical Leave Act or other leave as appropriate when such leave is initiated as required by law or the rules and regulations of the City.

(2) **Self-Referral** In the instance of a voluntary self-referral to the SAP or other medical care provider, or a management referral resulting from a voluntary statement by the Employee to the Manager or Department Head unaccompanied by a nonnegative drug or alcohol test, action involving the Employee shall include:

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- (a) Mandatory referral to a Substance Abuse Professional for assessment, formulation of a treatment plan, and execution of a substance abuse agreement.
- (b) Failure to execute or remain compliant with the substance abuse agreement shall result in termination from employment with the City of Banning. Compliance with the substance abuse agreement shall mean, at a minimum, that the employee has submitted to a drug/alcohol test immediately prior to returning to work following any period of absence for treatment; and, the result of that test is negative: and, in the judgment of the SAP the employee is cooperating with his/her SAP recommended treatment program; and, the employee has agreed to periodic unannounced follow-up testing as defined in Section "N" of this policy.
- (c) Refusal to submit to a periodic unannounced follow-up drug/alcohol test shall be considered a direct act of insubordination and shall be cause for termination.
- (d) A self-referral or management referral to the SAP that was not precipitated by a non-negative test result does not constitute a violation of the Federal regulations or this policy and will not be considered as a positive test result in relation to the discipline defined in Section V.O of this policy.
- (e) Periodic unannounced follow-up drug/alcohol test conducted as a result of a self-referral or management referral which results in a non-negative test result shall be considered a positive test result in relation to the

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progressive discipline defined in Section V.subparagraph O.of this policy.

- (f) Except as otherwise provided, a voluntary self-referral of an Employee does not shield an employee from reasonable suspicion testing and such self-referral may constitute grounds for reasonable suspicion testing.
- (g) A voluntary referral does not shield an employee from the requirement to comply with all drug and alcohol testing.

VI. GRIEVANCE AND APPEAL

The consequences specified by 49 CFR Parts 655 for a non-negative Test or Test Refusal are not subject to appeal.

VII. PROPER APPLICATION OF THE POLICY

The City of Banning is dedicated to assuring fair and equitable application of this substance abuse policy. Therefore, Department Heads and Managers are required to use and apply all aspects of this policy in an unbiased and impartial manner. Any Department Head or Manager, or their designee who knowingly disregards the requirements of this policy, or who is found to deliberately misuse the policy in regard to subordinates shall be subject to disciplinary action up to and including termination.

VIII. INFORMATION DISCLOSURE

Drug/alcohol testing records shall be maintained by the City of Banning DAPM and, except as provided below or by law, the results of any drug/alcohol

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test shall not be disclosed without express written consent of the tested employee:

- A. The employee, upon written request, is entitled to obtain copies of any records pertaining to their use of prohibited drugs or misuse of alcohol including any drug or alcohol testing records. Covered employees have the right to gain access to any pertinent records such as equipment calibration records, and records of laboratory certifications.
- B. Records of a verified positive drug/alcohol test result shall be released to the City of Banning Drug and Alcohol Program Manager and Department Supervisor on a need to know basis
- C. Records will be released to a subsequent employer only upon receipt of a written request form from the employee.
- D. Records of an employee's drug/alcohol tests shall be released to the adjudicator in a grievance, lawsuit, or other proceeding initiated by or on behalf of the tested individual arising from the results of the drug/alcohol test.
- E. Records will be released to the National Transportation Safety Board during an accident investigation.
- F. Records will be released to the DOT or any DOT agency with regulatory authority over the employer or any of its employees.
- G. Records will be released if requested by a Federal, state or local safety agency with regulatory authority over the City of Banning or the employee.
- H. If a party seeks a court order to release a specimen or part of a specimen contrary to any provision of Part 40 necessary legal steps to contest the issuance of the order will be taken.

IX. SYSTEM CONTACTS

Any questions regarding this policy or any other aspect of the substance abuse policy should be directed to the following individual:

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- A. Drug & Alcohol Program Manager
City of Banning, Human Resources
99 E. Ramsey Street
Banning, CA 92220
(909) 922-3145

- B. Medical Review Officer:
Dr. Stuart Hoffman
Choicepoint MRO Services
5900 Wilshire Boulevard
Suite 2200
Los Angeles, CA 90036
800.762.3623

- C. Substance Abuse Professional ("SAP")
"The Counseling Team"
1881 Business Center Drive
Suite 11
San Bernardino, CA 92408
(909) 884-0133

- D. DHHS Certified Laboratory Primary Specimen
Quest Diagnostics
7600 Tyrone Avenue
Van Nuys, California 91405
800. 733.6676

- E. DHHS Certified Laboratory Split Specimen
(Provided by MRO at test)

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ATTACHMENT "A"

COVERED EMPLOYEE JOB CLASSIFICATIONS

- Bus Driver
 - Dial -a-Ride Driver
 - Powerline Technicians (consistent with licensing requirements while driving line trucks)
 - Office Assistant (Transit Dispatcher)
 - Equipment Mechanic (Transit)
 - Powerline Crew Supervisors
 - Community Services Manager
 - Equipment Repair Manager
 - Maintenance Workers
 - Senior Maintenance Workers
 - Water Crew Supervisors
 - Asst. Water Superintendent
 - Water Workers I/II
 - Motor Sweeper Operator
- All workers required to have Class A or B driver's license**

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ATTACHMENT "B"

CUT OFF LEVELS INFORMATION

Initial cut off levels

Marijuana Metabolites	50 ng/ml
Cocaine Metabolites	300 ng/ml
Opiate Metabolites	2,000 ng/ml
Phencyclidine	25 ng/ml
Amphetamines	1,000 ng/ml

Confirmatory cut off levels

Marijuana Metabolites	15 ng/ml
Cocaine Metabolite	150 ng/ml
Opiates	
Morphine	2,000 ng/ml
Codeine	2,000 ng/ml
Phencyclidine	25 ng/ml
Amphetamines	
Amphetamine	500 ng/ml
Methamphetamine	500 ng/ml
Delta-9-tetrahydrocannabinol-9-carboxylic acid	
Benzoyllecgonine	

Specimen must also contain amphetamine at a concentration greater than or equal to 200 ng/ml.

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ATTACHMENT "C"

Alcohol Fact Sheet

Alcohol is a socially acceptable drug that has been consumed throughout the world for centuries. It is considered a recreational beverage when consumed in moderation for enjoyment and relaxation during social gatherings. However, when consumed primarily for its physical and mood-altering effects, it is a substance of abuse. As a depressant, it slows down physical responses and progressively impairs mental functions.

- **Signs and Symptoms of Use**
 - Dulled mental processes
 - Lack of coordination
 - Odor of alcohol on breath
 - Possible constricted pupils
 - Sleepy or stuporous condition
 - Slowed reaction rate
 - Slurred speech

(Note: except for the odor, these are general signs and symptoms of any depressant substance)
- **Health Effects:** The chronic consumption of alcohol (average of three servings per day of beer [12 oz] whiskey [1 oz] or wine [6 oz] over time may result in the following health hazards:
 - Decreased sexual functioning
 - Dependency)up to 10 percent of all people who drink alcohol become physically and/or mentally dependent on alcohol and can be termed "alcoholic")
 - Fatal liver diseases

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- Increased cancers of the mouth, tongue, pharynx, esophagus, rectum, breast, and malignant melanoma
- Kidney disease
- Pancreatitis
- Spontaneous abortion and neonatal mortality
- Ulcers
- Birth defects (up to 54 percent of all birth defects are alcohol related)

- Social Issues
 - Two-thirds of all homicides are committed by people who drink prior to the crime.
 - Two to three percent of the driving population is legally drunk at any one time. this rate is doubled at night and on weekends.
 - Two-thirds of all Americans will be involved in an alcohol-related vehicle accident during their lifetimes.
 - The rate of separation and divorce in families with alcohol dependency problems is 7 times the average.
 - Forty percent of family court cases are alcohol problem related.
 - Alcoholics are 15 times more likely to commit suicide than other segments of the population.
 - More than 60 percent of burns, 40 percent of falls, 69 percent of boating accidents, and 76 percent of private aircraft accidents are alcohol related.

- The Annual toll
 - 24,000 people will die on the highway due to the legally impaired driver.
 - 12,000 more will die on the highway due to the alcohol-affected driver.
 - 15,800 will die in non-highway accidents.
 - 30,000 will die due to alcohol-caused liver disease.
 - 10,000 will die due to alcohol-induced brain disease or suicide.

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- Up to another 125,000 will die due to alcohol-related conditions or accidents.
- Workplace Issues
 - It takes one hour for the average person (150 pounds) to process one serving of an alcoholic beverage from the body
 - Impairment in coordination and judgment can be objectively measured with as little as two drinks in the body.
 - A person who is legally intoxicated is 6 times more likely to have an accident than a sober person.

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ATTACHMENT D

CITY OF BANNING REHAB AGREEMENT

I understand that I will be allowed to continue my employment with the City of Banning Transit Agency. I will participate and submit continuing documentation on a monthly basis of my participation in an Agency approved substance abuse treatment program. Additionally, upon successful completion of said program, I will provide the necessary documentation of such.

I agree not to abuse drugs, or alcohol. "Abuse" shall be such on-the-job use, possession, sale or being under the influence as defined in section V of the City of Banning Alcohol and Drug Policy, and as otherwise specifically set forth in this agreement.

In addition to, and not to the exclusion of the above, I understand and agree that any use of the following substances may constitute a violation of this agreement.

Marijuana
Cocaine
Methamphetamine
Heroin
Phencyclidine

Any substance presently designated as a controlled substance in any schedule of controlled substances pursuant to California Health and Safety Code Section 11053 et seq. and as such schedules may be amended in the future, when the use of such substance is not prescribed by a physician.

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I understand that in order to return to my employment I must submit to additional alcohol/drug test(s). I also understand that refusal to submit to such a test shall result in the termination of my employment.

I also understand that during the sixty (60) months following my return to work, I may be tested without prior notice.

If, during this 60 months there is any violation of this Policy, my employment with the City will be terminated.

With respect to such termination, I hereby waive any right I may have to a determination of the existence of such violation under any other disciplinary policy. In lieu of and in waiver of my rights under the applicable MOU or any other disciplinary policy, I agree that as to the determination that I have violated this drug policy, the determination shall be made by my immediate supervisor. I shall thereafter have right of appeal to the City Manager. If my supervisor is the City Manager, there is no right of appeal of the disciplinary action. The only issue on any appeal permitted hereunder shall be whether I have in fact used a substance listed herein or misused alcohol in violation of this Agreement and/or the City's Drug Free Workplace Policy. The determination of the City Manager shall be final and without right of further appeal to the City Council or through commencement of legal action in any state or federal court. For purposes of any future legal proceeding I may hereafter commence based on disciplinary action taken against me under this Policy or this Rehab Agreement I hereby stipulate that if the procedures described in his Rehab Agreement for conduct of a hearing have been followed, that all facts relied on by the City Manager in support of the disciplinary action are true. If I have no right of appeal under this Rehab Agreement, I hereby stipulate for purposes of any future litigation, all facts relied on by the City Manager in support of the disciplinary action are true.

When an appeal is made to the City Manager, such appeal shall be made to the City Manager in writing within 5 working days following date of receipt of written notification of the action of the immediate supervisor. Thereafter the City

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Manager shall have 10 calendar days within which to set the date for hearing of the appeal. The appeal shall consist of a presentation in writing by my immediate supervisor of the facts upon which the finding of a breach is based. I shall then have an opportunity to appear before the City Manager and challenge the accuracy of such facts; challenge the right of the City to consider such facts; offer mitigation of such facts; or otherwise present such argument to the City Manager, as I deem appropriate. A representative of my choice may represent me. The City Manager shall have 10 calendar days following date of the appeal within which to prepare a written decision. If no decision is provided within this time, the decision of the immediate supervisor shall be deemed sustained. During the appeal period I shall be on leave with pay status.

I understand and agree to all the above conditions.

Date: _____

Employee (signature)

Date: _____

In Witness Thereof Union Business Agent (signature)

Date: _____

In Witness Thereof Personnel Director (signature)

Date: _____

City Manager (signature)

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ATTACHMENT "E"

ACKNOWLEDGEMENT OF RECEIPT OF CITY OF BANNING ALCOHOL AND DRUG POLICY AND CONSENT TO DRUG AND ALCOHOL TESTING

I have received a copy of the City of Banning Alcohol and Drug Policy. I understand and acknowledge that compliance with the Policy is a condition of my employment and if I violate any provision of this Policy, I will be subject to disciplinary action, which may include termination. This does not constitute a waiver of my individual constitutional rights.

I understand and acknowledge that I shall not consume alcohol, be under the influence of alcohol, or possess an open container of alcohol, or unlawfully manufacture, distribute, dispense, possess, or use illegal drugs while at City work locations or elsewhere during work hours, during meal and rest periods, while in or operating City vehicles or equipment, while wearing clothing which identifies me as a City employee, or while it is foreseeable that I am subject to being called to duty, or at any time which would interfere with my safe and effective job performance. Exceptions pertaining to alcohol may be allowed while performing an approved police task.

I hereby give my consent for the City to collect breath and/or urine samples from me to determine the presence or use of alcohol, drugs, and/or their metabolites and the use of an EBT to determine the presence of alcohol, under the circumstances specified in the City's Alcohol and Drug Policy. I understand that the City will be informed whether the test is positive or negative, and, if positive, for which drug(s) there was a positive test. I further understand that the quantities discovered by the positive test may be revealed to the City, or the decision maker in a lawsuit, grievance, or other proceeding initiated by or on behalf of me arising from any verified positive drug and/or alcohol test.

I agree to notify my department head/manager within five calendar days if I am convicted of any violation of a criminal drug law occurring in the workplace.

CITY OF BANNING

ADMINISTRATIVE POLICY

Subject: Drug Free Workplace Policy		Policy No. AP-08
Reference: Code of Federal Regulations: 49 CFR Part 655 and Part 40, as amended from time to time; and the Federal Motor Carriers Safety Act ("FMCSA") regulations	Effective 1/1/96; Revised 9/2001; Revised 6/2003	Page No. 47 Of 47

I agree to notify my department head/manager before beginning work when using, before or during work, drugs, medications, or any other substance which I believe could foreseeably interfere with my effective job performance or operation of a City vehicle or equipment.

Date: _____

Employee (signature)

Employee Name (printed)

EXHIBIT F

**Grant Agreement
between**

**The State of California Department of Water Resources
and**

**The City of Banning,
Agreement Number 4600015401**

Proposition 1 Round 2 Integrated Regional Water Management (IRWM) Implementation Grant

**GRANT AGREEMENT BETWEEN THE STATE OF CALIFORNIA
(DEPARTMENT OF WATER RESOURCES) AND
CITY OF BANNING
AGREEMENT NUMBER 4600015401
PROPOSITION 1 ROUND 2 INTEGRATED REGIONAL WATER MANAGEMENT (IRWM)
IMPLEMENTATION GRANT**

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 Banning, a public agency 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.** The State shall provide funding from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1) to the Grantee to assist in financing the projects, which are included in and implemented in an adopted Integrated Regional Water Management Plan (IRWM Plan), pursuant to Chapter 7. Regional Water Security, Climate, and Drought Preparedness (Wat. Code, § 79740 et seq.). The provision of State funds pursuant to this Agreement shall be construed or interpreted to mean that the IRWM Plan, or any components of the IRWM Plan, implemented in accordance with the Work Plan as set forth in Exhibit A, has been adopted through the IRWM Plan Review Process, and is/are consistent with Water Code section 10530 et seq.
- 2) **TERM OF GRANT AGREEMENT.** The term of this Grant Agreement begins on May 6, 2023, through final payment plus three (3) years unless otherwise terminated or amended as provided in this Grant Agreement. However, all work shall be completed by December 31, 2025, in accordance with the Schedule as set forth in Exhibit C and no funds may be requested after March 31, 2026.
- 3) **GRANT AMOUNT.** The maximum amount payable by the State under this Grant Agreement shall not exceed \$1,912,755.
- 4) **GRANTEE COST SHARE.** Not applicable to this Agreement.
- 5) **BASIC CONDITIONS.** The State shall have no obligation to disburse money for the Project(s) under this Grant Agreement until the Grantee has satisfied the following conditions (if applicable):
 - A. The Grantee shall demonstrate compliance with all eligibility criteria as set forth on pages 9-11, inclusive, of the 2022 IRWM Grant Program Guidelines (2022 Guidelines).
 - B. For the term of this Agreement, the Grantee shall submit Quarterly Progress Reports which must accompany an invoice (\$0 Invoices are acceptable) and all invoice backup documentation. The Quarterly Progress Report shall be submitted within 60 days following the end of the calendar quarter (i.e., reports due May 30, August 29, November 29, and March 1) and all other deliverables as required by Paragraph 14, "Submission of Reports" and Exhibit A, "Work Plan".
 - C. Prior to the commencement of construction or implementation activities, if applicable, the Grantee shall submit the following to the State.
 - i. Final plans and specifications certified, signed and stamped by a California Registered Civil Engineer (or equivalent registered professional as appropriate) to certify compliance for each approved project as listed in Exhibit A of this Grant Agreement.
 - ii. Work that is subject to the California Environmental Quality Act (CEQA) (including final land purchases) shall not proceed under this Grant Agreement until the following actions are performed:
 - a) The Grantee submits to the State all applicable permits, as indicated on the Environmental Information Form to the State,
 - b) All documents that satisfy the CEQA process are received by the State,

- c) The State has completed its CEQA process as a Responsible Agency, and
- d) The Grantee receives written notification from the State of concurrence with the Lead Agency's CEQA documents (s) and State's notice of verification of permit submittal.

The 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, the State will consider the environmental documents and decide whether to continue to fund the project, or to require changes, alterations, or other mitigation. Proceeding with work subject to CEQA prior to the State's concurrence shall constitute a material breach of this Agreement. The Grantee or Local Project Sponsor (LPS) shall also demonstrate that it has complied with all applicable requirements of the National Environmental Policy Act (NEPA) by submitting copies of any environmental documents, including Environmental Impact Statements, Finding of No Significant Impact, mitigation monitoring programs, and environmental permits as may be required prior to beginning construction/ implementation.

iii. A monitoring plan as required by Paragraph 16, "Monitoring Plan Requirements," if applicable.

- 6) DISBURSEMENT OF FUNDS. The State will disburse to the 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 the Grantee under this Grant Agreement shall be deposited in a non-interest-bearing account and shall be used solely to pay Eligible Project Costs.
- 7) ELIGIBLE PROJECT COST. The Grantee shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Exhibit B, "Budget". Eligible Project Costs include the reasonable costs of studies, engineering, design, land and easement acquisition and associated legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project construction. Reimbursable administrative expenses are the necessary costs incidental but directly related to the Project included in this Agreement. Costs incurred after the May 5, 2023, may be eligible for reimbursement.

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

- A. Costs, other than those noted above, incurred prior to the award date of this Grant.
- B. Costs for preparing and filing a grant application.
- C. Operation and maintenance costs, including post construction performance and monitoring costs.
- D. Purchase of equipment that is not an integral part of a project.
- E. Establishing a reserve fund.
- F. Purchase of water supply.
- G. Replacement of existing funding sources (e.g., bridge loans).
- H. Meals, food items, or refreshments.
- I. Payment of any punitive regulatory agency requirement, federal or state taxes.
- 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, or acquisition of land by eminent domain.
- K. Indirect Costs. "Indirect Costs" means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the funded project (i.e., costs

that are not directly related to the funded project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the Grantee or LPSs; non-project-specific accounting and personnel services performed within the Grantee's or LPS' organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; forums, trainings, and seminars; and, generic overhead or markup. This prohibition applies to the Grantee, LPSs, and any subcontract or sub-agreement for work on the Project that will be reimbursed pursuant to this Agreement.

- L. Mitigation for environmental impacts not resulting from implementation of the Project funded by this program.
 - M. Costs incurred as part of any necessary response and cleanup activities required under the Comprehensive Environmental Response, Compensation, and Liability Act; Resource Conservation and Recovery Act; Hazardous Substances Account Act; or other applicable law.
- 8) METHOD OF PAYMENT. After the disbursement requirements in Paragraph 5, "Basic Conditions" are met, the State will disburse the whole or portions of State funding to the Grantee, following receipt from the Grantee of an electronic invoice certified and transmitted via electronic/digital signature system (e.g., DocuSign) or via US mail or Express mail delivery of a "wet signature" for costs incurred, including Local Cost Share, and timely Quarterly Progress Reports as required by Paragraph 14, "Submission of Reports." Payment will be made no more frequently than quarterly, in arrears, upon receipt of an invoice bearing the Grant Agreement number. Quarterly Progress Report must accompany an invoice (\$0 Invoices are acceptable) and shall be submitted within 60 days following the end of the calendar quarter (i.e. invoices due May 30, August 29, November 29, and March 1). The State will notify the Grantee, in a timely manner, whenever, upon review of an invoice, the State determines that any portion or portions of the costs claimed are not eligible costs or is not supported by documentation or receipts acceptable to the State. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to the State to cure such deficiency(ies). If the Grantee fails to submit adequate documentation curing the deficiency(ies), the State will adjust the pending invoice by the amount of ineligible or unapproved costs.

Invoices submitted by the Grantee 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 a project during the period identified in the particular invoice for the implementation of a project.
- C. Invoices shall be submitted on forms provided by the State and shall meet the following format requirements:
 - i. Invoices shall contain the date of the invoice, either the time period covered by the invoice or the invoice date received within the time period covered, and the total amount due.
 - ii. Invoices shall be itemized based on the categories (i.e., tasks) specified in Exhibit B, "Budget." The amount claimed for salaries/wages/consultant fees shall include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).
 - iii. One set of sufficient evidence (i.e., receipts, copies of checks, personnel hours' summary table, time sheets) shall be provided for all costs included in the invoice.
 - iv. Each invoice shall clearly delineate those costs claimed for reimbursement from the State's funding amount, as depicted in Paragraph 3, "Grant Amount" and those costs that represent the Grantee's costs, as applicable, in Paragraph 4, "Grantee Cost Share."

- v. Original signature and date of the Grantee's Project Representative. Submit an electronic invoice, certified and transmitted via electronic/digital signature system (e.g., DocuSign), from authorized representative to the Project Manager or the original "wet signature" copy of the invoice form to the Project Manager at the following address: P.O. Box 942836 Sacramento, CA 94236.

All invoices submitted shall be accurate and signed under penalty of law. Any and all costs submitted pursuant to this Agreement shall only be for the tasks set forth herein. The Grantee shall not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., cost share). Any eligible costs for which the Grantee is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is illegal and constitutes fraud. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements of grant funds and/or termination of this Agreement requiring the repayment of all funds disbursed hereunder plus interest. Additionally, the State may request an audit pursuant to Standard Condition D.5 and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability. (Civ. Code, §§ 1572-1573; Pen. Code, §§ 470, 487-489.)

- 9) **ADVANCED PAYMENT.** Water Code section 10551 authorizes advanced payment by the State for projects included and implemented in an applicable Integrated Regional Water Management Plan, and when the project proponent is a nonprofit organization; a disadvantaged community (DAC); or the project benefits a DAC. If a project is awarded less than \$1,000,000 in grant funds, the project proponent may receive an advanced payment of fifty (50) percent of the grant award; the remaining fifty (50) percent of the grant award will be reimbursed in arrears after the advanced funds of a budget category have been fully expended. Within ninety (90) calendar days of execution of the Grant Agreement, the Grantee may provide the State an Advanced Payment Request. Advanced Payment Requests received ninety-one (91) calendar days after the execution of this Agreement will not be eligible to receive an advanced payment. The Advanced Payment Request shall contain the following:
 - A. Documentation demonstrating that each Local Project Sponsor (if different from the Grantee, as listed in Exhibit I) was notified about their eligibility to receive an advanced payment and a response from the Local Project Sponsor stating whether it wishes to receive the advanced payment or not.
 - B. If the Grantee is requesting the advanced payment, the request(s) shall include:
 - i. Descriptive information of each project with an update on project status.
 - ii. The names of the entities that will receive the funding for each project, including, but not limited to, an identification as to whether the project proponent or proponents are nonprofit organizations or a DAC, or whether the project benefits a DAC.
 - iii. A detailed Funding Plan which includes how the advanced payment will be expended (in terms of workplan, budget, and schedule) within the timeframe agreed upon by DWR and the Grantee. The Funding Plan must clearly identify the total budget (at Budget Category Level) for each project clearly showing the portion of advanced payment and reimbursement funds.
 - iv. Any other information that DWR may deem necessary.
 - C. Upon review and approval of the Advanced Payment Request, DWR will authorize payment of the fully requested amount for the qualified project(s). Based on the project's Funding Plan and other considerations, DWR may determine it is not prudent to advance the full request in a single disbursement. In such a case, DWR will develop a "Disbursement Schedule," to disburse funds in installments. This Disbursement Schedule may change based on the project's ongoing compliance with the Advanced Payment requirements and the project's cash flow needs.
 - D. Once DWR authorizes the Advanced Payment Request, the Grantee shall submit Advanced Payment Invoice(s) for the initial amount based on the "Disbursement Schedule" on behalf of the LPS(s),

containing the request for each qualified project, to the State with signature and date of the Grantee's Project Representative, as indicated in Paragraph 21, "Project Representative." The Grantee shall be responsible for the timely distribution of the advanced funds to the respective LPS(s). The Advanced Payment Invoice(s) shall be submitted on forms provided by the State and shall meet the following format requirements:

- i. Invoice shall contain the date of the invoice, the time period covered by the invoice, and the total amount due.
 - ii. Invoice shall be itemized based on the budget categories specified in Exhibit B, "Budget."
 - iii. The State Project Manager will notify the Grantee, in a timely manner, when, upon review of an Advance Payment Invoice, the State determines that any portion or portions of the costs claimed are not eligible costs. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies).
 - iv. On a quarterly basis, the Grantee will submit an Accountability Report to the State that demonstrates how actual expenditures compare with the scheduled budget. The Accountability Report shall include the following information:
 1. An itemization of how advanced funds have been spent to-date (Expenditure Report), including documentation that supports the disbursements (e.g., contractor invoices, receipts, personnel hours, etc.). Accountability Reports shall be itemized based on the budget categories (i.e., tasks) specified in Exhibit B.
 2. An updated Accountability Report including an updated Funding Plan that depicts how the remaining advanced funds will be expended and the activities and deliverables associated with the advanced funds within the timeframe agreed upon by DWR and the Grantee when the advanced payment request was approved.
 3. Documentation that the funds were placed in a non-interest bearing account, including the dates of deposits and withdrawals from that account.
 4. Proof of distribution of advanced funds to LPS(s), if applicable.
 - v. The State's Project Manager will notify the Grantee, in a timely manner, when, upon review of the Accountability Report, the State determines that any portion of the expenditures claimed are not eligible costs. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies). If costs are not consistent with the tasks in Exhibit A, the State will reject the claim and remove them from the Accountability Report.
- E. Once the Grantee has spent all advanced funds in a budget category, then the method of payment will revert to the reimbursement process for that budget category specified in Paragraph 8, "Method of Payment for Reimbursement."
- 10) REPAYMENT OF ADVANCES. The State may demand repayment from the Grantee of all or any portion of the advanced State funding along with interest at the California general obligation bond interest rate at the time the State notifies the Grantee, as directed by the State, and take any other action that it deems necessary to protect its interests for the following conditions:
- A. A project is not being implemented in accordance with the provisions of the Grant Agreement.
 - B. The Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if the Grantee does not remedy any such failure to the State's satisfaction.
 - C. Failure by the Grantee to submit complete and accurate quarterly Accountability Reports by the required due dates, unless otherwise approved by DWR.
 - D. Failure to deposit funds in a non-interest-bearing account.

- E. Use of Advance Payment funds for ineligible expenses and/or activities not consistent with this Agreement.
- F. Inappropriate use of funds, as deemed by DWR.
- G. Repayment amounts may also include:
 - i. Actual costs incurred which are not consistent with the activities presented in Exhibit A, not supported, or are ineligible.
 - ii. Advanced funds which are not fully expended by project completion, notwithstanding Water Code section 10551(c)(4). Unused grant funds shall be returned to DWR within sixty (60) calendar days.

Any repayment of advanced funds may consist of reducing the amount from future reimbursement invoices. The State may consider the Grantee's refusal to repay the requested advanced amount a material breach of this Agreement subject to the default provisions in Paragraph 12, "Default Provisions." If the State notifies the Grantee of its decision to demand repayment or withhold the entire funding amount from the Grantee pursuant to this Paragraph, this Grant Agreement shall terminate upon receipt of such notice by the Grantee and the State shall no longer be required to provide funds under this Agreement.

11) WITHHOLDING OF DISBURSEMENTS BY THE STATE. If the State determines that a project is not being implemented in accordance with the provisions of this Grant Agreement, or that the Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if the Grantee does not remedy any such failure to the State's satisfaction, the State may withhold from the 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 the State notifies the Grantee of its decision not to release funds that have been withheld pursuant to Paragraph 12, "Default Provisions," 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 the State. The State may consider the Grantee's refusal to repay the requested disbursed amount a material breach subject to the default provisions in Paragraph 12, "Default Provisions." If the State notifies the Grantee of its decision to withhold the entire funding amount from the Grantee pursuant to this Paragraph, this Grant Agreement shall terminate upon receipt of such notice by the 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. The Grantee shall 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 the Grantee and the State evidencing or securing the 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 the Project in accordance with this Grant Agreement.
- D. Failure to make any remittance required by this Grant Agreement, including any remittance recommended as the result of an audit conducted pursuant to Standard Condition D.5.
- E. Failure to submit quarterly progress reports pursuant to Paragraph 5.
- F. Failure to routinely invoice the State pursuant to Paragraph 8.
- G. Failure to meet any of the requirements set forth in Paragraph 13, "Continuing Eligibility."

Should an event of default occur, the State shall provide a notice of default to the Grantee and shall give the 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, the State may do any of the following:

- A. 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.
- B. Terminate any obligation to make future payments to the Grantee.
- C. Terminate the Grant Agreement.
- D. Take any other action that it deems necessary to protect its interests.

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

13) CONTINUING ELIGIBILITY. The Grantee shall meet the following ongoing requirement(s) and all eligibility criteria outlined in the 2022 Guidelines to remain eligible to receive State funds:

- A. An urban water supplier that receives grant funds pursuant to this Agreement shall maintain compliance with the Urban Water Management Planning Act (UWMP; Wat. Code, § 10610 et seq.) and Sustainable Water Use and Demand Reduction (Wat. Code, § 10608 et seq.) as set forth on page 11 of the 2022 Guidelines and as stated on page 24 of the 2022 IRWM Implementation Grant Proposal Solicitation Package.
- B. An agricultural water supplier receiving grant funds shall comply with Sustainable Water Use and Demand Reduction requirements outlined in Water Code section 10608, et seq. and have their Agricultural Water Management Plan (AWMP) deemed consistent by DWR. To maintain eligibility and continue funding disbursements, an agricultural water supply shall have their 2015 AWMP identified on the State's website. For more information, visit the website listed in Appendix A in the 2022 Guidelines.
- C. A surface water diverter receiving grant funds shall maintain compliance with diversion reporting requirements as outlined in Water Code section 5100 et. seq.
- D. If applicable, the Grantee shall demonstrate compliance with the Sustainable Groundwater Management Act (SGMA) set forth on page 10 of the 2022 Guidelines.
- E. If the Grantee has been designated as a monitoring entity under the California Statewide Groundwater Elevation Monitoring (CASGEM) Program, the Grantee shall maintain reporting compliance, as required by Water Code section 10932 and the CASGEM Program.
- F. The Grantee shall adhere to the protocols developed pursuant to The Open and Transparent Water Data Act (Wat. Code, § 12406, et seq.) for data sharing, transparency, documentation, and quality control.
- G. On March 4, 2022, the Governor issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. The EO may be found at: <https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf>. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under State law. The EO directs DWR to terminate funding agreements with, and to refrain from entering any new agreements with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine that the Grantee is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State shall provide the Grantee advance written notice of such termination, allowing the Grantee at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

14) 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 the State. All reports shall be submitted to the State's Project Manager and shall be submitted via the DWR "Grant Review and Tracking System" (GRanTS). If requested, the Grantee shall promptly provide any additional information deemed necessary by the State for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit F, "Report Formats and Requirements." The timely submittal of reports is a requirement for initial and continued disbursement of State funds. Submittal and subsequent approval by the State of a Project Completion Report is a requirement for the release of any funds retained for such project.

- A. Quarterly Progress Reports: The Grantee shall submit quarterly Progress Reports to meet the State's requirement for disbursement of funds. Progress Reports shall be uploaded via GRanTS, and the State's Project Manager notified of upload. Progress Reports shall, in part, provide a brief description of the work performed, the Grantee's activities, milestones achieved, any accomplishments and any problems encountered in the performance of the work under this Grant Agreement during the reporting period. The first Progress Report must accompany an invoice (\$0 Invoices are acceptable) and shall be submitted within 60 days following the end of the calendar quarter (i.e., invoices due May 30, August 29, November 29, and March 1).
 - B. Accountability Report: The Grantee shall prepare and submit to the State an Accountability Report on a quarterly basis if the Grantee received an advanced payment, consistent with the provisions in Paragraph 9, "Advanced Payment."
 - C. Project Completion Report: The Grantee shall prepare and submit to the State a separate Project Completion Report for each project included in Exhibit A. The Grantee shall submit a Project Completion Report (or a Component Completion Report, if a Project has multiple Components) within ninety (90) calendar days of Project/Component completion as outlined in Exhibit F.
 - D. Grant Completion Report: Upon completion of all the Projects included in Exhibit A, the Grantee shall submit to the State a Grant Completion Report. The Grant Completion Report shall be submitted within ninety (90) calendar days of submitting the Completion Report for the final project to be completed under this Grant Agreement, as outlined in Exhibits A, and F. Retention for any grant administration line items in the Budget of this Grant Agreement will not be disbursed until the Grant Completion Report is approved by the State.
 - E. Post-Performance Reports: The Grantee shall prepare and submit to the State Post-Performance Reports for the applicable project(s). Post-Performance Reports shall be submitted to the State within ninety (90) calendar days after the first operational year of a project has elapsed. This record keeping and reporting process shall be repeated annually for a total of three (3) years after the project begins operation.
- 15) OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects and in consideration of the funding made by the State, the 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. The Grantee or their successors may, with the written approval of the 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 by the Grantee to ensure operation and maintenance of the projects in accordance with this provision may, at the option of the State, be considered a breach of this Grant Agreement and may be treated as default under Paragraph 12, "Default Provisions."

- 16) MONITORING PLAN REQUIREMENTS. A Monitoring Plan shall be submitted to the State prior to disbursement of State funds for construction or monitoring activities. The Monitoring Plan should incorporate Post-Performance Monitoring Report requirements as defined and listed in Exhibit F, and follow the guidance provided in Exhibit L, "Project Monitoring Plan Guidance."
- 17) STATEWIDE MONITORING REQUIREMENTS. The Grantee shall ensure that all groundwater projects and projects that include groundwater monitoring requirements are consistent with the Groundwater Quality Monitoring Act of 2001 (Water Code § 10780 et seq.) 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. See Exhibit G for web links and information regarding other State monitoring and data reporting requirements.
- 18) NOTIFICATION OF STATE. The Grantee shall promptly notify the 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. The 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 the State and the State has given written approval for such change. Substantial changes generally include changes to the scope of work, schedule or term, and budget.
 - B. Any public or media event publicizing the accomplishments and/or results of this Grant Agreement and provide the opportunity for attendance and participation by the State's representatives. The Grantee shall make such notification at least fourteen (14) calendar days prior to the event.
 - C. Discovery of any potential archaeological or historical resource. Should a potential archaeological or historical resource be discovered during construction, the Grantee agrees that all work in the area of the find shall cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the State has determined what actions should be taken to protect and preserve the resource. The Grantee agrees to implement appropriate actions as directed by the State.
 - D. The initiation of any litigation or the threat of litigation against the Grantee or an LPS regarding the Project or which may affect the Project in any way.
 - E. Applicable to construction projects only: Final inspection of the completed work on a project by a Registered Professional (Civil Engineer, Engineering Geologist, or other State approved certified/licensed Professional), in accordance with Exhibit D. The Grantee shall notify the State's Project Manager of the inspection date at least fourteen (14) calendar days prior to the inspection in order to provide the State the opportunity to participate in the inspection.
- 19) 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.
 - E. Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U.S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices

shall be sent to the addresses listed below. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.

20) PERFORMANCE EVALUATION. Upon completion of this Grant Agreement, the 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.

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

Department of Water Resources

City of Banning

Arthur Hinojosa
Manager, Division of Regional Assistance
P.O. Box 942836
Sacramento, CA 94236
Phone: (916) 902-6713
Email: Arthur.Hinojosa@water.ca.gov

Doug Schulze
City Manager
99 E. Ramsey Street
Banning, CA 92220
Phone: (951) 922-4860
Email: DSchulze@banningca.gov

Direct all inquiries to the Project Manager:

Department of Water Resources

City of Banning

Pakiza Chatha
Engineer, Water Resources
707 Fairmont Avenue, Suite 200
Glendale, CA 91203
Phone: (818) 621-7257
Email: Pakiza.Chatha@water.ca.gov

Arturo Vela
Director of Public Works
99 E. Ramsey Street
Banning, CA 92220
Phone: (951) 922-3130
Email: Avela@banningca.gov

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

22) STANDARD PROVISIONS. This Grant Agreement is complete and is the final Agreement between the parties. 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 Data Submittal

Exhibit H – State Audit Document Requirements and Cost Share Guidelines for the Grantee

Exhibit I – Local Project Sponsors and Project Locations

Exhibit J – Appraisal Specifications

Exhibit K – Information Needed for Escrow Processing and Closure

Exhibit L – Project Monitoring Plan Guidance

Exhibit M – Invoice Guidance for Administrative and Overhead Charges

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

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

CITY OF BANNING



Arthur Hinojosa
Manager, Division of Regional Assistance

Doug Schulze
City Manager

Date 10/31/2023

Date 10/31/2023

Approved as to Legal Form and Sufficiency



For

Robin Brewer
Assistant General Counsel,
Office of the General Counsel

Date 10/31/2023

EXHIBIT A
WORK PLAN
PROPOSITION 1 ROUND 2 SAN GORGONIO IRWM IMPLEMENTATION GRANT

Grant Administration**IMPLEMENTING AGENCY:** City of Banning (Grantee)

PROJECT DESCRIPTION: The Grantee will administer these funds and respond to DWR's reporting and compliance requirements associated with the grant administration. This Grantee will act in a coordination role: disseminating grant compliance information to the project managers responsible for implementing the projects contained in this agreement, obtaining and retaining evidence of compliance (e.g., CEQA/NEPA documents, reports, monitoring compliance documents, labor requirements, etc.), obtaining data for progress reports from individual project managers, assembling and submitting progress reports to the State, and coordinating all invoicing and payment of invoices.

Budget Category (a): Project AdministrationTask 1: Agreement Administration

The Grantee will respond to DWR's reporting and compliance requirements associated with the grant administration and will coordinate with the project managers responsible for implementing the projects contained in this agreement.

Task 2: Invoicing

The Grantee will be responsible for compiling invoices for submittal to DWR. This includes collecting invoice documentation from each of the Local Project Sponsors and compiling the information into a DWR Invoice Packet.

Deliverables:

- Quarterly Invoices and associated backup documentation

Task 3: Reporting

The Grantee will be responsible for compiling progress reports for submittal to DWR. The Grantee will coordinate with Local Project Sponsor staff to retain consultants as needed to prepare and submit progress reports and final project completion reports for each project, as well as the grant completion report.

Reports will meet generally accepted professional standards for technical reporting and the requirements terms of the contract with DWR outlined in Exhibit F of this Agreement.

Deliverables:

- Quarterly Progress Reports
- Grant Completion Report

PROJECT 1: Twin Pines Water Supply Reliability and Fire Protection Upgrades**IMPLEMENTING AGENCY:** High Valleys Water District**PROJECT DESCRIPTION:** The project will replace and upsize approximately 4,800 linear feet of failing water main and install approximately 10 new fire hydrants within the rural community of Twin Pines, California. The project will provide a reliable water supply of 3.8 acre-feet per year (AFY) and will improve flows to meet fire code, bringing the 12 households in this community within a preferred threshold for fire protection.**Budget Category (a): Project Administration**Task 1: Project Management

Manage Grant Agreement including compliance with grant requirements, and preparation and submission of supporting grant documents and coordination with the Grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via the Grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR via the Grantee.

Prepare Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Quarterly Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

Budget Category (b): Land Purchase/EasementTask 3: Land Purchase

Pipeline will be installed within the roadway right-of-way. The contractor will secure an encroachment permit from Riverside County for construction within the right-of-way. Both laterals will be constructed within existing easements.

Deliverables:

- Documentation supporting property value (if purchased)
- All relevant documentation regarding property ownership transfer or acquisition of easement including final recorded deed, title report, etc. (if required)

Budget Category (c): Planning/Design/Engineering/Environmental Documentation**Task 4: Feasibility Studies**

Project Feasibility Studies were completed in 2020 as part of the project development process. The Feasibility Studies include: an investigation for CEQA compliance, identification of the most cost-effective alignment for the proposed pipe, recommended pipe material, hydraulic calculations, compliance with county fire requirements and cost estimates for design and construction.

Deliverables:

- Relevant Feasibility Studies

Task 5: CEQA Documentation

Complete environmental review pursuant to CEQA. Prepare all necessary environmental documentation. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting

The following permits are anticipated to be acquired for this project: (1) A Stormwater Pollution Prevention Plan permit and (2) an encroachment permit from the County of Riverside.

Deliverables:

- Permits as required

Task 7: Design

Preliminary and final design for the pipeline and fire hydrants will be completed. Final plans and specifications will be provided.

Deliverables:

- 100% Design Plans and Specifications

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation**Task 9: Contract Services**

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

Deliverables:

- Bid Documents
- Proof of Advertisement
- Award of Contract
- Notice to Proceed

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. A full-time engineering construction observer will be on site as needed for the project. Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/ updating project schedule, reviewing contractor log submittals and pay requests, forecasting cash flow, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion and record drawings will be provided to DWR.

Deliverables:

- DWR Certificate of Project Completion
- Record Drawings

Task 11: Construction

Construction activities include mobilization of equipment and transport to the site; setting up temporary facilities (e.g., field office, construction barriers) and clearing site for construction as needed; construction of approximately 4,700-4,800 feet of 8-inch water main and associated appurtenances to serve 12 existing homes, and up to 10 fire hydrant assemblies along the new upsized water main; and site cleanup and site restoration (e.g., post-construction restoration of the roadway), and removal of all temporary facilities. The existing pipeline will remain in place.

Deliverables:

- Photographic Documentation of Progress

PROJECT 2: Esperanza Street Waterline Improvements, Phase 1**IMPLEMENTING AGENCY:** Cabazon Water District**PROJECT DESCRIPTION:** The project will replace and upsize approximately 900 linear feet of a failing water line in Cabazon, California. The project will conserve approximately 0.3 AFY and will improve flows to meet fire code, bringing the 27 service connections within the preferred threshold for fire protection.**Budget Category (a): Project Administration**Task 1: Project Management

Manage Grant Agreement including compliance with grant requirements, and preparation and submission of supporting grant documents and coordination with the Grantee. Prepare invoices including relevant supporting documentation for submittal to DWR via the Grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR via the Grantee.

Prepare Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Quarterly Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

Budget Category (b): Land Purchase/EasementTask 3: Land Purchase

No land purchase or easement acquisition is required for this project.

Deliverables: N/A**Budget Category (c): Planning/Design/Engineering/Environmental Documentation**Task 4: Feasibility Studies

Not applicable; the project is consistent with previous projects completed by Cabazon Water District and is necessary to address a system deficiency.

Deliverables: N/A

Task 5: CEQA Documentation

Complete environmental review pursuant to CEQA. Prepare all necessary environmental documentation. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting

The following permits are anticipated to be acquired for this project: an encroachment permit from Riverside County to perform work within the Riverside County right-of-way. The encroachment permit will be secured prior to construction but cannot be secured until the contractor is selected.

Deliverables:

- Permits as required

Task 7: Design

Preliminary and final design for the pipeline will be completed. All designs will comply with applicable construction and health and safety standards. Final plans and specifications will be provided.

Deliverables:

- 100% Design Plans and Specifications

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

Deliverables:

- Bid Documents
- Proof of Advertisement
- Award of Contract
- Notice to Proceed

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. A full-time engineering construction observer will be on site for the duration of the project. Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/ updating project schedule, reviewing contractor log submittals and pay requests, forecasting cash flow, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion and record drawings will be provided to DWR.

Deliverables:

- DWR Certificate of Project Completion
- Record Drawings

Task 11: Construction

Construction activities include mobilization of equipment and transport to the site; setting up temporary facilities (e.g., construction barriers), clearing site for construction as needed, and identification of existing underground utilities to avoid as necessary; Excavate trench to remove existing 4" steel pipe. Construct approximately 900 feet of 8-inch PVC water main and connect to the existing system. Connect the water main to existing meters and hydrants, and complete backfill and compaction of trench; site cleanup and site restoration (e.g., trench backfilling, post-construction restoration of the roadway), and removal of all temporary facilities and equipment.

Deliverables:

- Photographic Documentation of Progress

PROJECT 3: Lions Park Recycled Water Conversion Project**IMPLEMENTING AGENCY:** City of Banning

PROJECT DESCRIPTION: The project will convert the irrigation system at Lions Park from potable to recycled water. The work also includes installation of recycled water identification valve boxes, lids, and tags; installation of recycled water signs; sprinkler head retrofits to water efficient, color-coded purple heads; and installation of a smart irrigation controller and backflow preventer. The project will conserve approximately 36.75 AFY of potable water and an additional 7.35 AFY through installation of a smart irrigation controller that will reduce overall water demands at the 8.86-acre park for a total water savings of approximately 44.1 AFY.

Budget Category (a): Project AdministrationTask 1: Project Management

Manage Grant Agreement including compliance with grant requirements, and preparation and submission of supporting grant documents. 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 managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Quarterly Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

Budget Category (b): Land Purchase/EasementTask 3: Land Purchase

No land purchase or easement acquisition is required for this project.

Deliverables: N/A**Budget Category (c): Planning/Design/Engineering/Environmental Documentation**Task 4: Feasibility Studies

Not applicable.

Deliverables: N/A

Task 5: CEQA Documentation

Complete environmental review pursuant to CEQA. Prepare all necessary environmental documentation. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting

No permits are required.

Deliverables: N/A

Task 7: Design

The Grantee will develop and finalize improvement plans and specifications that meet the goals of the project in a cost-effective manner. All designs will comply with applicable construction and health and safety standards. Final plans and technical specifications will be provided.

Deliverables:

- Final Plans and Technical Specifications

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

Deliverables:

- Bid Documents
- Proof of Advertisement
- Award of Contract
- Notice to Proceed

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. An engineering construction observer will be on site for the duration of the project. Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/ updating project schedule, reviewing contractor log submittals and pay requests, forecasting cash flow, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion and record drawings will be provided to DWR.

Deliverables:

- DWR Certificate of Project Completion
- Record Drawings

Task 11: Construction

Construction activities include mobilization of equipment and transport to the site; setting up temporary facilities (e.g., field office, construction barriers) and clearing site for construction as needed; Installing recycled water identification valve boxes, lids, and tags, and recycled water signs, Installing water efficient (anti-mist), color-coded sprinkler heads for recycled water, installing a smart irrigation controller and backflow prevention device, and installing a new 4 inch recycled water meter for the park and connect the existing irrigation system to the new meter; and site cleanup and site restoration (e.g., post-construction restoration of the park), and removal of all temporary facilities and equipment. All construction work will be done as per the final design and specifications.

Deliverables:

- Photographic Documentation of Progress

**EXHIBIT B
BUDGET****PROPOSITION 1 ROUND 2 SAN GORGONIO IRWM IMPLEMENTATION GRANT****AGREEMENT BUDGET SUMMARY**

	PROJECTS	Grant Amount	Required Cost Share: Non-State Fund Source	Other Cost Share	Total Cost	Cost Share Required %
	Grant Administration	\$114,462	\$0	\$0	\$114,462	N/A
1	Project 1: Twin Pines Water Supply Reliability and Fire Protection Upgrades	\$964,324	\$0	\$20,000	\$984,324	0%
2	Project 2: Esperanza Street Waterline Improvements, Phase 1	\$343,700	\$0	\$16,000	\$359,700	0%
3	Project 3: Lions Park Recycled Water Conversion Project	\$490,269	\$0	\$8,987	\$499,256	0%
	GRAND TOTAL	\$1,912,755	\$0	\$44,987	\$1,957,742	

Grant Administration

Implementing Agency: City of Banning

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source	Other Cost Share	Total Cost
(a)	Project Administration	\$114,462	\$0	\$0	\$114,462
	TOTAL COSTS	\$114,462	\$0	\$0	\$114,462

PROJECT 1: Twin Pines Water Supply Reliability and Fire Protection Upgrades

Implementing Agency: High Valleys Water District

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share**	Total Cost
(a)	Project Administration	\$3,324	\$0	\$20,000	\$23,324
(b)	Land Purchase / Easement	\$2,000	\$0	\$0	\$2,000
(c)	Planning / Design / Engineering / Environmental Documentation	\$72,000	\$0	\$0	\$72,000
(d)	Construction / Implementation	\$887,000	\$0	\$0	\$887,000
	TOTAL COSTS	\$964,324	\$0	\$20,000	\$984,324

NOTES:

*The project received a 100% cost share waiver.

**Other Cost Share fund source(s): High Valleys Water District General Fund, provided as in-kind labor by District staff.

PROJECT 2: Esperanza Street Waterline Improvements, Phase 1

Implementing Agency: Cabazon Water District

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share**	Total Cost
(a)	Project Administration	\$8,000	\$0	\$8,000	\$16,000
(b)	Land Purchase / Easement	\$0	\$0	\$0	\$0
(c)	Planning / Design / Engineering / Environmental Documentation	\$41,000	\$0	\$2,000	\$43,000
(d)	Construction / Implementation	\$294,700	\$0	\$6,000	\$300,700
	TOTAL COSTS	\$343,700	\$0	\$16,000	\$359,700

NOTES:

*The project received a 100% cost share waiver.

**Other Cost Share fund source(s): Cabazon Water District General Fund, provided as in-kind labor by District staff.

PROJECT 3: Lions Park Recycled Water Conversion Project

Implementing Agency: City of Banning

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share**	Total Cost
(a)	Project Administration	\$35,065	\$0	\$8,987	\$44,052
(b)	Land Purchase / Easement	\$0	\$0	\$0	\$0
(c)	Planning / Design / Engineering / Environmental Documentation	\$42,100	\$0	\$0	\$42,100
(d)	Construction / Implementation	\$413,104	\$0	\$0	\$413,104
	TOTAL COSTS	\$490,269	\$0	\$8,987	\$499,256

NOTES:

*The project received a 100% cost share waiver.

**Other Cost Share fund source(s): City of Banning Water Operations Fund.

EXHIBIT C
SCHEDULE**PROPOSITION 1 ROUND 2 SAN GORGONIO IRWM IMPLEMENTATION GRANT****Grant Administration**

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	05/01/2023	12/31/2025

PROJECT 1: Twin Pines Water Supply Reliability and Fire Protection Upgrades

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	05/01/2023	09/30/2025
b	Land Purchase / Easement	11/01/2023	03/31/2024
c	Planning / Design / Engineering / Environmental Documentation	05/01/2023	03/31/2024
d	Construction / Implementation	11/02/2023	06/30/2025

Budget Category (c) overlaps with Budget Category (d) to accommodate finalization of the Project Monitoring Plan (Task 8) and securing of the encroachment permit (Task 6), while beginning the Construction contracting processes (Task 9).

PROJECT 2: Esperanza Street Waterline Improvements, Phase 1

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	05/01/2023	05/01/2025
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	05/01/2023	12/01/2023
d	Construction / Implementation	08/02/2023	02/01/2025

Budget Category (c) overlaps with Budget Category (d) to accommodate finalization of the Project Monitoring Plan (Task 8) and completion of the Notice of Exemption (Task 5), while beginning the Construction contracting processes (Task 9).

PROJECT 3: Lions Park Recycled Water Conversion Project

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	05/01/2023	09/30/2025
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	05/01/2023	02/28/2024
d	Construction / Implementation	01/01/2024	06/30/2025

Budget Category (c) overlaps with Budget Category (d) to accommodate finalization of the Project Monitoring Plan (Task 8) and to begin the Construction contracting processes (Task 9).

EXHIBIT D**STANDARD CONDITIONS**

- D.1. **ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:**
- A. **Separate Accounting of Funding Disbursements:** 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 and disbursements 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. **Disposition of Money Disbursed:** All money disbursed pursuant to this Grant Agreement shall be deposited in a non-interest bearing account, administered, and accounted for pursuant to the provisions of applicable law.
 - C. **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 AND SIGNAGE:** Grantee shall include appropriate acknowledgement of credit to the State for its support when promoting the Project or using any data and/or information developed under this Grant Agreement. Signage shall be posted in a prominent location at Project site(s) (if applicable) or at the Grantee's headquarters and shall include the Department of Water Resources color logo and the following disclosure statement: "Funding for this project has been provided in full or in part from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 and through an agreement with the State Department of Water Resources." The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.
- D.3. **AMENDMENT:** This 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. Requests solely for a time extension must be submitted at least 90 days prior to the work completion date set forth in Paragraph 2. Any other request for an amendment must be submitted at least 180 days prior to the work completion date set forth in Paragraph 2. State shall have no obligation to agree to an amendment.
- D.4. **AMERICANS WITH DISABILITIES ACT:** By signing this 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.5. **AUDITS:** State reserves the right to conduct an audit at any time between the execution of this Grant Agreement and the completion of the 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. The Grantee agrees it shall return any audit disallowances to the State.

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 (3) years after final payment under this Grant Agreement with respect of 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 receipt of the final disbursement under this Agreement. If an audit reveals any impropriety, the Bureau of State Audits or the State Controller's Office may conduct a full audit of any or all of the Grantee's activities. Code, § 79708, subd. (b)

- D.6. BUDGET CONTINGENCY: If the Budget Act of the current year covered under this Grant Agreement does not appropriate sufficient funds for this 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, by Executive Order, or by order of the Department of Finance, the 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.7. CALIFORNIA CONSERVATION CORPS: Grantee may use the services of the California Conservation Corps or other community conservation corps as defined in Public Resources Code section 14507.5.
- D.8. CEQA: Activities funded under this Grant Agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA). (Pub. Resources Code, § 21000 et seq.) Any work that is subject to CEQA and funded under this Agreement shall not proceed until documents that satisfy the CEQA process are received by the State's Project Manager and the State has completed its CEQA compliance. Work funded under this Agreement that is subject to a CEQA document shall not proceed until and unless approved by the Department of Water Resources. Such approval is fully discretionary and shall constitute a condition precedent to any work for which it is required. If CEQA compliance by the Grantee is not complete at the time the State signs this Agreement, once State has considered the environmental documents, it may decide to require changes, alterations, or other mitigation to the Project; or to not fund the Project. Should the State decide to not fund the Project, this Agreement shall be terminated in accordance with Paragraph 12, "Default Provisions."
- D.9. CHILD SUPPORT COMPLIANCE ACT: The Grantee acknowledges in accordance with Public Contract Code section 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 Family Code section 5200 et seq.; 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.10. 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 DWR Project Representative, 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.11. COMPETITIVE BIDDING AND PROCUREMENTS: Grantee's contracts with other entities for the acquisition of goods and services and construction of public works with funds provided by State under this Grant Agreement must be in writing and shall comply with all applicable laws and regulations regarding the securing of competitive bids and undertaking competitive negotiations. If the Grantee does not have a written policy to award contracts through a competitive bidding or sole source process, the Department of General Services' *State Contracting Manual* rules must be followed and are available at: <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/State-Contracting>.
- D.12. 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.13. 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. (Gov. 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.14. 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.15. DISPOSITION OF EQUIPMENT: Grantee shall provide to State, not less than thirty (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 sixty (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.16. 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 (Gov. Code, § 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:

- A. Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section 8355.
 - B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355 to inform employees, contractors, or subcontractors about all of the following:
 - i. The dangers of drug abuse in the workplace,
 - ii. 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 section 8355, 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.17. EASEMENTS: Where the Grantee acquires property in fee title or funds improvements to real property using State funds provided through this Grant Agreement, an appropriate easement or other title restriction providing for floodplain preservation and agricultural and/or wildlife habitat conservation for the subject property in perpetuity, approved by the State, shall be conveyed to a regulatory or trustee agency or conservation group acceptable to the State. The easement or other title restriction must be in first position ahead of any recorded mortgage or lien on the property unless this requirement is waived by the State.
- Where the Grantee acquires an easement under this Agreement, the Grantee agrees to monitor and enforce the terms of the easement, unless the easement is subsequently transferred to another land management or conservation organization or entity with State permission, at which time monitoring and enforcement responsibilities will transfer to the new easement owner.
- Failure to provide an easement or other title restriction acceptable to the State may result in termination of this Agreement.
- D.18. FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED PROFESSIONAL: Upon completion of the Project, Grantee shall provide for a final inspection and certification by a California Registered Professional (i.e., Professional Civil Engineer, Engineering 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.
- D.19. GRANTEE'S RESPONSIBILITIES: Grantee and its representatives shall:
- A. Faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A and in accordance with Exhibits B and C.
 - 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 funding.
 - C. Comply with all applicable California, federal, and local laws and regulations.
 - D. Implement the Project in accordance with applicable provisions of the law.
 - E. Fulfill its obligations under the Grant Agreement and be responsible for the performance of the Project.
 - F. Obtain any and all permits, licenses, and approvals required for performing any work under this Grant Agreement, including those necessary to perform design, construction, or operation and maintenance of the Project. Grantee shall provide copies of permits and approvals to State.

- G. Be solely responsible for design, construction, and operation and maintenance of projects within the work plan. Review or approval of plans, specifications, bid documents, or other construction documents by State is solely for the purpose of proper administration of funds by State and shall not be deemed to relieve or restrict responsibilities of Grantee under this Agreement.
- H. Be solely responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Grantee shall be responsible for any and all disputes arising out of its contracts for work on the Project, including but not limited to payment disputes with contractors and subcontractors. The State will not mediate disputes between the Grantee and any other entity concerning responsibility for performance of work.
- D.20. GOVERNING LAW: This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
- D.21. INCOME RESTRICTIONS: The Grantee agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Grantee under this Agreement shall be paid by the Grantee to the State, to the extent that they are properly allocable to costs for which the Grantee has been reimbursed by the State under this Agreement. The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.
- D.22. 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 insureds on their liability insurance for activities undertaken pursuant to this Agreement.
- D.23. 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.24. 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.25. 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.26. LABOR CODE COMPLIANCE: The Grantee agrees to be bound by all the provisions of the Labor Code regarding prevailing wages and shall monitor all contracts subject to reimbursement from this Agreement to assure that the prevailing wage provisions of the Labor Code are being met. Current Department of Industrial Relations (DIR) requirements may be found at: <http://www.dir.ca.gov/lcp.asp>. For more information, please refer to DIR's *Public Works Manual* at: <https://www.dir.ca.gov/dlse/PWManualCombined.pdf>. The Grantee affirms that it is aware of the provisions of section 3700 of the Labor Code, which requires every employer to be insured against liability for workers'

compensation or to undertake self-insurance, and the Grantee affirms that it will comply with such provisions before commencing the performance of the work under this Agreement and will make its contractors and subcontractors aware of this provision.

- D.27. **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 A, B, and C which concern the budget and schedule without formally amending this Grant Agreement. Non-material changes with respect to the budget are changes that only result in reallocation of the budget and will not result in an increase in the amount of the State 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 Program Manager in writing.
- D.28. **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, gender identity, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital/domestic partner status, and denial of medical 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 California Fair Employment and Housing Act (Gov. Code, § 12990.) and the applicable regulations promulgated there under (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Fair Employment and Housing are incorporated into this Agreement by reference. 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.29. **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.30. **PERFORMANCE BOND:** Where contractors are used, the Grantee shall not authorize construction to begin until each contractor has furnished a performance bond in favor of the Grantee in the following amounts: faithful performance (100%) of contract value, and labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than \$25,000.00. Any bond issued pursuant to this paragraph must be issued by a California-admitted surety. (Pub. Contract Code, § 7103; Code Civ. Proc., § 995.311.)
- D.31. **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 Public Contract Code section 10353.
- D.32. **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 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.33. PROJECT ACCESS: The Grantee shall ensure that the State, the Governor of the State, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of this Agreement.
- D.34. REMAINING BALANCE: In the event the Grantee does not submit invoices requesting all of the funds encumbered under this Grant Agreement, any remaining funds revert to the State. The State will notify the Grantee stating that the Project file is closed and any remaining balance will be disencumbered and unavailable for further use under this Grant Agreement.
- D.35. 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.36. RETENTION: The State shall withhold ten percent (10%) of the funds, for each project, until the project is complete, and a Final Project Report is approved and accepted by DWR. If a project has multiple components (within a project), at the State's discretion and upon a written request by the Grantee, any retained amount attributable to a single component may be released when that component is complete and the Final Component Completion Report is approved. Upon approval of the Final Project Report and/or Final Component Completion Report, any retained amounts due to the Grantee will be promptly disbursed to the Grantee, without interest.
- D.37. 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. (Gov. 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.38. 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.39. SUSPENSION OF PAYMENTS: This Grant Agreement may be subject to suspension of payments or termination, or both 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.40. 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.41. 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.42. TERMINATION FOR CAUSE: Subject to the right to cure under Paragraph 12, "Default Provisions," 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, "Default Provisions."
- D.43. 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.44. 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.45. TIMELINESS: Time is of the essence in this Grant Agreement.
- D.46. TRAVEL – DAC, EDA, TRIBES PROJECT: Travel is only an eligible reimbursable expense for projects providing at least 75% of benefits to DACs, EDAs, and/or Tribes (based on population or geographic area). Only ground transportation and lodging are eligible for grant reimbursement. Per diem costs will not be eligible for grant reimbursement. Any reimbursement for necessary travel shall be at rates not to exceed those set by the California Department of Human Resources. These rates may be found at: <http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx>. Reimbursement will be at the State travel amounts that are current as of the date costs are incurred. No travel outside of the IRWM region shall be reimbursed unless prior written authorization is obtained from the State.
- D.47. UNION ORGANIZING: Grantee, by signing this Grant Agreement, hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Grant Agreement. Furthermore, Grantee, by signing this Grant Agreement, hereby certifies that:
- A. No State funds disbursed by this Grant Agreement will be used to assist, promote, or deter union organizing.
 - B. Grantee shall account for State funds disbursed for a specific expenditure by this Grant Agreement to show those funds were allocated to that expenditure.
 - C. Grantee shall, where State funds are not designated as described in (b) above, allocate, on a pro rata basis, all disbursements that support the program.
 - D. If Grantee makes expenditures to assist, promote, or deter union organizing, Grantee will maintain records sufficient to show that no State funds were used for those expenditures and that Grantee shall provide those records to the Attorney General upon request.
- D.48. VENUE: The State and the Grantee hereby agree that any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Agreement.
- 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.

EXHIBIT E
AUTHORIZING RESOLUTION

RESOLUTION 2023-113

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING, CALIFORNIA, DESIGNATING AN AUTHORIZED REPRESENTATIVE TO EXECUTE AN AGREEMENT WITH THE STATE OF CALIFORNIA DEPARTMENT OF WATER RESOURCES FOR A PROPOSITION 1 ROUND 2 INTEGRATED REGIONAL WATER MANAGEMENT IMPLEMENTATION GRANT

WHEREAS, on January 10, 2023 City Council adopted Resolution 2023-11 authorizing the submittal of a grant application to the Department of Water Resources to obtain Proposition (Prop) 1 Round 2 Integrated Regional Water Management (IRWM) Implementation Grant funds; and

WHEREAS, pursuant to the Water Quality, Supply, and Infrastructure Improvement Act of 2014 the City of Banning, on behalf of the San Gorgonio IRWM Region, submitted a Prop 1 Round 2 IRWM grant application ("Proposal"); and

WHEREAS, on May 18, 2023 the City of Banning received an award notification that the submitted Proposal was awarded the requested funds in the amount of \$1,912,755.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Banning as follows:

SECTION 1. The City Council authorizes and directs the City Manager of the City of Banning, or designee, to prepare the necessary data, conduct investigations, file the Proposal and execute a Prop 1 Round 2 grant agreement or any amendments related thereto with the California Department of Water Resources.

SECTION 2. The City Clerk shall certify to the adoption of this resolution and shall cause a certified resolution to be filed in the book of original resolutions.

PASSED, APPROVED AND ADOPTED this 13th day of June 2023.



Alberto Sanchez, Mayor
City of Banning

ATTEST:



Caroline Patton, Deputy City Clerk
City of Banning

**APPROVED AS TO FORM AND
LEGAL CONTENT:**



Kevin G. Ennis, City Attorney's Office
Richards, Watson & Gershon

Resolution 2023-113
Page 2 of 3

CERTIFICATION:

I, Caroline Patton, Deputy City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution 2023-113, was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 13th day of June 2023 by the following vote, to wit:

AYES: Flynn, Gonzales, Minjares, Sanchez, and Wallace.

NOES:

ABSENT:

ABSTAIN:



Caroline Patton, Deputy City Clerk
City of Banning, California

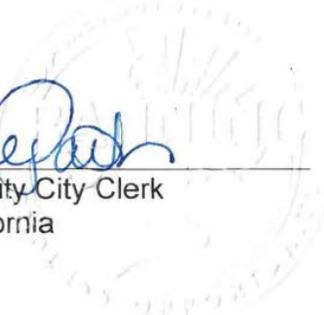


EXHIBIT F

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, discuss the following at the task level, as organized in Exhibit A:

- Percent complete (by work)
- Discussion of work accomplished during the reporting period.
- Milestones or deliverables completed/submitted during the reporting period.
- Meetings held or attended.
- Scheduling concerns and issues encountered that may delay completion of the task.

For each project, discuss the following at the project level, as organized in Exhibit A:

- Work anticipated for the next reporting period.
- Photo documentation, as appropriate.
- Budget projections for grant share for the next two quarters
- Any schedule or budget modifications approved by DWR during the reporting period.

PROJECT COMPLETION REPORT

The Project Completion Report (or a Component Completion Report, if a Project has multiple Components) shall generally use the following format provided below for each project after completion.

Executive Summary

The Executive Summary should include a brief summary of project information and include the following items:

- Brief description of work proposed to be done in the original Grant application.
- 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, unless already submitted as a deliverable:

- A copy of any final technical report or study, produced for or utilized in this Project as described in the Exhibit A
- Electronic copies of any data collected, not previously submitted
- Discussion of problems that occurred during the work and how those problems were resolved
- Final project schedule showing actual progress versus planned progress as shown in Exhibit C

Additional information that may be applicable for implementation projects includes the following:

- Record drawings
- Final geodetic survey information
- Project photos

Cost & Disposition of Funds

A list showing:

- Summary of Project costs including the following items:
 - Accounting of the cost of project expenditure;
 - Include all internal and external costs not previously disclosed (i.e., additional cost share); 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, Certification from a California Registered Professional (Civil Engineer or Geologist, as appropriate), consistent with Exhibit D, that the project was conducted in accordance with the approved Work Plan in Exhibit A and any approved amendments thereto.
- Submittal schedule for the Post-Performance Report.

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: consisting of a maximum of ten (10) pages summarizing information for the grant as well as the individual projects.
- Brief discussion of: each project completed and how they achieved IRWM Plan objectives and/or Regional goals and whether the level, type, or magnitude of benefits of the project are comparable to the original project proposal; any remaining work to be completed and mechanism for their implementation; the benefits to DAC and/or EDA as part of this Grant Agreement if a DAC or EDA Cost Share Waiver was approved for a project; and a summary of final funds disbursement for each project.

Additional Information: Summary of the submittal schedule for the Post-Performance Reports applicable for the projects in this Grant Agreement.

POST-PERFORMANCE REPORT

The Post-Performance Report (PPR) should be concise and focus on how each project is performing compared to its expected performance; whether the project is being operated and maintained and providing intended benefits as proposed. A PPR template may be provided by the assigned DWR Grant Manager upon request. The PPR should follow the general format of the template and provide requested information as applicable. The following information, at a minimum, shall be provided:

Reports and/or products

- Header including the following:
 - Grantee Name
 - Implementing Agency (if different from Grantee)
 - Grant Agreement Number
 - Project Name
 - Funding grant source (i.e., 2022 Proposition 1 IRWM Implementation Grant)
 - Report number

- Post-Performance Report schedule
- Time period of the annual report (e.g., January 2024 through December 2024)
- Project Description Summary
- Discussion of the project benefits
- An assessment of any differences between the expected versus actual project benefits as stated in the original application. Where applicable, the reporting should include quantitative metrics (e.g., new acre-feet of water produced that year, etc.).
- Summary of any additional costs and/or benefits deriving from the project since its completion, if applicable.
- Any additional information relevant to or generated by the continued operation of the project.

EXHIBIT G

REQUIREMENTS FOR DATA SUBMITTAL

Surface and Groundwater Quality Data:

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

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

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

Groundwater Level Data

For each project that collects groundwater level data, the Grantee will need to submit this data to DWR's Water Data Library (WDL), with a narrative description of data submittal activities included in project reports, as described in Exhibit F, "Report Formats and Requirements." Information regarding the WDL and in what format to submit data in can be found at: <http://www.water.ca.gov/waterdatalibrary/>.

EXHIBIT H**STATE AUDIT DOCUMENT REQUIREMENTS AND COST SHARE GUIDELINES FOR THE GRANTEE**

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

State Audit Document RequirementsInternal Controls

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

State Funding:

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

Contracts:

1. All subcontractor and consultant contracts and related or partners' documents, if applicable.
2. Contracts between the Agency and member agencies as related to the State funded Program/Project.

Invoices:

1. Invoices from vendors and subcontractors for expenditures submitted to the State for payments under the 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 grants or loans.
4. Bank statements showing the deposit of the receipts.

Accounting Records:

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

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

Personnel:

1. List of all contractors and Agency staff that worked on the State funded Program/Project.
2. Payroll records including timesheets for contractor staff and the Agency personnel who provided services charged to the program

Project Files:

1. All supporting documentation maintained in the project files.
2. All Grant Agreement related correspondence.

Cost Share Guidelines

Cost Share consists of non-State funds, including in-kind services. In-kind services are defined as work performed (i.e., dollar value of non-cash contributions) by the Grantee (and potentially other parties) directly related to the execution of the funded project. Examples include volunteer services, equipment use, and use of facilities. The cost if in-kind service can be counted as cost share in-lieu of actual funds (or revenue) provided by the Grantee. Other cost share and in-kind service eligibility conditions may apply. Provided below is guidance for documenting cost share with and without in-kind services.

1. Although tracked separately, in-kind services shall be documented and, to the extent feasible, supported by the same methods used by the Grantee for its own employees. Such documentation should include the following:
 - a. Detailed description of the contributed item(s) or service(s)
 - b. Purpose for which the contribution was made (tied to project work plan)
 - c. Name of contributing organization and date of contribution
 - d. Real or approximate value of contribution. Who valued the contribution and how was the value determined? (e.g., actual, appraisal, fair market, etc.). Justification of rate. (See item #2, below)
 - e. Person's name and the function of the contributing person
 - f. Number of hours contributed
 - g. If multiple sources exist, these should be summarized on a table with summed charges
 - h. Source of contribution if it was provided by, obtained with, or supported by government funds
2. Rates for volunteer or in-kind services shall be consistent with those paid for similar work in the Grantee's organization. For example, volunteer service of clearing vegetation performed by an attorney shall be valued at fair market value for this service, not the rate for professional legal services. In those instances, in which the required skills are not found in the recipient organization, rates shall be consistent with those paid for similar work in the labor market. Paid fringe benefits that are reasonable, allowable, and allocable may be included in the valuation.
3. Cost share contribution (including in-kind services) shall be for costs and services directly attributed to activities included in the Grant Agreement. These services, furnished by professional and technical personnel, consultants, and other skilled labor may be counted as in-kind if the activities are an integral and necessary part of the project funded by the Grant Agreement.
4. Cash contributions made to a project shall be documented as revenue and in-kind services as expenditures. These costs should be tracked separately in the Grantee's accounting system.

EXHIBIT I

LOCAL PROJECT SPONSORS AND PROJECT LOCATIONS

The Grantee has assigned, for each project, a Local Project Sponsor (LPS) according to the roles of the participating agencies identified in the IRWM Plan. LPSs may act on behalf of the Grantee for the purposes of individual project management, oversight, compliance, and operations and maintenance. LPSs are identified for each sponsored Project below:

Local Project Sponsor Agency Designation

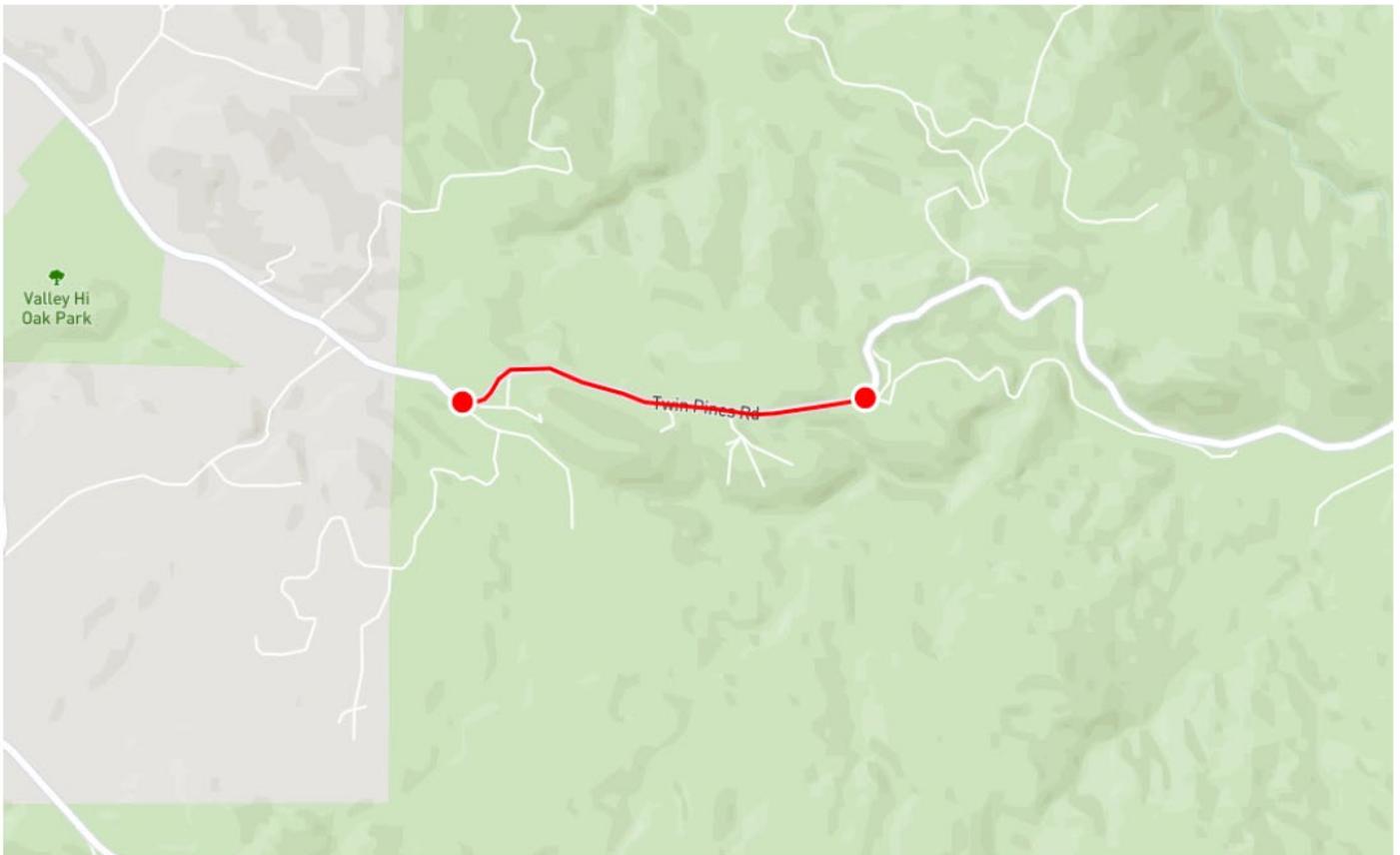
Sponsored Project: Project 1: Twin Pines Water Supply Reliability and Fire Protection Upgrades

Sponsor Agency: High Valleys Water District

Agency Address: 47781 Twin Pines Road, Banning, CA 92220

Project Location: Banning, California (33.86722, -116.822778 to 33.866667, -116.814167)

High Valleys Water District Pipeline Upgrade



1" = 1522 ft	Prop 1 Round 2 IRWM	08/02/2023	
This map may represents a visual display of related geographic information. Data provided here on is not guarantee of actual field conditions. To be sure of complete accuracy, please contact the responsible staff for most up-to-date information.			

Local Project Sponsor Agency Designation

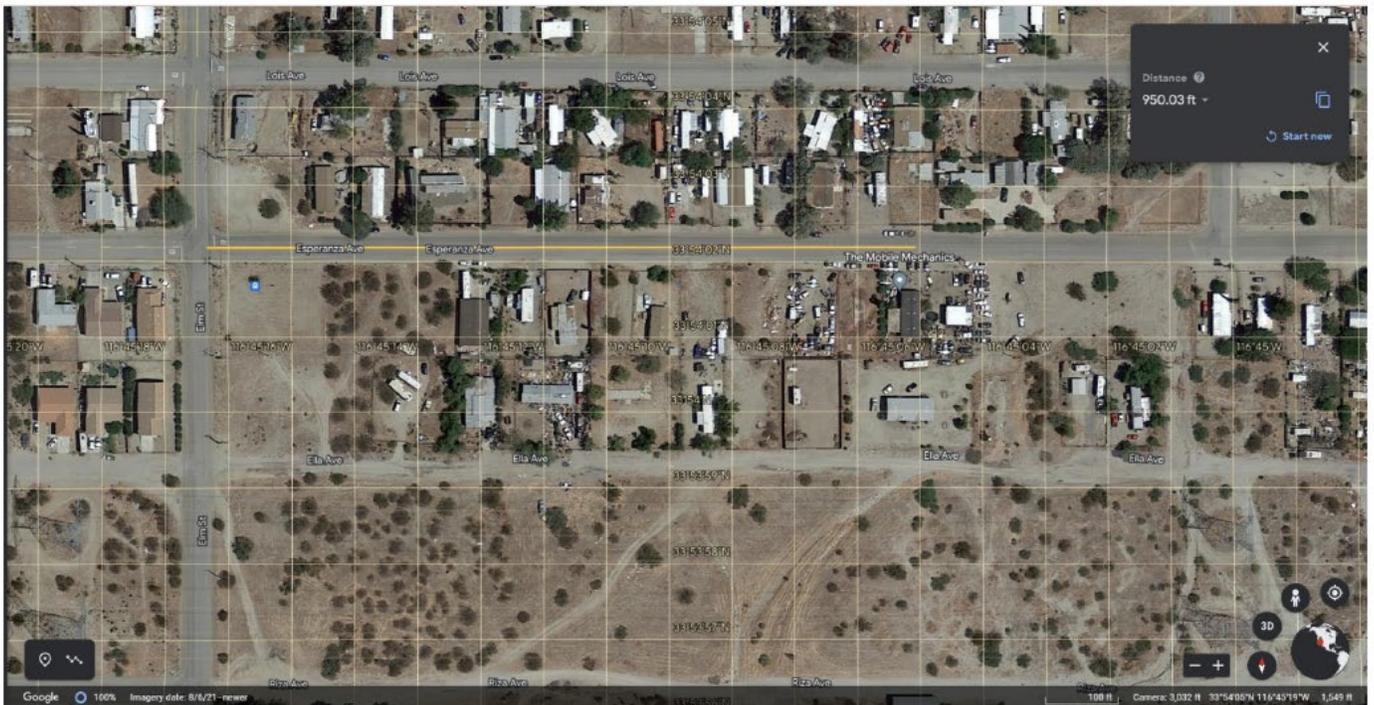
Sponsored Project: Project 2: Esperanza Street Waterline Improvements, Phase 1

Sponsor Agency: Cabazon Water District

Agency Address: 14618 Broadway Street, Cabazon, CA 92230

Project Location: Cabazon, California (33.90055556, 116.75444444)

Esperanza Street Waterline Improvements, Phase 1



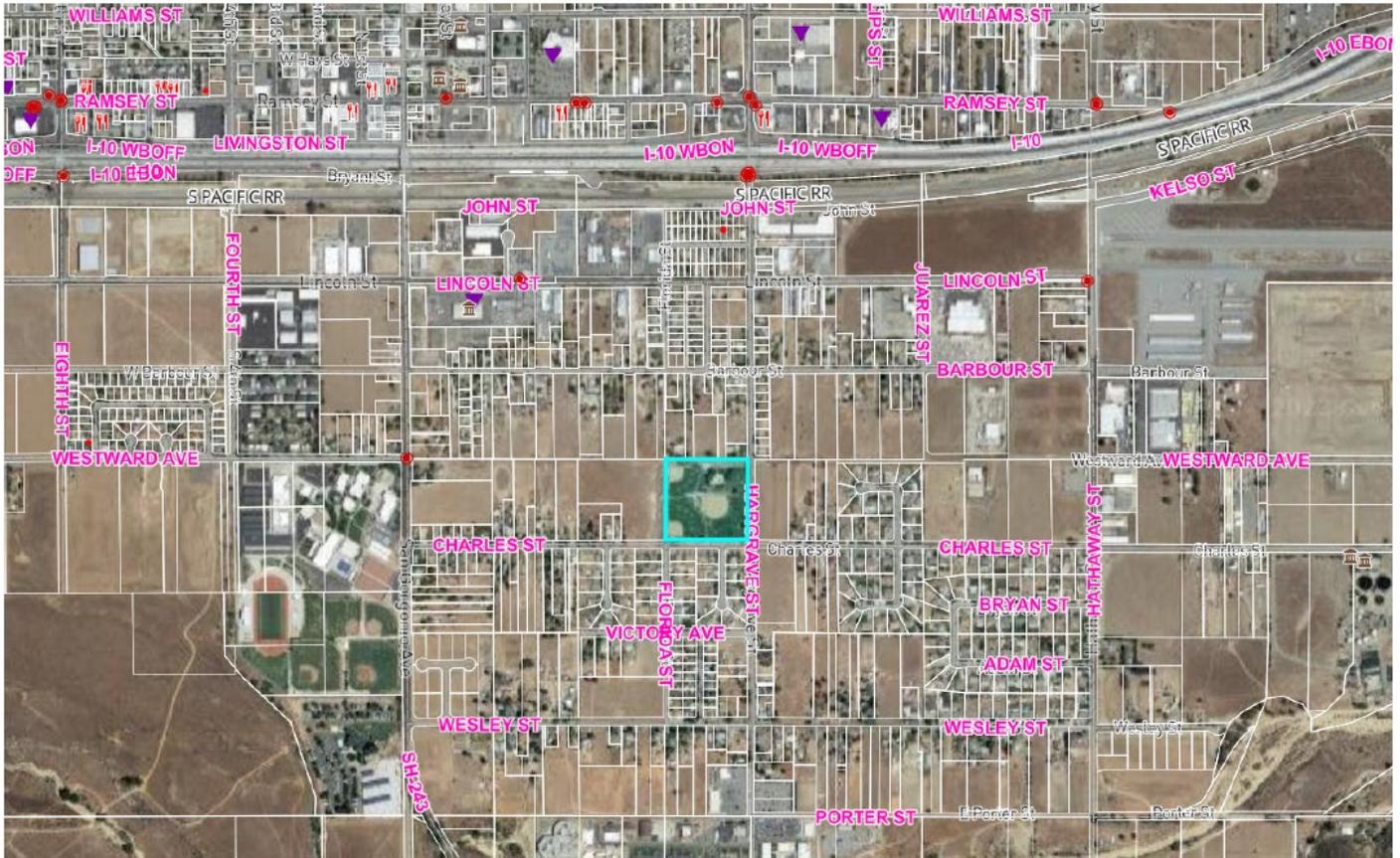
Sponsored Project: Project 3: Lions Park Recycled Water Conversion Project

Sponsor Agency: City of Banning

Agency Address: 99 E. Ramsey Street, Banning, CA 92220

Project Location: Banning, California (33.917222, -116.868611)

Lions Park, Banning Ca



1" = 1233 ft	Prop 1 Round 2	07/31/2023	
This map may represent a visual display of related geographic information. Data provided here on is not guarantee of actual field conditions. To be sure of complete accuracy, please contact the responsible staff for most up-to-date information.			

EXHIBIT J**APPRAISAL SPECIFICATIONS**

For implementation projects that include Land Acquisition Only:

For property acquisitions funded by this Grant Agreement, the Grantee shall submit an appraisal for review and approval by the Department of General Services or DWR's Real Estate Branch prior to reimbursement or depositing State funds into an escrow account. This information should be submitted at least 90 days prior to a reimbursement request to account for review time. All appraisal reports, regardless of report format, shall include all applicable Appraisal Specifications below. Appraisals for a total compensation of \$150,000 or more shall be reported as a Self-Contained Appraisal Report. Appraisals for a total compensation of less than \$150,000 may be reported as a Summary Appraisal Report, which includes all information necessary to arrive at the appraiser's conclusion. Appraisal Specifications 14, 16, 21, 23-25, and 28 shall be a narrative analysis regardless of the reporting format.

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

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

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

EXHIBIT K**INFORMATION NEEDED FOR ESCROW PROCESSING AND CLOSURE**

For implementation projects that include Land Acquisition Only:

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

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

EXHIBIT L

PROJECT MONITORING PLAN GUIDANCE

Introduction

For each project contained in Exhibit A, please include a brief description of the project (maximum ~150 words) including project location, implementation elements, need for the project (what problem will the project address) and responds to the requirements listed below.

Project Monitoring Plan Requirements

The Project Monitoring Plan shall contain responses to the following questions:

- What are the anticipated project physical benefits?
- What are the corresponding numeric targets for each project benefit?
- How will proposed numeric targets be measured?
- What are baseline conditions?
- When will the targets be met (e.g., upon project completion, five years after completion)?
- How often will monitoring be undertaken (e.g., monthly, yearly).
- Where are monitoring point locations (e.g., meter located at..., at stream mile...)? Include relevant maps.
- How will the project be maintained (e.g., irrigation, pest management, weed abatement)?
- What will be the frequency and duration of maintenance proposed activities?
- Are there any special environmental considerations (e.g., resource agency requirements, permit requirements, CEQA/NEPA mitigation measures)?
- Who is responsible for collecting the samples (i.e., who is conducting monitoring and/or maintenance)?
- How, and to whom, will monitoring results be reported (e.g., paper reports, online databases, public meetings)?
- What adaptive management strategies will be employed if problems are encountered during routine monitoring or maintenance?
- What is the anticipated life of the project?

EXHIBIT M

INVOICE GUIDANCE FOR ADMINISTRATIVE AND OVERHEAD CHARGES

The funds provided pursuant to this Agreement may only be used for costs that are directly related to the funded Project. The following provides a list of typical requirements for invoicing, specifically providing guidance on the appropriate methods for invoicing administrative and direct overhead charges.

Administration Charges

Indirect and General Overhead (i.e., indirect overhead) charges are not an allowable expense for reimbursement. However, administrative expenses that are apportioned directly to the project are eligible for reimbursement. Cost such as rent, office supplies, fringe benefits, etc. can be "Direct Costs" and are eligible expenses as long as:

- There is a consistent, articulated method for how the costs are allocated that is submitted and approved by the Grant Manager. The allocation method must be fully documented for auditors.
- A "fully-burdened labor rate" can be used to capture allowable administrative costs.
- The administrative/overhead costs can never include:
 - Non-project specific personnel and accounting services performed within the Grantee or an LPS' organization
 - Markup
 - Tuition
 - Conference fees
 - Building and equipment depreciation or use allowances
- Using a general overhead percentage is never allowed

Labor Rates

The Grantee must provide DWR with supporting documentation for personnel hours (see personnel billing rates letter in example invoice packet). The personnel rate letter should be submitted to the DWR Grant Manager prior to submittal of the first invoice. The supporting documentation must include, at a minimum, employee classifications that will be reimbursed by grant funds and the corresponding hourly rate range. These rates should be "burdened"; the burdened rate must be consistent with the Grantee's/Local Project Sponsors standardized allocation methodology. The supporting documentation should also provide an explanation of what costs make up the burdened rate and how those costs were determined. This information will be used to compare against personnel hours summary table invoice back up documentation. Periodic updates may be needed during the life of the grant which would be handled through a revised billing rate letter.

Certificate Of Completion

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FormID:	
Optional 1:	
Source Envelope:	
Document Pages: 53	Signatures: 3
Certificate Pages: 6	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Graber, Lana
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	715 P Street
	Sacramento, CA 95814
	Lana.Graber@water.ca.gov
	IP Address: 136.200.53.18

Record Tracking

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Security Appliance Status: Connected	Pool: StateLocal	
Storage Appliance Status: Connected	Pool: Department of Water Resources	Location: DocuSign

Signer Events

Signature	Timestamp
Muzaffar Eusuff Muzaffar.Eusuff@water.ca.gov Supervising Engineer Department of Water Resources Security Level: Email, Account Authentication (None)	Sent: 2023/10/23 15:46 Viewed: 2023/10/23 15:47 Signed: 2023/10/23 15:49

Electronic Record and Signature Disclosure:
Not Offered via DocuSign

Doug Schulze DSchulze@banningca.gov Security Level: Email, Account Authentication (None)		Sent: 2023/10/23 15:49 Viewed: 2023/10/31 08:07 Signed: 2023/10/31 08:07
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Electronic Record and Signature Disclosure:
Accepted: 2023/10/31 | 08:07
ID: 884b4f24-0fca-4e20-a1a3-9ed2fb6ea927

James Herink James.Herink@water.ca.gov Attorney IV Department of Water Resources Security Level: Email, Account Authentication (None)		Sent: 2023/10/31 08:07 Viewed: 2023/10/31 08:37 Signed: 2023/10/31 08:37
	Signature Adoption: Pre-selected Style Using IP Address: 73.2.6.220	

Electronic Record and Signature Disclosure:
Not Offered via DocuSign

Arthur Hinojosa Arthur.Hinojosa@water.ca.gov Manager, Division of Regional Assistance Department of Water Resources Security Level: Email, Account Authentication (None)		Sent: 2023/10/31 08:37 Viewed: 2023/10/31 08:54 Signed: 2023/10/31 08:55
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Electronic Record and Signature Disclosure:

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Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
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Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
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Signing Complete	Security Checked	2023/10/31 08:55
Completed	Security Checked	2023/10/31 08:55
Payment Events	Status	Timestamps

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, Department of Water Resources (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through your DocuSign, Inc. (DocuSign) Express user account. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

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Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of your DocuSign account. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use your DocuSign Express user account to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through your DocuSign user account all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact Department of Water Resources:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by phone call: (916) 653-5791

To contact us by paper mail, please send correspondence to:

Department of Water Resources

P.O. Box 942836

Sacramento, CA 95236-0001

To advise Department of Water Resources of your new e-mail address

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at don.davis@water.ca.gov and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in DocuSign.

To request paper copies from Department of Water Resources

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to don.davis@water.ca.gov and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with Department of Water Resources

To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your DocuSign account, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an e-mail to and in the body of such request you must state your e-mail, full name, IS Postal Address, telephone number, and account number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above)
Email:	Access to a valid email account

Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	<ul style="list-style-type: none"> • Allow per session cookies • Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection

** These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

Acknowledging your access and consent to receive materials electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

By checking the 'I Agree' box, I confirm that:

- I can access and read this Electronic CONSENT TO ELECTRONIC RECEIPT OF ELECTRONIC RECORD AND SIGNATURE DISCLOSURES document; and
- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and
- Until or unless I notify Department of Water Resources as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by Department of Water Resources during the course of my relationship with you.