City of Grass Valley
City Council
Agenda Action Sheet

Council Meeting Date: May 10, 2016   Date Prepared: May 4, 2016

Prepared by: Timothy M. Kiser, PE, Public Works Director/City Engineer

Title: North School Street Rehabilitation Project – Authorization to Bid

Recommended Motion: That Council; 1) approve the findings that the project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA); 2) authorize the advertisement for bids; and 3) authorize the Director of Public Works/City Engineer to execute a subgrant agreement with American Rivers, subject to legal review.

Agenda: Consent

Background Information: On November 22, 2011, Council adopted Resolution No. 11-82 adopting the Cosumnes, American, Bear and Yuba (CABY) Rivers Integrated Water Management Plan (IRWMP). As a result, a grant was received for the Wolf Creek Watershed, Stormwater Source Control and Flood Management projects in the City of Grass Valley. The City has partnered with American Rivers to administer the grant including producing improvement plans for the replacement of impervious surfacing with pervious concrete in order to help reduce stormwater runoff which can carry pollutants to our waterways.

Specifically, the North School Street Rehabilitation Project involves the resurfacing of North School Street between West Main and Richardson Streets. The work associated with this project is exempt from environmental review pursuant to Section 15301 “Existing Facilities” of the CEQA Guidelines. Copies of the plans and specifications for the North School Street Rehabilitation Project are available for review in the Engineering Division office at City Hall. The total project cost is estimated at $144,000. The project is to be funded with $66,000 of California Department of Water Resources grant funds and the remainder with Gas Tax funds.

The award of a construction contract is anticipated to occur in early summer 2016, with construction estimated to be completed by the end of summer 2016. Staff requests that Council authorize the bidding process for construction of this project and authorize the Public Works Director/City Engineer to execute a subgrant agreement in order to oversee the construction phase of the project, draft attached, subject to legal review.

Council Goals/Objectives: The North School Street Rehabilitation Project executes portions of work tasks towards achieving/maintaining Strategic Plan – City Infrastructure Investment.

Funds Available: Yes

Account #: 180-6122

Reviewed by: City Manager

Finance

Agenda Item # 7-1
American Rivers-California Department of Water Resources- The Sierra Fund
CABY Wolf Creek Watershed Project
Subgrant Agreement

Organization: City of Grass Valley, DUNS Number 062400192


Amount of Subgrant: $66,000.

City of Grass Valley is responsible for complying with all conditions of this Subgrant Agreement (the “Agreement”), including all referenced materials. For the purposes of this Agreement, City of Grass Valley is referred to as the “Subgrantee.”

1. Description of Agreement.

Purpose. This Agreement is made to Subgrantee for the purposes of the carrying out (the “Project”) as described below. The Project supports the CABY Wolf Creek Watershed Project Subgrant funded by the State of California Department of Water Resources Stormwater Flood Management Program through a subgrant from The Sierra Fund. The Project is:

- North School Street Rehabilitation Project

This project is designed to take an integrated approach to restoration, stormwater source control and flood management in the Wolf Creek Watershed. The project will focus specifically on 1) restoring floodplain and riparian zone along Peabody Creek; 2) addressing local flooding issues; 3) reducing sediment, pollutants and erosive peak flows in the watershed through pollutant source identification and green infrastructure solutions; and 4) advancing the next phase of floodplain restoration to ready-to-proceed status. The Subgrantee shall perform work in support of completing planning and designs for a floodplain restoration project along Peabody Creek and planning and designs for the installation of permeable pavement at North School Street, obtaining permits necessary to implement the Wolf Creek Watershed Project, updating the Flood Rate Insurance Map in the vicinity of the floodplain project site, and installing permeable pavement along a segment of North School Street. Subgrantee shall perform the following tasks:

a) Facilitate development of floodplain restoration and permeable pavement designs by providing information and data in support of design development and review of preliminary and technical design documents, including participation in partner meetings as needed.

b) Facilitate broader review of designs as required or desired.

c) Work with American Rivers to obtain all environmental compliance documents and permits necessary to implement the floodplain restoration and permeable pavement
installation, including CEQA documentation, Section 404, Section 401, Lake and Streambed Alteration, Encroachment Permit(s) and Stormwater Pollution Prevention Plant as applicable. American Rivers will lead development of permit materials. Subgrantee will support this effort.

d) Facilitate updating the Flood Rate Insurance Map by providing information and data, and obtaining authorization as needed.

e) Work with American Rivers and PR Design and Engineering to complete installation of permeable pavement on an 5800 square foot section of North School Street. The City will lead the competitive bid process to select a qualified contractor, as well as contracting with the contractor. The City will facilitate City Council approval, and provide onsite inspection, traffic control and matching funds to complete the project.

Term. Subgrantee shall finalize this Agreement and return a signed copy no more than two (2) weeks after receipt. This Agreement shall become effective on the day that it is signed by all parties and will be valid until November 1, 2016. Under no circumstances, will the term of this Agreement be extended unless amended according to Section 10 below.

Location. The project is located along Peabody Creek, a tributary to Wolf Creek, near Walsh St in Grass Valley, CA and on North School St in Grass Valley, CA.

Warranty. All supervisors, employees, contractors, and authorized representatives assigned to perform services under this Agreement shall be fully qualified and specially trained in their respective responsibilities and shall perform the assigned services with care and diligence.

2. Payment.
American Rivers will pay Subgrantee an amount not to exceed $66,000. American Rivers must receive or have on file a completed W-9 and insurance documentation from Subgrantee before payment can be processed. Failure to comply with Agreement conditions can result in the withholding of payments. Funds may only be used for the Project described in Section 1 of this Agreement. At the end of the term, any portion of this Agreement not expended on the Project shall be returned to American Rivers within thirty (30) days, along with any interest earned at the prevailing market rate.

Subgrantee shall submit invoices quarterly. American Rivers shall withhold five percent (5.0%) until January 1, 2016 and ten percent (10.0%), thereafter, of the funds requested by Subgrantee for reimbursement of Eligible Costs. The final invoice must include a budget summary of cost share expenditures by fund source. Invoices must be received by American Rivers on or before the last business day of the month for the duration of the Agreement.

Subgrantee shall submit quarterly invoices electronically to: Julie Fair, jfair@americanrivers.org and copy Sarah Regan, sregan@americanrivers.org.

Invoices submitted by Subgrantee shall include the following information:
  a) Costs incurred for work performed in implementing the project during the period identified in the particular invoice.
b) Appropriate receipts and reports for all costs incurred.

c) Invoices submitted shall contain the following:
   1) Invoices must contain the date of the invoice, the time period covered by the
      invoice, and the total amount due.
   2) The amount claimed for salaries/wages/consultant fees must include a
      calculation formula (i.e., hours or days worked times the hourly or daily rate = the
      total amount claimed).
   3) One set of sufficient evidence (i.e., receipts, copies of checks, time sheets)
      must be
      provided for all costs included in the invoice.
   4) Each invoice shall clearly delineate those costs claimed for reimbursement and
      those costs that represent Subgrantee's matching contribution.
   5) Original Signature and date (in ink) of Subgrantee's Project Manager.

d) A brief description of the work performed and Subgrantee's activities under this
   Agreement during the reporting period.

Ineligible costs for reimbursement include but are not limited to:

a) Operation and maintenance costs, including post construction performance and
   monitoring costs.

b) Purchase of equipment not an integral part of a project.

c) Purchase of water supply.

d) Monitoring and assessment costs for efforts required after project construction is
   complete.

e) Travel and per diem costs are ineligible for reimbursement; however out-of-pocket
   expenses may be reimbursed.

f) Overhead not directly related to project costs.

There shall be no charges to American Rivers other than those charges specifically set forth in
this Agreement, unless expressly agreed to in advance and in writing by American Rivers.
Invoice categories must correspond with those described in the approved budget (Attachment A).
American Rivers shall pay the undisputed portion of the invoice(s) within sixty (60) calendar
days after receipt of invoice.

3. Financial Contribution by Subgrantee. Subgrantee wishes to contribute to the Project so
   that the larger area of permeable pavement, as described in Section 1 e) above, can be installed.
   Subgrantee shall make a contributory payment not to exceed $70,000. An exact amount will be
determined once bidding for the construction has been completed and contractor selection has
been finalized. Subgrantee shall document expenditures as matching funds at the conclusion of
the project.

3.4. Cash Management of State Funds. This Agreement consists of $66,000 in state funds for
use as an American Rivers subgrant. In accepting these funds, Subgrantee must comply with
state employment and non-discrimination laws and any other requirements set forth in Section
15.
Subgrantee’s financial management system must adequately identify the source of state funds and how those funds were spent, provide consistent treatment of costs with applicable cost principles, maintain sufficient source documentation to support accounting records, and comply with internal control requirements covering, but not limited to, cash receipts, cash disbursements, indirect costs, procurement, labor costs, and interest earned on state funds.

Expenditure Monitoring. Subgrantee shall account for the money disbursed pursuant to this Subgrant Agreement separately from all other funds of Subgrantee. Subgrantee shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied, and in accordance with State Audit Document Requirements (Attachment C). Subgrantee shall keep complete and accurate records of all receipts, disbursements, and interest earned on expenditures of such funds. Subgrantee 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.

American Rivers and the California Department of Water Resources are responsible for monitoring the success of and expenditures related to this Project. Monitoring may include, but not be limited to, reviews of progress and financial reports, reviews of permits, design plans, RFPs and contracts for sub-contracted services, site visits, audits, emails or telephone conversations, etc.

4.5 Subawards. If Subgrantee uses state funds to make subawards to other entities, Subgrantee should inform American Rivers and all conditions of this Agreement applicable to state funds shall be transferred in writing to the subawardee(s). Subgrantee must inform all subawardees that funds provided consist of state funds, and must provide American Rivers with documentation that all requirements applicable to state funds have been passed on to subawardees.

5.6 Reporting Requirements. Subgrantee will keep American Rivers informed of Project progress as requested.

Project Completion Report. The project completion report is due within three (3) months of completion of the funded portion of the Project or by the end of the Agreement period, whichever comes first. The project completion report must include:

- Summary of subgrantee activities including major project accomplishments.
- Any changes or amendments to the Project;
- Final accounting for all receipts and Agreement expenditures compared to the approved budget.
- Copies of publications, press releases, and other “products” produced as a result of the Agreement funding that have not already been transmitted to American Rivers by Subgrantee.
One electronic copy (PDF preferred) is to be provided. The project completion report should be sent to Julie Fair, jfair@americanrivers.org and copy Sarah Regan, Sregan@americanrivers.org.

Subgrantee must inform American Rivers in writing if problems are anticipated in providing these reports on a timely basis. Inaccurate or incomplete forms will delay payment of requested funds. Failure to provide complete and timely reports will be considered a breach of this Agreement.

6.7 Financial/Administrative Responsibilities. American Rivers may, at its sole discretion, postpone any or all payments if Subgrantee fails to submit satisfactory and timely reports, as set forth in Section 6, or otherwise fails to comply with the terms of this Agreement.

Procurement Procedures. With the exception of possibly paying for permit fees, Subgrantee will not be required to engage in other procurement using these funds. If it does, Subgrantee agrees to establish procurement procedures to ensure against unnecessary or duplicative purchases and consult with American Rivers.

Permits, Licenses, Approvals, and Legal Obligations. Subgrantee shall coordinate with American Rivers for ensuring all necessary permits, licenses, and approvals required for performing its obligations under this Agreement are acquired and provided to American Rivers prior to commencing work. Subgrantee shall comply with CEQA (PRC Section 21000 et. seq.) and other applicable federal, State, and local laws, rules, and regulations, guidelines, and requirements for the Project.

Supporting Documentation/Record Keeping. Subgrantee shall retain records of the reporting documents set forth in Section 6. Additionally, Subgrantee will keep systematic records of all expenditures relating to this Agreement, including vouchers consisting of bills, invoices, canceled checks, receipts, etc. Both sets of records will be retained by Subgrantee for three (3) years after the submission and acceptance of a final report by American Rivers and will be available for inspection and audit by representatives of American Rivers, the State of California, or the U.S. Government at any time during this period. If there are litigation, claims, audits, negotiations or other actions ensue within the three (3) year period, then records must be retained until resolution of all issues.

Audit. American Rivers may, at its own expense, examine, audit or have audited the records of Subgrantee insofar as they relate to activities supported by this Agreement. Subgrantee will reimburse American Rivers, at Subgrantee’s sole expense, the amount of any expenditure disallowed by auditors through an audit exception or other appropriate means. This will be noted as a written finding that such expenditures failed to comply with any provision of this Agreement including the cash management of federal funds (Section 4 and Section 15).

7.8 Acknowledgement of Credit. Subgrantee shall work with American Rivers to include appropriate acknowledgement of credit to the State and to all cost-sharing partners for their support when promoting the project or using any data and/or information developed under this Agreement, including any public or media event publicizing the accomplishments and/or results
of this project so that the opportunity for attendance and participation by State's representatives is possible; notification of at least fourteen (14) calendar days prior to the event.

§ 3. Rights in Data. Subgrantee 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 Agreement, are subject to the rights of the State of California and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act, Cal. Gov't Code §6250 et seq. Subgrantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Subgrant 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.

§ 4. Amendments and Extensions. American Rivers makes this Agreement with the understanding that all subgrant funds will be used in accordance with the Project description and budget as approved. Should there be any material change in the purpose, objectives, character, method of operation, budget, or Agreement period for the Project, Subgrantee will request changes in writing to American Rivers. Explanatory narrative, progress to date, revised budget and as appropriate new Project timeline must always accompany requests for amendments or extensions. Subgrantee must receive written acceptance by American Rivers of any proposed changes prior to proceeding with the revised Project.

§ 5.11. Termination. Should Subgrantee fail to comply with any of the conditions of this Agreement, American Rivers shall give written notice to Subgrantee of such default and ten (10) business days to cure such default following receipt of notice. If Subgrantee fails to cure the default, American Rivers may, at its sole discretion, immediately terminate the Agreement. In such an event, Subgrantee shall, within thirty (30) days, (i) repay all American Rivers subgrant funds and interest earned thereon which have been advanced but not expended and (ii) return any funds used for improper expenditures. Moreover, American Rivers may cancel all unpaid installments of the Project Total. This Agreement may also be terminated by mutual agreement, in which case any sums advanced, but not expended, shall be returned to American Rivers including any interest earned.

Termination for Lack of Funding. The primary source of funding for this project is supported by the California Department of Water Resources, subject to the budget process. If funding is reduced, deleted or delayed by the budget process or other budget control actions, and the work under this Agreement is canceled or suspended, American Rivers shall provide written notice to Subgrantee and be liable for any work completed pursuant to the Agreement up to the date of the written notice and shall have no liability for payment for work undertaken after such date.

§ 4.12. Liability. In making this Agreement, American Rivers assumes no liability for injuries or loss to persons or property resulting from Subgrantee’s activities under this Agreement. Subgrantee agrees to indemnify and to hold American Rivers, its directors, officers, employees, and agents harmless from and against all claims, actions, damages, liabilities, demands, costs,
and expenses, including reasonable attorney fees, whether well-founded or baseless, resulting from or attributable to any action or inaction of Subgrantee, its employees, or agents, including, but not limited to (i) in violation of any of the provisions of this Agreement, or (ii) in violation of any law, rule, or regulation of the United States or its agencies or of any state or its agencies, or (iii) resulting from the negligence or willful misconduct of Subgrantee, its employees, or agents. The foregoing indemnity provision shall survive and remain in full force and effect following termination of this Agreement for any such act occurring during the initial term or any renewal term of this Agreement. Any claim for post-judgment attorneys' fees will not merge into any judgment upon default. In case of state institutions barred by law from accepting this liability clause, a letter stating and citing the appropriate statute must be submitted to American Rivers.

12.13. **Safety Plans.** Subgrantee shall take all necessary precautions for the safety of persons involved in the Work and shall also erect and properly maintain, as required by the conditions and progress of the Work, all safeguards necessary for the protection of the public. Subgrantee is required to have a written safety plan for management of volunteers, if applicable, and should conduct a safety briefing for volunteers immediately prior to their participation in restoration activities. A liability release waiver should be signed by all volunteers prior to their involvement in outdoor and/or risk prone restoration activities funded under this Agreement.

13. **Insurance.** Subgrantee is self-insured through the Public Agency Risk Sharing Authority of California (PARSAC), a self-funded liability program providing coverage for general liability. Subgrantee warrants that it will comply with the provisions of the California Labor Code, requiring employers to be insured for workers' compensation liability or to undertake a program of self-insurance.

13.14. **Compliance.** a. Throughout the term of the Agreement, Subgrantee and its subawardees shall comply with all rules indicated in Attachment B, terms and conditions imposed by the funder of this project; State of California Department of Water Resources Stormwater Flood Management Program.

b. Subgrantee, as necessary, may be responsible for obtaining the services of appropriately licensed professionals to comply with their applicable requirements of the Business and profession Code, including but not limited to California Code Section 6700 et seq. (Professional Engineers act) and/or section 7800 et seq. (Geologists and Geophysicists Act).

14.15. **Applicable law and Jurisdiction.** This Agreement will be governed by the laws of California. Any action or proceeding arising hereunder shall be brought in the courts of California.

15.16. **Subgrantee Representations.** Subgrantee accepts and agrees to comply with all terms, provisions, conditions, and commitments of this Agreement, including all incorporated documents, and to fulfill all written assurances, declarations, representations, and statements.
made by Subgrantee in the application, documents, amendments, and communications filed in support of its request for The Disaster Preparedness and Flood Prevention Bond Act of 2006 financing.

46.17. **Additional Support.** In making this Agreement, American Rivers assumes no obligation to provide further funding or support to Subgrantee beyond the terms stated herein.

47.18. **Legal Relationship of Parties.** Nothing in this Agreement shall be construed as constituting a partnership, joint venture, employment relationship, agent/principal relationship, or other association of any kind, between the parties hereto, and neither party shall have the power to obligate or bind the other party in any manner whatsoever.

48.19. **Survival of Certain Provisions.** Any rights or remedies accruing to a party hereto after the termination or cancellation of this Agreement, including, without limitation, the provisions regarding Liability, Recordkeeping, Publicity and Credit, Choice of Law shall survive such termination or cancellation.

49.20. **Notice.** Correspondence between the parties should be addressed to:

**American Rivers:**

Julie Fair  
American Rivers  
120 Union Street  
Nevada City, CA 95959  
530-478-0206  
Fax: 530-478-5849  
e-mail: jfair@americanrivers.org

**with a copy to:**

American Rivers  
ATTN: General Counsel's office  
1101 14th Street, NW  
Suite 1400  
Washington, DC 20005  
202-347-7550  
Fax: 202-347-9240

**Subgrantee:**  
Ms. Trisha Tillotson  
City of Grass Valley  
125 East Main Street  
Grass Valley, CA 95945  
530-274-4352  
530-274-4399  
trishat@cityofgrassvalley.com
Subgrantee will notify American Rivers immediately of changes to personnel, address, telephone, etc.

This Agreement is executed and made effective as of the date signed by the authorized representative of American Rivers.

City of Grass Valley acknowledges receipt of this Agreement and pertinent attachments as referenced above for Wolf Creek Watershed: Restoration Stormwater Source Control and Flood Management. The terms and conditions set forth herein are acceptable and we agree to comply with them. We understand that failure to comply with all conditions listed herein may result in immediate termination of this Agreement.

Subgrantee’s failure to sign this Agreement within 30 days after notice from American Rivers that the fully executed Agreement is necessary may result in nullification of the award offer.

_________________________       Date: __________
Kristin M. May
Chief Financial Officer

Signature: ______________________       Date: __________
City of Grass Valley

Please sign and return to:

Jennifer Marshall
General Counsel
Hardecopy:
American Rivers
1101 14th St NW| Washington, DC 20005
202-347-7550 ext. 3015 |

OR
PDF email:
contracts@americanrivers.org

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American Rivers—California Department of Water Resources
The Sierra Fund Subgrant Agreement (CABY Wolf Creek)
ATTACHMENT A

Approved Project Budget

Budget Total: $66,000.

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
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<tbody>
<tr>
<td>City of Grass Valley – General project facilitation, permeable pavement bid and contract oversight</td>
<td>$8,000</td>
</tr>
<tr>
<td>Permeable Pavement Subcontractor – Permeable pavement installation</td>
<td>$58,000</td>
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</tbody>
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Compliance Provisions

The following provisions apply to this Agreement because this Agreement is funded in whole or in part by State of California (State) funds.

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

2. **California Environmental Quality Act (CEQA)** – Subgrantee shall assist, if necessary, American Rivers in submitting the following to the State:
   a. final plans and specifications certified by a California Registered Civil Engineer as to compliance of the project,
   b. all applicable environmental permits as indicated on the Environmental Information Form to the State,
   c. documents to satisfy the CEQA process by the State, including the State’s review as a Responsible Agency with written concurrence to American Rivers of the CEQA, and,
   d. demonstration that the project has complied with all applicable requirements of the National Environmental Policy Act by submitting copies of any environmental documents, including environmental impact statements, Finding of No Significant Impact, mitigation monitoring programs, and environmental permits as may be required prior to beginning construction/implementation.

3. **California Conservation Corps** – As required in Water Code section 79038(b), Subgrantee shall examine the feasibility of using the California Conservation Corps or community conservation corps to accomplish the habitat restoration, enhancement and protection activities listed in Subgrantee’s Work Plan, and shall use the services of one of these organizations whenever feasible.

4. **Child Support Compliance Act** – For any Agreement in excess of $100,000, Subgrantee acknowledges in accordance with Public Contract Code 7110, that:
   a. Subgrantee recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
   b. Subgrantee, 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.

5. **Groundwater Quality Monitoring Act of 2001** – Subgrantee shall ensure that groundwater monitoring requirements are consistent with the groundwater Quality Monitoring Act of 2001, Part 2.76, Section 10780 of Division 6 of the California Water Code, and where applicable, any part of the work that affects 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.

6. **Accounting and Deposit of Grant Disbursement** – Subgrantee shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Subgrantee shall keep complete and accurate records of all receipts, disbursements, and interest earned on expenditures of such funds. Subgrantee and its subawardees shall 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.

7. **Americans with Disabilities Act** – By signing this Agreement, Subgrantee assures American Rivers 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.

8. **Audits** – State reserves the right to conduct an audit at any time between the execution of this Agreement and the completion of the project with the costs of such audit borne by State, or a final audit after completion of the project. Failure or refusal by Subgrantee to comply with this provision shall be considered a breach of this Agreement. Subgrantee shall preserve all records related to this Agreement for at least three (3) years after project completion.

9. **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 Employee: 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.

10. **Drug-Free Workplace Certification** – By signing this Agreement. Subgrantee and its subawardees hereby certify under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Government Code 8350 et seq.) and that it will have or will provide a drug-free workplace by taking the following actions:
   a. Publish a statement notifying employees, and its subawardees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, or subawardees for violations as required by Government Code Section 8355(0). b) Establish a Drug-Free Awareness Program, as required by Government Code Section 8355.
   b. To inform employees or subawardees about all of the following:
      1. The dangers of drug abuse in the workplace,
      2. Grantee's policy of maintaining a drug-free workplace,
      3. Any available counseling, rehabilitation, and employee assistance programs, and
      4. Penalties that may be imposed upon employees and subawardees for drug abuse violations.
   c. Provide as required by Government Code Sections 8355(c), that every employee, and/or subawardees who works under this Agreement:
      1. Will receive a copy of Subgrantee’s drug-free policy statement, and
      2. Will agree to abide by terms of Subgrantee’s condition of employment, contract or subcontract.
11. **Income Restrictions** – Subgrantee agrees that any refunds, rebates, credits, or other amounts (including any interest thereon, accruing to or received by Subgrantee under this Agreement) shall be paid by American Rivers for return to the State, to the extent that they are properly allocable to costs for which Subgrantee has been reimbursed under this Agreement.

12. **Nondiscrimination** – During the performance of this Agreement, Subgrantee and its subawardees shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family core leave. Subgrantee and subawardees shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Subgrantee and subawardees shall comply with the provisions of The Fair Employment and Housing Act (Government Code Section 12990 (a-f) et seq.) and The applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of The Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by Agreement No. reference and made a part hereof as if set forth in full. Subgrantee and its subawardees shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. Subgrantee shall include the nondiscrimination and compliance provisions of this clause in all contracts to perform work under the Agreement.

13. **No Discrimination Against Domestic Partners** – For agreements over $100,000 executed or amended after January 1, 2007, the Subgrantee certifies by signing this Agreement, under penalty of perjury under the laws of State of California that Subgrantee is in compliance with Public Contract Code section 10295.3.

14. **Rights in Data** – To the extent permitted by law, Subgrantee 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 Agreement shall be in the public domain. Subgrantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected, and developed under this Agreement, subject to appropriate acknowledgement of credit to the State for financial support. Subgrantee shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so.

15. **Travel** – Subgrantee agrees that travel and per diem costs shall NOT be eligible for reimbursement with State funds, and shall NOT be eligible for computing any cost match. Travel includes the costs of transportation, subsistence, and other associated costs incurred by personnel during the term of this Agreement.

16. **Labor Compliance** – Subgrantee agrees to comply with all applicable California Labor Code requirements, including including, but not limited to, Section 1720 et seq. of the California Labor Code regarding public works, limitations on use of volunteer labor (California Labor Code Section 1720.4), labor compliance programs (California Labor Code Section 1771.5) and payment of prevailing wages for work done and funded pursuant to these Guidelines, including any payments to the Department of Industrial Relations under Labor Code Section 1771.3.

17. **Competitive Bidding and Procurements** – Subgrantee shall comply with all applicable laws and regulations regarding securing competitive bids and undertaking competitive negotiations in Subgrantee's contracts with other entities for acquisition of goods and services and construction of public works with funds provided under this Subgrant Agreement.

18. **Priority Hiring Considerations** – If this Subgrant Agreement includes services in excess of $200,000, Subgrantee shall give priority consideration in filling vacancies in positions funded by the Subgrant Agreement to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code § 10353.
19. **Workers' Compensation** — Subgrantee affirms that it is aware of the provisions of Section 3700 of the California Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and Subgrantee affirms that it will comply with such provisions before commencing the performance of the work under this Subgrant Agreement and will make its contractors and subcontractors aware of this provision.
State Audit Requirements

The list below details the documents/records that State Auditors typically review in the event of a Grant Agreement being audited. Subgrantee should ensure that such records are maintained for each State funded Program/Project. Where applicable, this list of documents also includes documents relating to the Subgrantee's funding match which will be required for audit purposes.

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

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

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

Cash Documents:
1. Receipts (copies of warrants) showing payments received under the Subgrant Agreement.
2. Deposit slips or bank statements showing deposit of the payments received under the Subgrant Agreement.
3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, and/or agents under the Subgrant Agreement.

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

Administration Costs:
1. Supporting documents showing the calculation of administration costs.

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

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