



REQUEST FOR PROPOSALS
PREPARATION A MULTIBENEFIT AGRICULTURAL LAND REPURPOSING PLAN FOR THE MULTIBENEFIT
LAND REPURPOSING PROGRAM IN THE
TURLOCK SUBBASIN
January 26, 2024

SUMMARY

The East Turlock Subbasin Groundwater Sustainability Agency (“ETSGSA”) is issuing a Request for Proposals (“RFP”) to qualified firms/professionals to develop a Multibenefit Agricultural Land Repurposing Plan (“MALRP”) for the Turlock Subbasin. The MALRP will be an important component of ETSGSA’s Multibenefit Land Repurposing Program (“MLRP”) and its efforts to implement the Groundwater Sustainability Plan (“GSP”) for the Turlock Subbasin jointly submitted by the West Turlock Subbasin GSA (“WTSGSA”) and ETSGSA pursuant to the Sustainable Groundwater Management Act of 2014 (“SGMA”).

Date of Advertisement: January 29, 2024

Deadline for Submittal of Proposals: on or before 5:00 PM on March 1, 2024

BACKGROUND

ETSGSA was awarded a \$8,890,000 grant by the California Department Conservation (“DOC”) to fund the development and initial implementation of ETSGSA’s Multibenefit Land Repurposing Program (“MLRP”).¹ The overall goal of the program is to increase regional capacity for repurposing irrigated agricultural lands to less intensive groundwater uses while delivering additional benefits such as recharge, habitat, community health, economic wellbeing, water quality, flood protection, soil health, and climate resilience. Development of the MALRP is required under the grant agreement and is an important element of implementing the MLRP.

The MALRP developed through the grant program will be used to scale land repurposing strategies and projects throughout the Turlock subbasin to repurpose up to 20,000 acres of irrigated agricultural land into new, high value uses that reduce groundwater demand and provide additional benefits. Up to approximately 5,000 acres of land will be repurposed during the grant term, which runs from November 1, 2023 through March 3, 2027, to demonstrate proof-of-concept and allow the refinement and streamlining of repurposing approaches .

The successful respondent will help ETSGSA prepare a MALRP and MLRP Permit Management Plan in accordance with DOC requirements that can be self-implemented by growers that includes a framework for project application, evaluation, and a description of programmatic and site-specific permitting strategies and permitting-level designs. The work is expected to be completed in 2024 and 2025.

¹ The MLRP will be implemented for the entire Turlock Subbasin jointly with WTSGSA; however, it is anticipated that land repurposing strategies will be implemented primarily within the ETSGSA jurisdictional boundaries and under ETSGSA’s direction and oversight.

Extensions to the initial scope of services may be added to support ETSGSA during initial implementation of the MLRP.

INSTRUCTIONS TO BIDDERS

Interested bidders shall provide a proposal on or before 5:00 PM on March 1, 2024. The proposal shall be sent via email to ETSGSA's General Manager, Mike Tietze, at mtietze@formationenv.com, with copies to the Deputy General Manager, Len Mason, at lmason@formationenv.com, the Board Secretary, Karen Whipp at kareneastsidewater@att.net, and the Technical Advisory Committee ("TAC") Chair, Sarah Woolf at sarahwoolf@me.com. Any questions regarding this RFP shall be submitted in writing by February 8, 2024.

The proposal shall include the following:

- A brief description of the company background, qualifications, and experience on similar projects. Please describe any project experience your team has in the following areas, or any additional areas you think may be pertinent: agricultural land use repurposing; planning and implementation of multi-benefit projects that include recharge or demand reduction strategies; SGMA compliance consulting; development of land use planning documents; and implementation of related permitting and California Environmental Quality Act ("CEQA") compliance strategies. Please provide three references we can contact to discuss the described work.
- A description of the project team, including any subcontractors, and resumes for the project manager and key staff, and their anticipated roles. Also, include an organizational chart depicting how your team would be organized, and how you envision interacting with other MLRP project team members assigned to the proposed tasks.
- A description of the proposed scope of work. Prepare a detailed process and schedule of tasks for preparing the desired products. Identify tasks to be performed by subcontractors, if any.
- A not-to-exceed cost estimate for the work with a task level breakdown based on the estimated hours for each anticipated labor category, rates, extensions, and direct costs.
- A fee schedule, including hourly rates for all labor classifications; and
- Any proposed exceptions to the terms and conditions.

The schedule for the bid process for beginning work is envisioned as follows:

- January 29, 2024 – RFP issued.
- February 8, 2024 – Deadline for questions to be submitted in writing.
- March 1, 2024 – Deadline to submit Proposals. Any proposed exceptions to the terms and conditions must be provided at this time. Upon receipt, the Ad Hoc Committee will review and develop its recommendations for preferred consultant, or whether to conduct interviews.
- March 12, 2024 – The Ad Hoc Review Committee will present its recommendations to the ETSGSA TAC, including the preferred consultant and whether or not to conduct interviews .
- March 18 to March 22, 2024 – Interviews by the Ad Hoc Committee, if conducted.

- March 28, 2024 - The contract with the selected consultant is brought before the ETSGSA Board for approval.
- March 29, 2024 – Contract execution and Notice to Proceed, if approved by the ETSGSA Board.

The implementation schedule is as follows:

- January 2025 – Target date for submittal of an Administrative Draft MALRP to ETSGSA.
- March 2025 – Target date for submittal of a draft MALRP to DOC.
- DOC comments on the draft MALRP are anticipated to be received and addressed between April and June 2025.
- At ETSGSA’s discretion, the contract may be extended to cover additional work after approval of the final MALRP by DOC.

Proposals will be reviewed based on the following criteria:

- The completeness of the proposal submittal and its responsiveness and comprehensiveness relative to the desired contract products. (Pass/Fail).
- Exceptions to Terms and Conditions. (Pass/Fail)
- Understanding of DOC and ETSGSA requirements; Qualifications of company, team, and project manager. (40%)
- Ability to meet the proposed schedule and history of prior schedule performance (20%)
- Cost. (40%)

Based on the above information, ETSGSA may decide to conduct interviews with one or more of the respondents. If ETSGSA decides to conduct interviews, the respondents will be notified as soon as possible, and video interviews will be conducted at a mutually acceptable time. ETSGSA, at its sole discretion, reserves the right to waive any bid irregularities that are not consistent with the information provided in this RFP.

ABOUT ETSGSA AND OVERVIEW MLRP Plans

ETSGSA is a Joint Powers Authority (“JPA”) formed in 2017 in response to the requirements of SGMA. ETSGSA’s member agencies include Ballico-Cortez Water District (“BCWD”), Eastside Water District (“EWD”), Merced County, Merced Irrigation District, and Stanislaus County. ETSGSA developed a GSP in cooperation with WTSGSA. ETSGSA serves more than 153,000 acres, of which approximately 85,000 acres are currently irrigated, primarily by groundwater. There is a population of less than 5,000 people within ETSGSA’s boundaries. Surface water sources within ETSGSA’s boundaries include the Tuolumne and Merced Rivers and Sand, Mustang, and Dry Creeks. Collectively, the use of groundwater in the Turlock subbasin exceeds the annual recharge, but the GSP contains a plan to achieve sustainable yield by 2042, in compliance with SGMA.

ETSGSA is working to improve groundwater management by implementing SGMA compliance activities including monitoring and annual reporting, addressing data gaps through model refinement and

investigations, developing a groundwater extraction measurement and management framework, planning and implementing recharge projects, and development of an MLRP.

Agricultural land repurposing is necessary to achieve the Turlock Subbasin GSP goals, especially in ETSGSA, where it is estimated the basin is overdrafted by approximately 96,000 acre-feet (“AF”) and opportunities for recharge are limited. Effective integration of agricultural land repurposing that delivers multiple benefits aligned with working lands is a critical component of ETSGSA’s sustainable groundwater management strategy. To meet its demand reduction goals, it is estimated that up to 20,000 acres of irrigated agricultural land may need to be repurposed in ETSGSA.

ETSGSA’s vision includes efforts to preserve valuable working farmland and focus repurposing strategies on approaches that can be implemented by growers and integrated into working lands, or that focus on repurposing portions of properties that are less productive. All of these approaches would prioritize projects where the loss of production can be offset by other benefits. Strategic approaches for converting lands to less-intensive irrigated uses or to alternative uses that do not require irrigation are another option for repurposing efforts, and in these cases projects that are strategically located to meet other objectives would be prioritized. By identifying and implementing repurposing strategies that are distributed throughout the basin, are integrated into a working landscape, and are low-tech and self-implementable, ETSGSA seeks to meet its groundwater demand reduction objectives while maintaining healthy communities, a viable agricultural economy, and sustainable land use practices on working lands. ETSGSA’s objective is that repurposing irrigated agricultural land to new high-value uses will deliver these benefits, gain the support of the local community, and help avoid some of the negative externalities of traditional fallowing and land retirement practices. Additional information regarding ETSGSA’s MLRP strategy are presented in the block grant application and grant agreement included as Attachment A and Attachment B, respectively.

SCOPE OF WORK

This section presents the required scope of work and assumptions for which proposals are being sought.

The approach that is currently envisioned is to develop a “toolbox” of options with permitting level designs that growers and landowners can select and self-implement. The MALRP will include a framework for project application, prioritization and selection, and implementation. The MALRP will include a Permit Management Plan that identifies programmatic CEQA compliance and environmental permitting opportunities to streamline implementation of potential project options. To the extent possible, programmatic permits may be obtained for implementation of MLRP project approaches that qualify. Additional site-specific permitting requirements will be identified, and opportunities for additional programmatic permitting approaches that are beyond the scope of the MALRP due to schedule or budget constraints will be identified.

The project includes the tasks described below.

TASK 1 – MULTIBENEFIT AGRICULTURAL LAND REPURPOSING PLAN

- Participate in a kick-off and scoping meeting with ETSGSA staff, MLRP partners, and an MLRP Advisory Committee appointed by the ETSGSA TAC to discuss the overall land repurposing vision

for the subbasin, groundwater reduction goals, land repurposing priorities, MALRP contents, work assignments, and project schedule.

- Participate in three (3) days of field reconnaissance with ETSGSA staff and project partners to evaluate types of repurposing and restoration projects aligned with MLRP strategies including opportunities for orchard swale rewilding, floodplain restoration and reconnection, cover cropping and pollinator habitat, agricultural buffer zones, recharge projects, solar and agrivoltaic projects and other opportunities.
- Manage development of the MALRP in collaboration with ETSGSA staff, MLRP partners, and the MLRP advisory committee.
- Work with MLRP partners to process, evaluate, and incorporate community feedback on strategies, project approaches, incentive structures, needed support for implementation, and desired outcomes into the MALRP.
- Participate in monthly remote meetings with ETSGSA staff, MLRP partners, and the MLRP Advisory Group to discuss the progress of the work, establish timelines, and identify and review deliverables.
- Provide brief progress updates at six (6) TAC meetings and six (6) Board meetings. Participation may be via video conference or in person, as appropriate.
- Coordinate with Sustainable Conservation and Earth Genome to incorporate planned repurposing strategies into the Turlock Subbasin Groundwater Recharge Assessment Tool (“GRAT”).
- Communicate with East Stanislaus Resource Conservation District (“ESRCD”) and East Merced Resource Conservation District (“EMRCD”) to gather and process grower feedback on land repurposing approaches, implementation needs, and attractive incentives for adoption of land repurposing projects.
- Prepare a MALRP for the Turlock Subbasin that satisfies DOC requirements (included as Attachment C) and is consistent with the Turlock Subbasin GSP and subsequent updates, identifies and prioritizes land repurposing opportunities, and provides a project framework for project development and implementation including:
 - An overview of plan objectives including the identification and prioritization of scalable alternatives that increase groundwater sustainability of the basin.
 - A description of agricultural land use and the agricultural economies in the subbasin.
 - An overview of regional capacity and collaboration efforts and a description of capacity needs and methods to support coordinated regional land repurposing efforts.
 - Incorporation of the outreach and engagement plan including best practices for DACs and a description of the outreach and engagement conducted to inform development of the MALRP.

- A description of Disadvantaged Communities (“DACs”) in the subbasin, of meaningful benefits provided to DACs through project approaches, and how benefits to DACs will be used in project prioritization and scoring.
 - Incorporation of the GRAT as a resource to support the evaluation of recharge from stormwater runoff and flood flows under various repurposing strategies to allow for project scoring and prioritization.
 - Identification and prioritization of opportunities for fallowing, rewilding, buffer zones, cover cropping, re-cropping, pollinator habitats, and other land use alternatives that reduce overall groundwater demand in the basin.
 - Identification and prioritization of opportunities for solar, agrivoltaic, and other green energy projects that help reduce groundwater demand and foster climate resilience.
 - Incorporation of tools, techniques, and information that allow for the evaluation of DAC benefits from various repurposing strategies and projects.
 - A project scoring and prioritization framework as well as a project vetting process developed in consultation with the MLRP Steering Committee.
 - An overview of project application requirements, including an application checklist, application documents, and an overview of any applicable application tools.
 - Standard plans, specifications, and implementation requirements for land repurposing strategies identified in the MALRP.
 - A description of the project implementation incentive structure, and verification and reporting requirements.
 - A monitoring plan that describes how project performance will be evaluated using key performance indicators including participation and compliance rates, area of land repurposed, groundwater demand reductions, and socio-economic and environmental benefits.
- Prepare an Administrative Draft MALRP for review by ETSGSA. Incorporate comments and submit a Draft MALRP for review by DOC. Incorporate comments and submit a Final MALRP to ETSGSA and DOC.

TASK 2 – PROJECT DEVELOPMENT AND PERMITTING

- Participate in a permitting strategy planning session with ETSGSA staff, selected MLRP partners, and the MLRP Advisory Committee to discuss programmatic and CEQA compliance strategies applicable to the repurposing project approaches identified in the MALRP. The purpose of the meeting will be to agree to the contents and strategy contained in the MRLP Permit Management Plan.
- Coordinate regulatory agency consultations to develop and approve programmatic, regional, and streamlined permitting approaches for the land repurposing project approaches identified in the MALRP.

- Identify project approaches in the MALRP that are (1) covered under the existing Program Environmental Impact Report (“PEIR”) CEQA analysis; (2) can tier from the PEIR; or (3) may qualify for a statutory Exemption for Restoration Projects (“SERP”) for CEQA.
- Preparation of the MLRP Permit Management Plan that includes:
 - A list of land repurposing project approaches covered under the existing PEIR CEQA and any that qualify for a SERP.
 - An inventory of permitting requirements for the land repurposing approaches identified in the MALRP.
 - Identification of permitting requirements that may be met using programmatic or regional approaches (e.g., Clean Water Act Sections 401/404, Fish and Game Section 1600, or existing programmatic regulatory documents), and a compilation of appropriate permit application and documentation materials required to apply for these programs at individual sites.
 - A description and compiled list of the submittal requirements, and compliance monitoring and reporting requirements for the project approaches included in the MALRP.
 - A programmatic checklist for documentation of CEQA compliance.
 - Permitting-level designs and descriptions of the land repurposing project approaches included in the in the MALRP to support project implementation and obtaining site-specific permits if needed.

TASK 5 – OUTREACH, EDUCATION AND TRAINING

- Manage development of an Outreach and Engagement Plan by Self Help Enterprises with collaboration by ETSGSA staff and other MLRP partners.
- Participate in two workshops with ETSGSA staff, MLRP partners, the MLRP Advisory Committee and interested community members to facilitate development of the MALRP.

TASK 7 – GENERAL GRANT MANAGEMENT AND REPORTING

- Participate in one annual in-person meeting with the DOC and State Support Entity (“SSE”) in 2024.
- Participate in monthly status update meetings with the DOC via Zoom as requested.
- Participate in monthly Community of Practice Meetings with the SSE via Zoom.

TERMS AND CONDITIONS

A copy of ETSGSA’s Professional Services Agreement (Attachment D) and Consultant Work Authorization (Attachment E) are attached for review. The respondent is expected to comply with the terms of the template agreement including all insurance and indemnity provisions. Any proposed exceptions to these terms and conditions must be submitted with the Respondent’s proposal.

ATTACHMENTS

Attachment A – Turlock Subbasin Regional Block Grant Application

Attachment B – Grant Agreement between ETSGA and California Department of Conservation

Attachment C – MLRP Plan Requirements and MLRP Plan Review Packet

Attachment D – Professional Services Agreement

Attachment E – Consultant Work Authorization

ATTACHMENT A

TURLOCK SUBBASIN REGIONAL BLOCK GRANT APPLICATION

Turlock Subbasin Regional Block Grant Application

Prepared for:

California Department of Conservation

Multibenefit Land Repurposing Program (MLRP)

Sustainable Groundwater Management Act (SGMA)



Prepared by:

**EAST TURLOCK SUBBASIN GROUNDWATER SUSTAINABILITY AGENCY
JOINT POWERS AUTHORITY**



Member Agencies:

Ballico-Cortez Water District

Eastside Water District

Merced County

Merced Irrigation District

Stanislaus County

1. Cover Sheet

Project Information

Project Title: **Turlock Subbasin Multibenefit Land Repurposing Program**

Location (County/ies): **Merced County and Stanislaus County**

District Number(s):

Senate: **4th Senate District**

Assembly: **9th Assembly District, 22nd Assembly District, 27th Assembly District**

SGMA Sub-basin(s) (see Appendix A – List of eligible basins):

Turlock Subbasin (5-22.03)

Applicant Information

Applicant Name: **East Turlock Subbasin Groundwater Sustainability Agency (ETSGSA)**

Organization Type: **Groundwater Sustainability Agency (GSA)**

Federal Employer ID Number: **N/A**

Mailing Address: **731 East Yosemite Ave., Suite B #318, Merced, CA 95340**

Contact Person: **Mike Tietze**

Title: **Coordinator/General Manager**

Phone Number: **916-200-9038**

Email Address: **mtietze@formationenv.com**

2. Applicant Eligibility and Capacity

Eligibility

East Turlock Subbasin Groundwater Sustainability Agency (ETSGSA) is a Groundwater Sustainability Agency (GSA) established in 2017 pursuant to the Sustainable Groundwater Management Act (SGMA) in California Water Code §10723(b), and is the exclusive GSA in the eastern portion of the Turlock Subbasin. West Turlock Subbasin Groundwater Sustainability Agency (WTSGSA) is the exclusive GSA in the western portion of the subbasin. ETSGSA and WTSGSA together submitted the Turlock Subbasin Groundwater Sustainability Plan (GSP) on January 28, 2022, and are working closely together in its implementation. This application is being submitted by ETSGSA to support implementation of the GSP throughout the subbasin, with an initial focus within ETSGSA. ETSGSA is organized as Joint Powers Authority with the following members: Eastside Water District (EWD), Ballico-Cortez Water District (BCWD), Merced Irrigation District (MID), Merced County, and Stanislaus County.

Capacity

The ETSGSA Board of Directors (the Board) and Technical Advisory Committee (TAC) meet at least monthly and include representatives from each member entity. Each member entity has strong ties to various other local and regional stakeholders as described further below. The Board and TAC members actively participated during development of the GSP for the subbasin and are collaborating closely on its implementation, including development and implementation of monitoring programs, performing investigations to address data gaps, development of direct and in lieu recharge projects, and establishment of management actions, including development of a pumping management framework and other activities. An extensive and ongoing public and stakeholder outreach and engagement effort involving all of the GSA members and other key regional stakeholder agencies has been implemented to support these efforts. Ad Hoc Committees composed of representatives from various GSA members and GSA staff are routinely appointed to evaluate and manage specific tasks, including, for example, development of the GSP, development of a Program Environmental Impact Report (PEIR) in compliance with the California Environmental Quality Act (CEQA) for implementation of GSP Projects and Management Actions throughout the subbasin, and development of other Management Action frameworks. ETSGSA retains administrative, financial, technical, legal, and management staff on a contract basis to conduct and manage its business under oversight and direction of the Board and TAC.

ETSGSA contract staff are experienced in the management and implementation of complex, grant-funded projects and initiatives. ETSGSA's Coordinator/General Manager, Mike Tietze has managed programs funded by grants from the Department of Water Resources (DWR), State Water Resources Control Board, United States Bureau of Reclamation (USBR) and United States Department of Energy. The work managed by Mr. Tietze and his company, Formation Environmental, has included many complex technical, multi-disciplinary and multi-stakeholder projects. He has managed grant-funded projects and programs for Stanislaus County, the City of Modesto, the City of Dinuba, Audubon and Pacific Gas & Electric Company from planning and concept development, through permitting and construction. His responsibilities have included project management, technical management, and community and stakeholder outreach and engagement. Formation Environmental provides significant technical, management, and stakeholder engagement expertise available to ETSGSA. Mr. Tietze is currently managing design, permitting and construction of an innovative wetland enhancement project for Audubon California at the Salton Sea. This complex, multi-benefit project addresses habitat enhancement for endangered species, dust control and public access, involves multiple stakeholders including USBR, Imperial Irrigation District, DWR, California Department of Natural Resources, and various agencies and disadvantaged communities. Recently, Mr. Tietze assisted Audubon in qualifying for a Statutory Exemption for Restoration Projects (SERP) for the project under the State's "Cutting the Green Tape" initiative.

ETSGSA's TAC Chairperson, Sarah Woolf, is the General Manager for EWD and has been working in agriculture and water policy for her entire career. As a farmer, she personally experiences the same

challenges everyone faces with SGMA and farming in California. She is actively involved in agricultural policy and water issues throughout the San Joaquin Valley, and is a representative on several GSAs in critically overdrafted basins. She has successfully engaged diverse stakeholders with competing positions on complex problems to develop manageable solutions that employ multi-jurisdictional approaches that provide greater resiliency for the vibrant San Joaquin Valley agricultural community.

ETSGSA's Board Secretary, Karen Whipp, has a long history of providing administrative support to several water agencies in northern San Joaquin Valley, including organizational, financial, and administrative management, grant compliance, Proposition 218 assessments, and stakeholder outreach and engagement. She currently serves as the Board Secretary for EWD, BCWD, and several other water agencies in the area, and routinely supports regional coordination and engagement efforts.

While ETSGSA has the experience and staffing capacity to administer the proposed planning project from both a technical and administrative perspective, it plans to contract with a program manager to help develop and implement the plan. This will help ensure that GSA staff can successfully discharge their duties to manage overall GSP implementation and provide a dedicated program manager with the capacity needed for effective management of the Multibenefit Land Repurposing Program.

ETSGSA establishes annual budgets and raises funds through a Proposition 218 assessment and member contributions. Additional funding mechanisms have included loans or temporary advances from member agencies to facilitate the implementation of time critical activities. Planning for implementation of an extraction fee program to fund projects and management actions under the authority granted to the GSA under SGMA is currently in progress. This fee is anticipated to be adopted in early 2024.

The partnership commitment letters included with this application are evidence that ETSGSA has strong working ties with various public agencies and stakeholders that it will leverage to complete the work envisioned under the grant. ETSGSA proposes to establish a Project Steering Committee that includes the representatives and roles discussed below:

- Representatives from Merced County, Stanislaus County, and MID will provide guidance with regard to consistency with regional planning frameworks. ETSGSA works closely with the Water Managers of both Merced and Stanislaus Counties, as well as MID, who are active members of both the Board and the TAC. These individuals are responsible for implementation of SGMA and water management strategies that are consistent with regional planning objectives and agricultural land uses, and will provide key input to help assure the grant program is developed and administered in a regionally consistent manner.
- WTSGSA will facilitate knowledge transfer to help establish effective administrative and financial procedures and work flows that will be used to manage the project. Since its formation in 2017, ETSGSA and WTSGSA have jointly implemented various grant-funded activities under the administration of WTSGSA staff (e.g., GSP development, installation of monitoring wells, and development a PEIR). In addition, WTSGSA will provide coordination with its member agencies, which include Turlock Irrigation District (TID), the Cities of Turlock, South Modesto and Ceres, and the communities, Keyes, Denair, Hilmar, and Hughson.
- Support for stakeholder outreach and engagement will be provided by EWD, BCWD, Stanislaus and Merced Counties, WTSGSA, the California Farmland Trust (CFT) and East Merced Resource Conservation District (EMRCD). (A potential role for East Stanislaus Resource Conservation District (ESRCD) is also being explored). These agencies have a long history of outreach, education, and engagement with local communities and growers to promote effective resource management.

Permitting and technical capacity will be provided by Formation Environmental, Sustainable Conservation, and additional technical consultants as necessary. Formation Environmental will coordinate technical and permitting efforts, and have a multi-disciplinary staff consisting of soil scientists, agronomists, hydrologists, hydrogeologists, remote sensing specialists, data scientists, and agricultural and civil engineers experienced in managing complex, multi-stakeholder water resource projects. Sustainable

Conservation promotes science-based, collaborative solutions, and is active in the development and implementation of effective recharge strategies on agricultural lands, as well as developing tools for the evaluation and prioritization of recharge opportunities for GSAs. Sustainable Conservation will also assist the team with the development of programmatic permitting programs in consultation with regulatory agencies, and development of criteria and incentive programs, as well as implementation of the final projects. Additional land use planning, agricultural, engineering, and biology consultants will be retained as needed to complete the anticipated scope of work under the direction of the Program Manager.

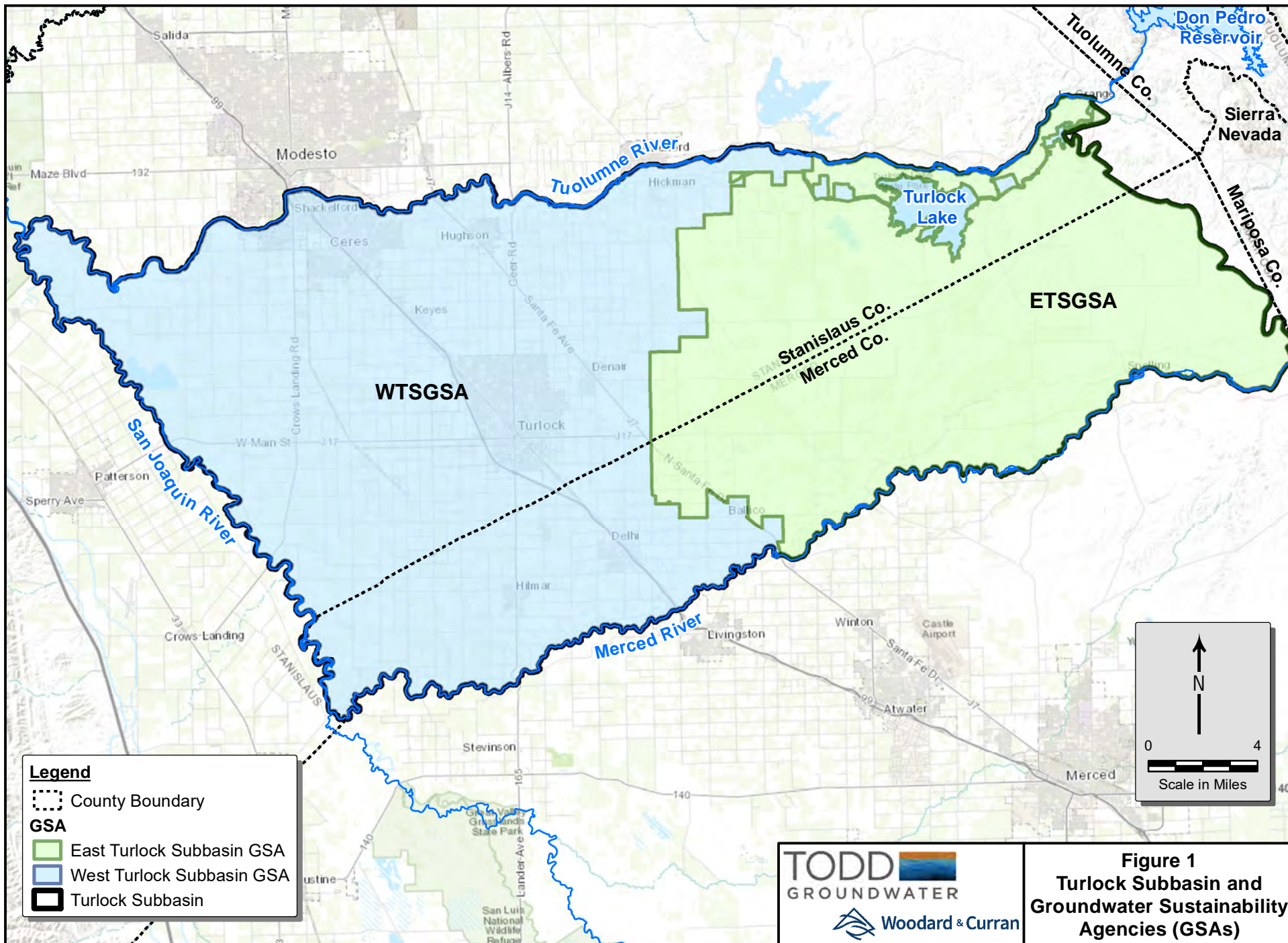
A copy of the ETSGSA Fiscal Year 22/23 budget is included as an attachment to this application. A copy of the recently completed financial audit for the Fiscal Years ending June 2021 and June 2022 is also attached.

3. Basin(s) Description (1/2-page maximum)

Turlock Subbasin (DWR Basin 5-022.03) occupies approximately 347,000 acres of Stanislaus and Merced Counties (Figure 1). It is bound by the Merced, Tuolumne, and San Joaquin Rivers, and low-permeability bedrock of the Sierra Nevada (Figure 2). Groundwater in the Eastern Principal Aquifer is unconfined to semi-confined. Further west, groundwater is unconfined to semi-confined in the Upper Western Principal Aquifer, and confined in the Lower Western Principal Aquifer below the Corcoran Clay. Aquifer recharge occurs through precipitation, losing stream reaches, and deep percolation of irrigation water. Soils and geology in the eastern subbasin limit recharge potential, but conditions improve westwards.

The basin is a High Priority Basin under a state of drought emergency, but is not classified as critically overdrafted. Agricultural water demand in the western subbasin is served by surface-water deliveries from TID, and to a lesser extent by groundwater. In this area, groundwater extraction increases in dry years. In the eastern subbasin, irrigation water demand is met almost entirely by groundwater, and the availability of surface water is very limited. Municipal water demand is met via groundwater, although projects are proposed that would increase conjunctive use of groundwater and surface water in Turlock and Ceres. In compliance with SGMA, the ETSGSA and WTSGSA were formed in 2017 as the exclusive GSAs responsible for developing and implementing a GSP for the subbasin and jointly adopted the Turlock Subbasin GSP on January 28, 2022. The GSAs have focused on the identification, prioritization, and implementation of recharge projects, the development of a management action framework for pumping reduction in the eastern subbasin, investigation of other demand reduction strategies (including land repurposing and irrigation efficiency), monitoring, and addressing other data and management gaps.

Groundwater levels have declined over 40 feet in the last 10 years in the eastern portion of the subbasin, which is almost entirely reliant on groundwater. Water levels in most representative monitoring wells in the subbasin are currently lower than the assigned minimum thresholds. This was not unexpected, so the Interim Milestones were set lower than the current water levels; however, current conditions highlight the urgent need for increased recharge coupled with reduced groundwater pumping to meet a 2042 deadline for sustainable groundwater management. An estimated 25% net reduction in groundwater demand is needed to balance basin inflows and outflows. Additional stress on the subbasin is likely as unimpaired flow requirements for the Merced and Tuolumne Rivers are implemented as currently planned. Targeted agricultural land repurposing is a critical tool for achieving these objectives.



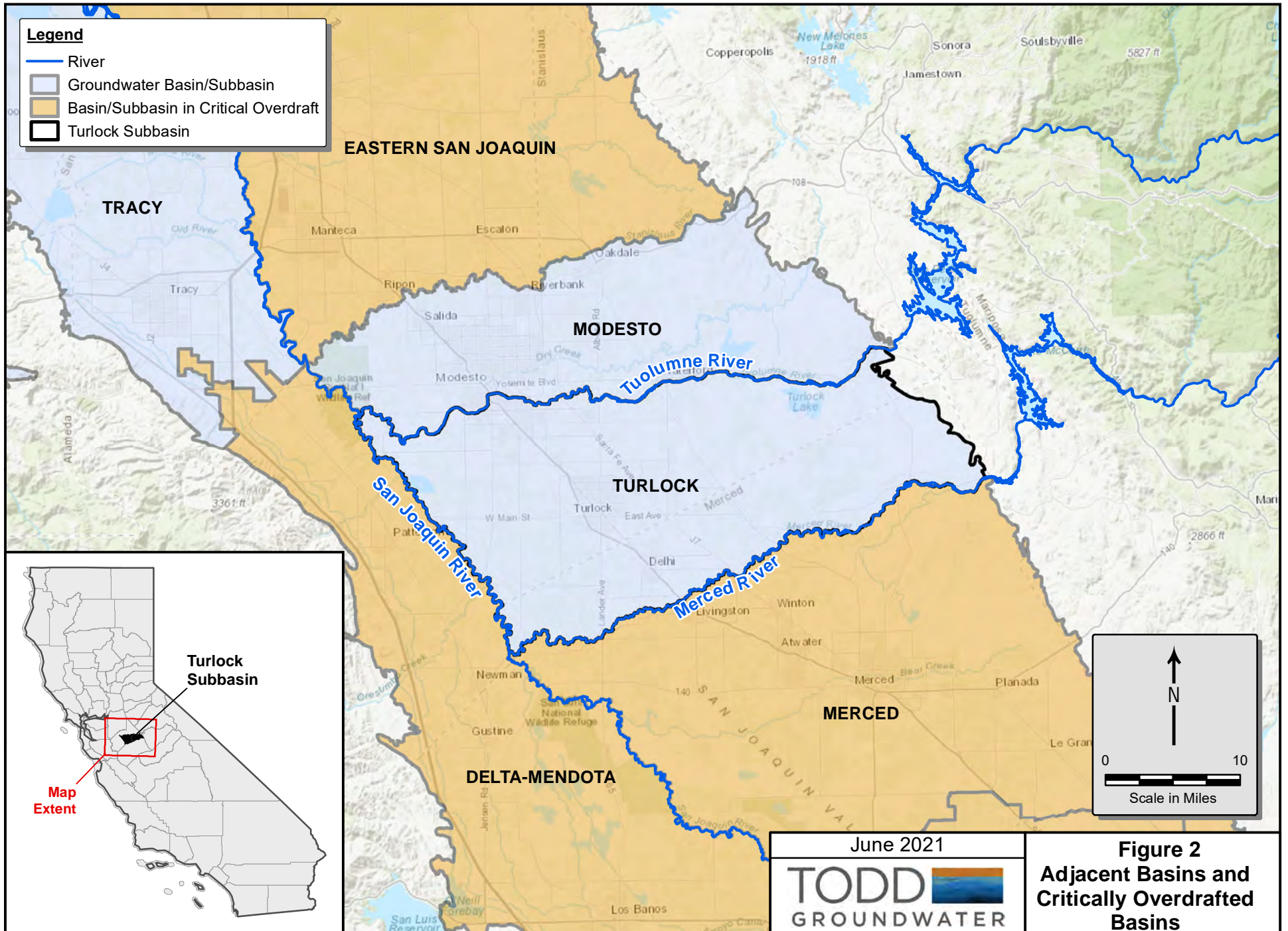


Figure 2
Adjacent Basins and
Critically Overdrafted
Basins

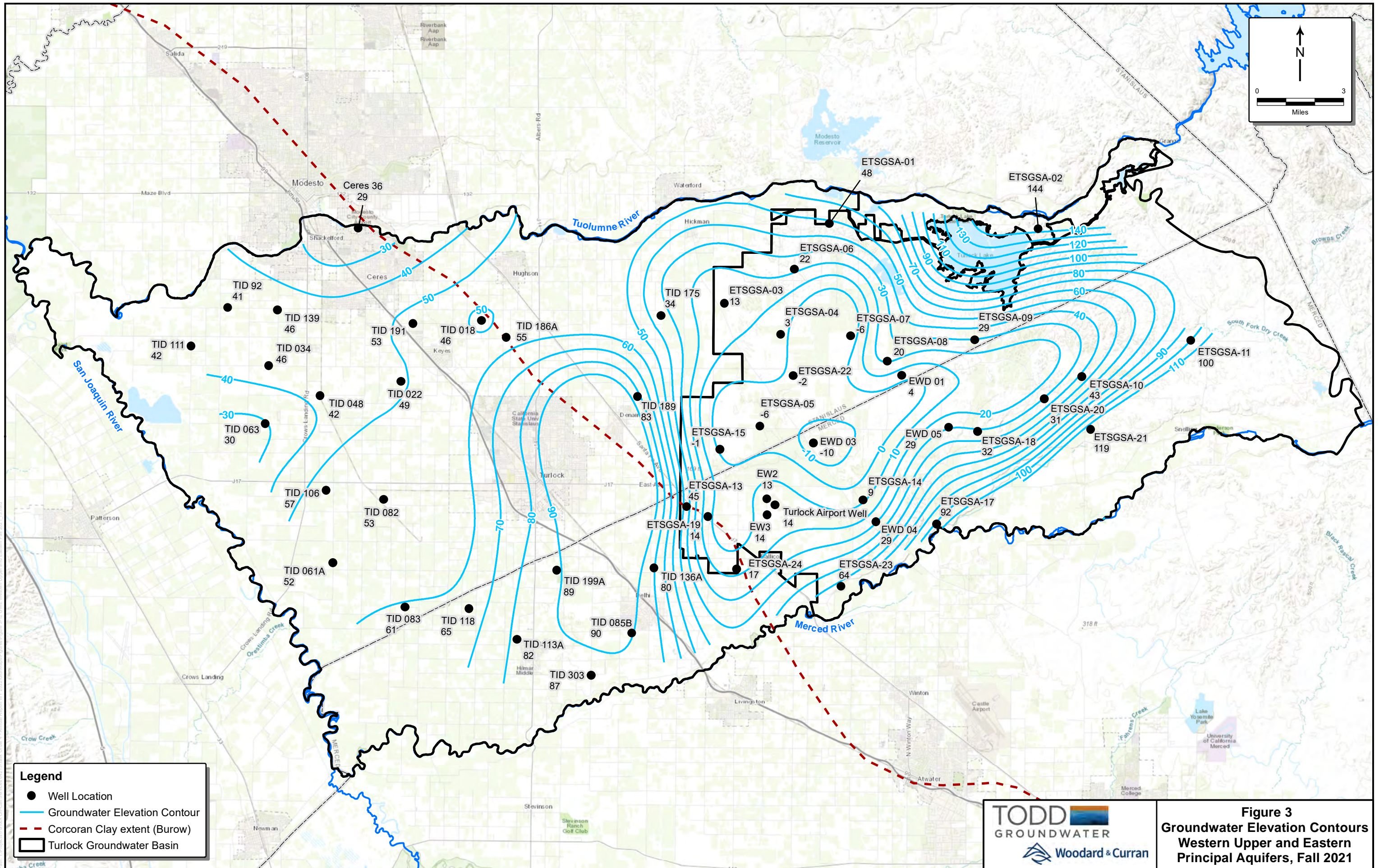


Figure 3
Groundwater Elevation Contours
Western Upper and Eastern
Principal Aquifers, Fall 2021

4. Proposal Summary (3-page maximum)

The effective integration of sustainable groundwater management, land repurposing, regional land use planning objectives, and achievement of multiple benefits is a cornerstone of ETSGSA's strategy. Agricultural land repurposing is necessary to achieve the Turlock Subbasin GSP sustainability goals, especially in ETSGSA. ETSGSA's land repurposing vision includes efforts to preserve prime farmland, focus on repurposing portions of properties where the loss of production is offset by other benefits, and/or finding ways to shift land from more- to less-intensive irrigated use in a strategic fashion. Identifying and implementing regionally integrated multi-benefit approaches will help meet this objective while maintaining healthy communities, a viable agricultural economy, and sound, sustainable land use practices for working lands. ETSGSA believes land repurposing must focus on achieving multiple benefits whenever possible to be successful and have the support of the local population.

Given the above objectives, there are several land repurposing strategies that are thought to be especially viable in ETSGSA. The area is occupied by low rolling hills that transition westward into permeable alluvial fan soils. Many of the orchards in this area are developed across swales that could be rewilded to achieve groundwater demand reductions, and modified using low impact development approaches such as earth bunds and check dams to restore and enhance seasonal wetland habitat, which would also provide flood attenuation and water quality benefits. Further downslope, floodplains adjacent to local streams could be restored and floodplain connection could be enhanced using artificial beaver dam strategies and similar analogs to spread and retain flood flows. Similar strategies are currently being investigated along the Tuolumne and Merced Rivers.

This grant provides an excellent opportunity to build on and leverage prior and ongoing work in the area, including the following:

- Characterization and planning of "Diffused Surface Water Recharge" projects by EWD.
- Development of a "Groundwater Recharge Assessment Tool" (GRAT) by Sustainable Conservation under a previous grant administered by DWR. By expanding this tool and its ability to simulate recharge strategies related to repurposing, an objective platform can be developed for their identification and prioritization. This work will also leverage ongoing work by the Turlock Irrigation District (TID) to evaluate the recharge benefits of floodplain connectivity enhancement on the Tuolumne and Merced Rivers, and other recharge opportunities utilizing flood flows.
- Work completed by ETSGSA's GSP coordination consultant to develop regional hydrologic and soil-water balance models under the Central Valley Regional Water Quality Control Board's Management Practices Evaluation Program (MPEP) will be used to help refine GRAT inputs and prioritize land repurposing opportunities.
- Development of a PEIR for projects and management actions under the Turlock Subbasin GSP was completed under a grant from DWR and the PEIR was adopted in March 2023.
- Integration of the work with ongoing development of a pumping management framework to identify additional opportunities and incentives for pumping reductions.

Task 1 – Development of a Multibenefit Agricultural Land Repurposing Plan (MALRP)

Development of a MALRP that identifies and prioritizes land repurposing opportunities, and provides a framework for project development and implementation will include the following:

- Identify plan objectives, including those related to identification and prioritization of scalable alternatives, agricultural land use and economies, regional capacity and collaboration, and quantification of desired benefits.
- Update and refine the GRAT tool to include simulation of recharge from stormwater runoff and flood flows using various land repurposing strategies, such as orchard swale rewilding, floodplain restoration, and floodplain connectivity enhancement along local streams using artificial beaver dams and other analogs. Locations for potential projects involving these strategies will be

identified and evaluated using geospatial analysis, data from Sustainable Conservation's Flood MAR studies in the area, data from existing models and satellite data, and the results would be input into the GRAT model.

- Opportunities for fallowing, re-cropping, cover cropping and other approaches to decrease water demand will be evaluated by assessing available cropping and land use data, data developed by Land IQ for the subbasin, and agronomic analysis.
- Opportunities for solar power projects and agrivoltaic (agricultural production or pollinator habitats underneath or adjacent to solar panels) projects will be assessed through analysis of TID's existing power distribution system, and opportunities for increasing their green energy production and use would be evaluated.
- A project scoring and prioritization framework will be developed, and a project vetting process by a Steering Committee will be established.
- Project application requirements and standard specifications will be established.

Task 2 – Project Development and Permitting

Project development and permitting work will include the following tasks:

- Identification of projects that are already covered under the existing PEIR CEQA analysis, or that can tier from the PEIR, and identification of projects that may qualify for a SERP from CEQA analysis under the "Cutting the Green Tape" initiative;
- Identification of permitting requirements that may be covered under programmatic approaches developed in consultation with regulatory agencies; and
- Design of individual projects in consultation with the project proponents, and implementation of individual and programmatic permitting, as appropriate.

Task 3 – Land Repurposing Project Implementation

The land repurposing program would fund and implement projects according to the prioritization framework and guidelines established under Task 1. The GSA would provide incentive payments for lands enrolled in the program that accept conservation easements or term contracts for land stewardship actions for periods of at least 10 years. Only irrigated lands would be eligible for enrollment. Incentive payments would reflect then-current market conditions and reimbursement percentages in the MALRP. Additional incentives may include payments or other credit for parcel-specific repurposing benefits, such as ecosystem services, mitigation habitat creation, floodplain management, or recharge capacity increases. (Sustainable pumping allocations to individual parcels would not be changed.) Following enrollment of lands in the program, approval of the proposed project, and completion of permitting, the operator would be required to undertake the approved activities consistent with standard specifications developed in the MALRP or GSA-approved, project-specific plans.

Task 4 – Support of Partner and Collaborator's Capacity Needs

It is anticipated that program implementation would require peak workloads that exceed the current labor capacity of several key partners. To mitigate capacity constraints, the program will be structured to delegate project work across key partner organizations to ensure each has the capacity to carry out their specific activities, and to decrease the administrative burden on any one agency. In addition, funding would be made available for non-profit partner agencies to provide these services. For example, the GSA anticipates serving as the fiscal manager for land repurposing and development of a MALRP. EMRCD, CFT, Stanislaus County, and Merced County are anticipated to host or conduct workshops and support creation of collateral materials for education on land repurposing options. These efforts would be supported by input from Sustainable Conservation. In addition, ETSGSA anticipates coordinating with TID and WTSGSA community engagement personnel to help develop a project webpage on the Turlock Groundwater website and coordinate with advocacy agencies for disadvantaged communities. The project partner organizations anticipate working with farmers to develop contracts for land repurposing and then help monitor the results. Other potential partners would be brought in as necessary to handle other aspects

of program development and implementation.

Task 5 – Stakeholder Outreach, Education and Training

As described in Section 6, stakeholder outreach, education, training, and other engagement will build on existing partnerships and outreach activities implemented during GSP development and ongoing development of a pumping reduction management framework. For this project, ETSGSA intends to work with CFT, EMRCD, Sustainable Conservation, and potentially SCRCD to conduct outreach, education and training using a mix of traditional large public workshops and smaller, nuanced discussions that will provide better information to the decision-makers. A series of workshops would be initiated to engage and inform the grower community and obtain their input into the program, and eventually to refine and vet the program and advise the community of its benefits and availability. Additional information regarding the approach is provided in Section 6.

The following activities are anticipated to support development and implementation of the MALRP:

- Development of an outreach plan with input from CFT and EMRCD;
- Outreach to growers via established agency relationships, including through EWD, BCWD, MID, Merced and Stanislaus Counties, WTSGSA, local grower collaboratives, and the Merced and Stanislaus County Farm Bureaus, and other key agencies;
- Development and distribution of newsletters, invitations, and email blasts;
- Development of project-specific web content and links;
- Development and distribution of op-eds and letters to the editor;
- Informal informational, scoping and listening meetings with growers; and
- Development and hosting of a series of local workshops.

Task 6 – Monitoring

ETSGSA would act as the lead agency working with growers to develop contracts for land repurposing and then implementing a monitoring program under this proposed project. Assistance is anticipated to be provided by CFT and EMRCD. Performance of the new program will be monitored for key performance indicators identified in the MALRP such as participation, compliance rates, and socioeconomic and environmental metrics. These would be reviewed regularly to assess program performance and recommend revisions for improvement.

5. Partnerships and Collaboration (1-page maximum)

The following are **Partner Entities** committed to entering into a Memorandum of Understanding (MOU) to support and partner with ETSGSA by contributing in-kind services to develop and implement a MARLP. Specific contributions are summarized below and are more fully described in the attached letters.

Merced and Stanislaus Counties: Merced and Stanislaus Counties will provide support for planning, outreach, and stakeholder engagement, including: planning input and review through representation on the TAC and the Steering Committee; assuring consistency of the MALRP with regional planning objectives; developing and implementing permitting strategies; and providing stakeholder outreach and engagement, including providing opportunities and established venues for workshops and presentations.

Turlock Irrigation District (TID): TID will provide a combination of in-kind services and paid engineering and technical review during development of the MALRP, including: review and technical input for flood control, water diversion and water storage strategies and projects; providing electrical transmission interconnection requirements; and preliminary analysis of optimal areas and capacities for photovoltaic project interconnection.

Eastside Water District (EWD): EWD will serve on the Steering Committee and provide general project support, including: helping to guide the MALRP scoping and development process; providing insight into understanding the needs and opportunities of working with their growers, and outreach assistance for engagement; identifying and prioritizing opportunities for area-appropriate project types and incentives; and building capacity for implementation of the program through its relationships.

West Turlock Subbasin Groundwater Sustainability Agency (WTSGSA): WTSGSA will support preparation and review of the MALRP through its TAC and representation on the Steering Committee. They will share regional hydrologic, operational, and other data to the extent available, provide support for community and stakeholder outreach by hosting the project web page and reaching out to their constituents, and provide input and support for regional capacity building.

Sand Creek Flood Control District: This district will provide review and input during development of the MALRP, providing local planning information and a liaison with local constituents.

The following are **Collaborating Entities** committed to entering into a MOU to support ETSGSA to develop and implement a MARLP under fee services contracts to develop and enhance regional capacity. Specific contributions are briefly summarized below and more fully described in the attached letters.

Sustainable Conservation: Sustainable Conservation will provide technical support, policy guidance, and permitting strategy support, including: refining and using the GRAT and other geospatial analysis tools to evaluate the best locations for implementing different land repurposing strategies for optimal recharge, flood attenuation and habitat benefits; assisting in identifying regional and programmatic strategies to streamline permitting; providing guidance for strategies to leverage the block grant program and analysis tools to build regional capacity; and helping develop monitoring approaches to demonstrate effectiveness of the land repurposing projects.

California Farmland Trust (CFT): CFT will participate on the Steering Committee and assist with outreach to growers, identify engagement and land preservation strategies, help develop agreement terms for conservation easements and term contracts, and assist with monitoring.

East Merced Resource Conservation District (EMRCD): EMRCD will serve on the Steering Committee and provide assistance with: identifying viable long-term land management strategies; providing vital information regarding local conditions, practices and needs; identifying suitable sites for project implementation; supporting project permitting efforts; conducting education, outreach, and engagement of stakeholders; and making constituents aware of the plan and its benefits, and involving them in preparation and implementation.

6. Community Engagement (1-page maximum)

ETSGSA has significant staff and collective member entity experience working with a variety of committees, stakeholders, and partner organizations regarding agricultural water and natural resource issues, particularly with regards to implementation of SGMA, as well as with a variety of grant-funded projects that involve collaboration with farmers, ranchers, and disadvantaged communities around groundwater issues. Various ETSGSA and member staff work routinely with local stakeholders and communities on the SGMA implementation process, as well as other related projects. Merced and Stanislaus County TAC and Board members participate in eight other GSAs. Additional depth of experience is contributed by WTSGSA and TID staff, who led public engagement efforts during the development of the Turlock Subbasin GSP, and created the Turlock Groundwater website to keep the public and stakeholders informed on local SGMA implementation issues.

Stakeholder outreach, education, training, and other engagement will build on existing partnerships and outreach activities implemented during GSP preparation and ongoing development of a pumping reduction management framework. The following activities were conducted over the last 18 months and will be expanded during development and implementation of a MALRP:

- Outreach through local partner agencies including EWD, BCWD, Stanislaus County Water Advisory Committee, an emerging growers group in Merced County that is interested in SGMA issues, Stanislaus County and Merced County Farm Bureaus, and local grower collaboratives;
- Outreach to Disadvantaged Communities (DACs) in WTSGSA through GSA member representatives;
- Development of email, phone contact, and mailing address distribution lists for ETSGSA residents and operators, as well as interested parties throughout the subbasin, and development and distribution of newsletters, invitations, email blasts, and postings at community gathering places;
- Development of web content and links; and
- Development and hosting a series of local workshops at different times and locations.

ETSGSA intends to work with CFT, EMRCD, and potentially SCRCD to conduct focused outreach, education, and training. An advisory committee will be established that represents diverse stakeholder groups to guide the creation of the MALRP. Outreach will include a mix of traditional large public workshops and smaller, nuanced discussions that provide more detailed information to decision-makers. Initial workshops will work to obtain input and develop concepts for the land repurposing plan, land prioritization process, incentive structures, and restoration activities for the proposed MALRP. Later workshops and meetings would be conducted to finalize the plan design and create a process for plan implementation. Following MALRP development, additional workshops and outreach will help guide landowners and agencies in implementing the land repurposing process.

ETSGSA will use a variety of engagement strategies (including, but not limited to, those described in Appendix D to the Grant Program Guidelines, “Best Practices for Disadvantaged Community Engagement”) to increase information accessibility among stakeholders, provide clear and understandable information, enable stakeholders to learn from one another, and ensure that stakeholders are meaningfully integrated in the land repurposing efforts. Multi-lingual materials and website contents would be developed, and subject matter experts would be engaged that speak the constituent’s preferred language. If initial outreach efforts fail to significantly engage disadvantaged communities and populations, a specialist organization such as Self-Help Enterprises will be retained to provide engagement support and a strategy for targeted outreach to disadvantaged communities.

7. Disadvantaged Community Benefits (1-page maximum)

The majority of the Turlock Subbasin area is designated as Severely Disadvantaged Communities (SDACs), DACs, or Economically Distressed Areas (EDAs). The geographic extent of areas with an SDAC, DAC, or EDA designation is shown in **Figures 4, 5, and 6**, respectively. A composite of these designations is presented as **Figure 7**, and indicates that over 90 percent of the area in the Turlock Subbasin falls within one of these disadvantaged categories. Furthermore, Figures 4 and 5 indicate most of the urban area within the subbasin falls within areas designated as SDAC. Significantly, these communities rely on groundwater as their primary municipal water supply. In terms of population, the table presented in Figure 7 indicates that 37% of the population in the subbasin resides in an SDAC, 82% resides in a DAC, and 82% resides in an EDA. Collectively, 87% of the population in the Turlock Subbasin lives in an area with one or more of these disadvantaged classifications. In addition, the Turlock Subbasin is a Priority 1 Basin for implementation of the new Nitrate Control Program adopted by the CVRWQCB under the Central Valley Salinity Alternatives for Long-Term Sustainability (CV-SALTS) program. A key objective of this program is the assurance of safe drinking water sources for domestic and municipal water wells in DAC areas.

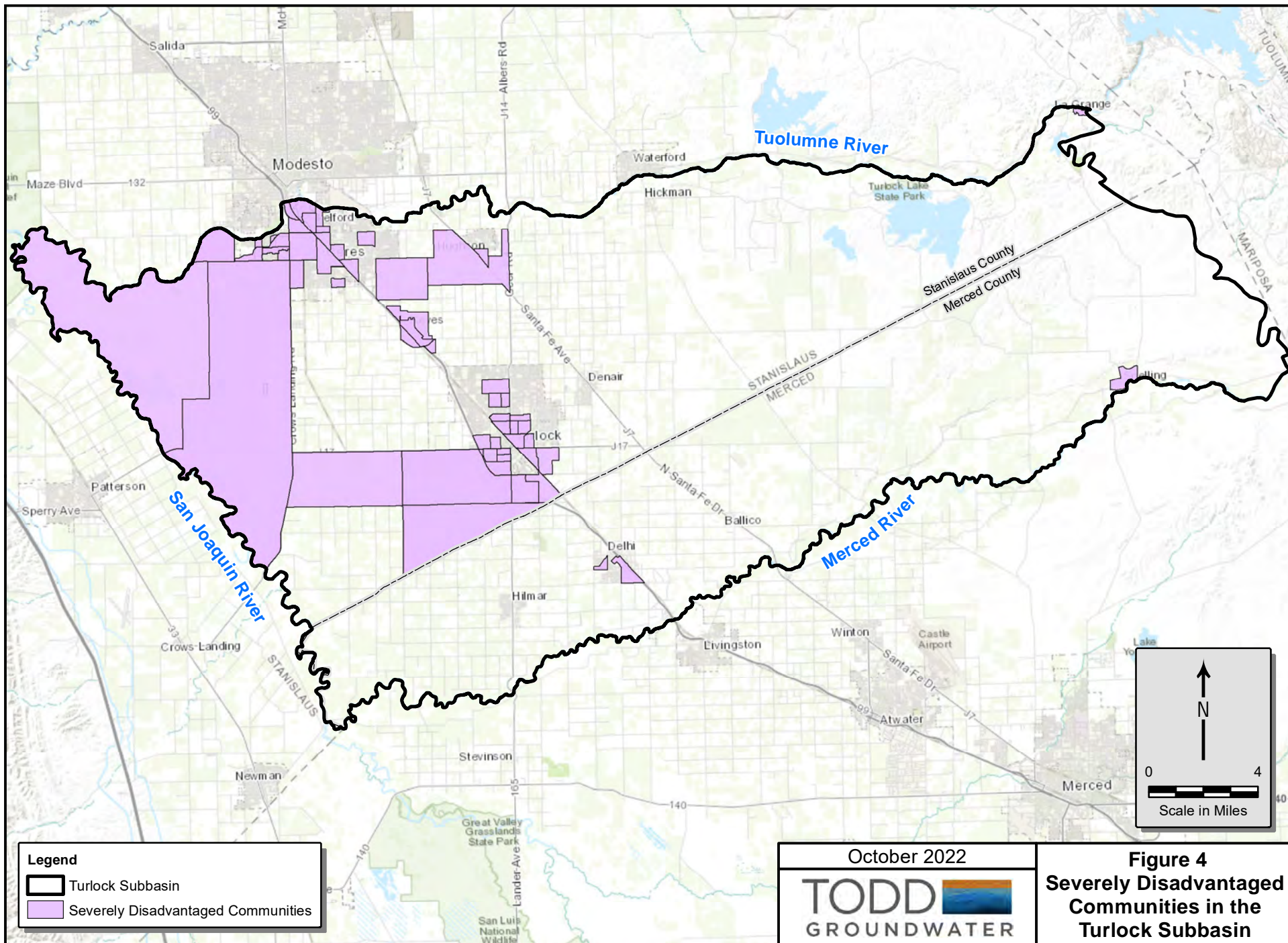
The exact locations of specific land repurposing projects are not known at this time and will be established during implementation of the program; however, most land repurposing activities are expected to be focused within ETSGSA, where the greatest groundwater extraction imbalance exists. The recharge, flood control, habitat and economic outcomes of these land repurposing projects will have both local and regional benefits, as described below.

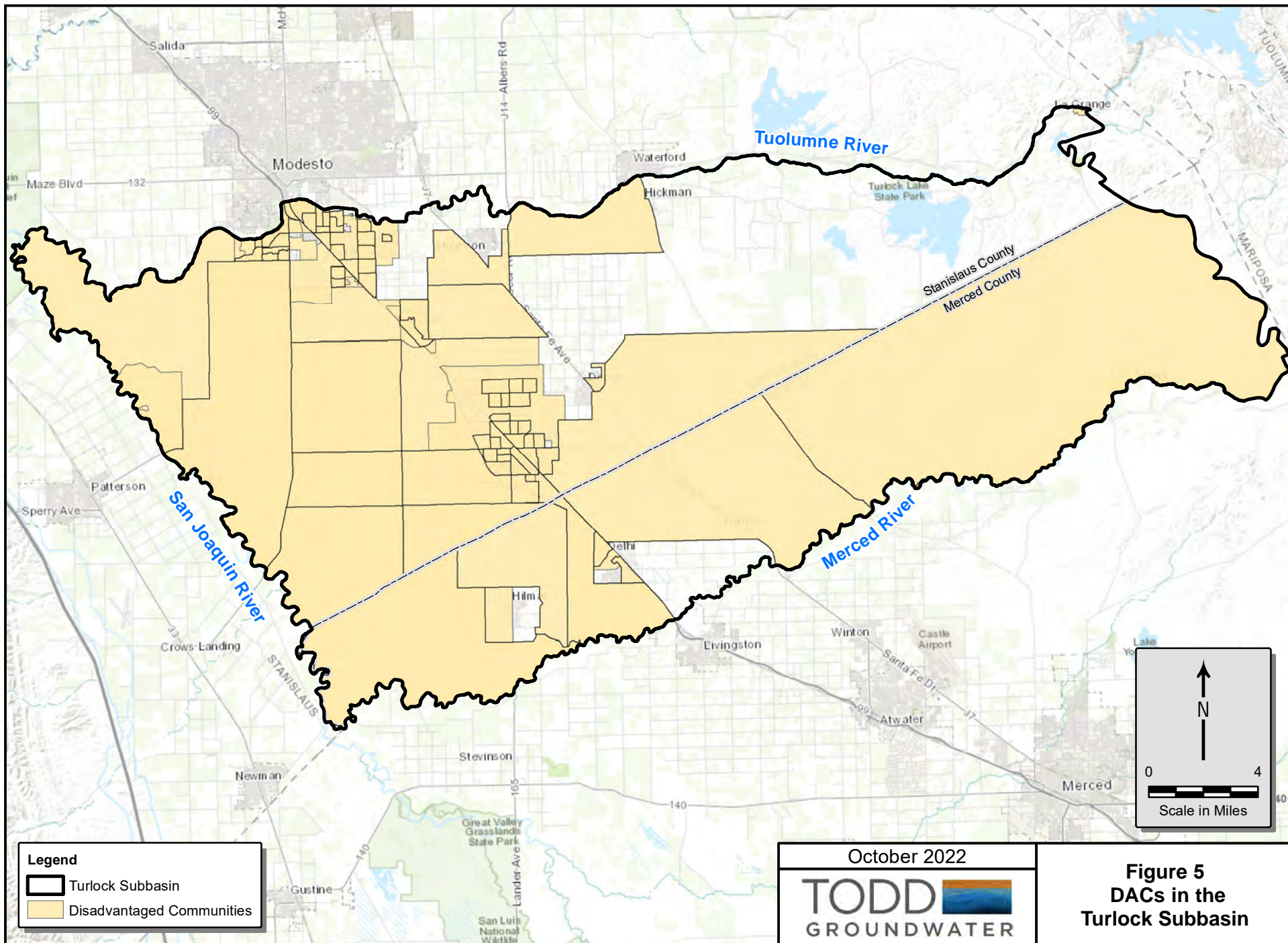
Regional benefits for DACs would occur throughout the subbasin, and would not be used to prioritize one individual project location within the subbasin over another. Specifically, decreased groundwater demand, increased recharge, improved flood attenuation, habitat restoration, and improved alignment between agricultural land use and water availability is expected to have the following regional benefits:

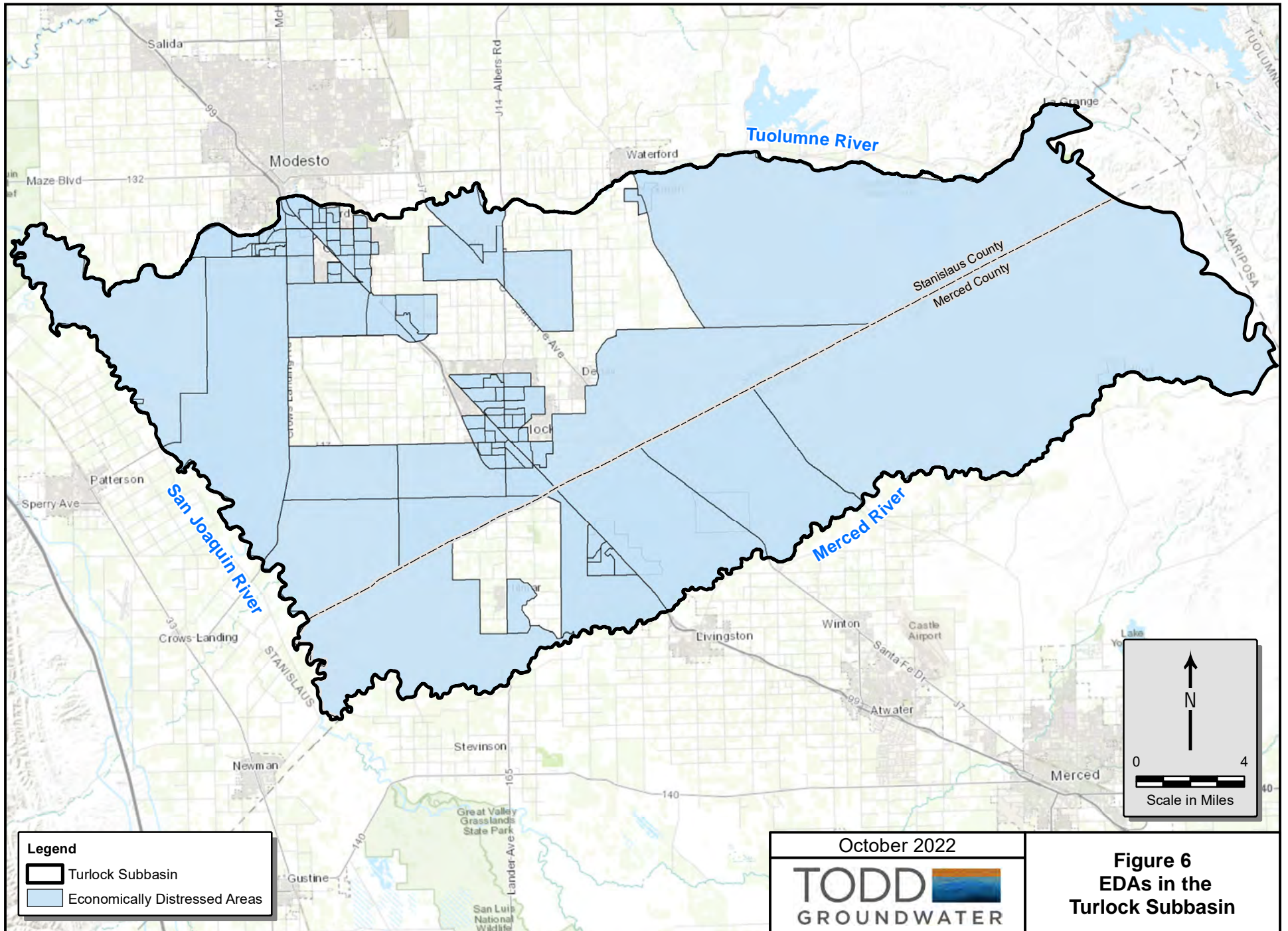
- Improved likelihood of achieving basin-wide groundwater sustainability goals;
- Promotion of a more resilient agricultural economy;
- Prevention of urban sprawl;
- Improvement of air and water quality; and
- Promotion of community health.

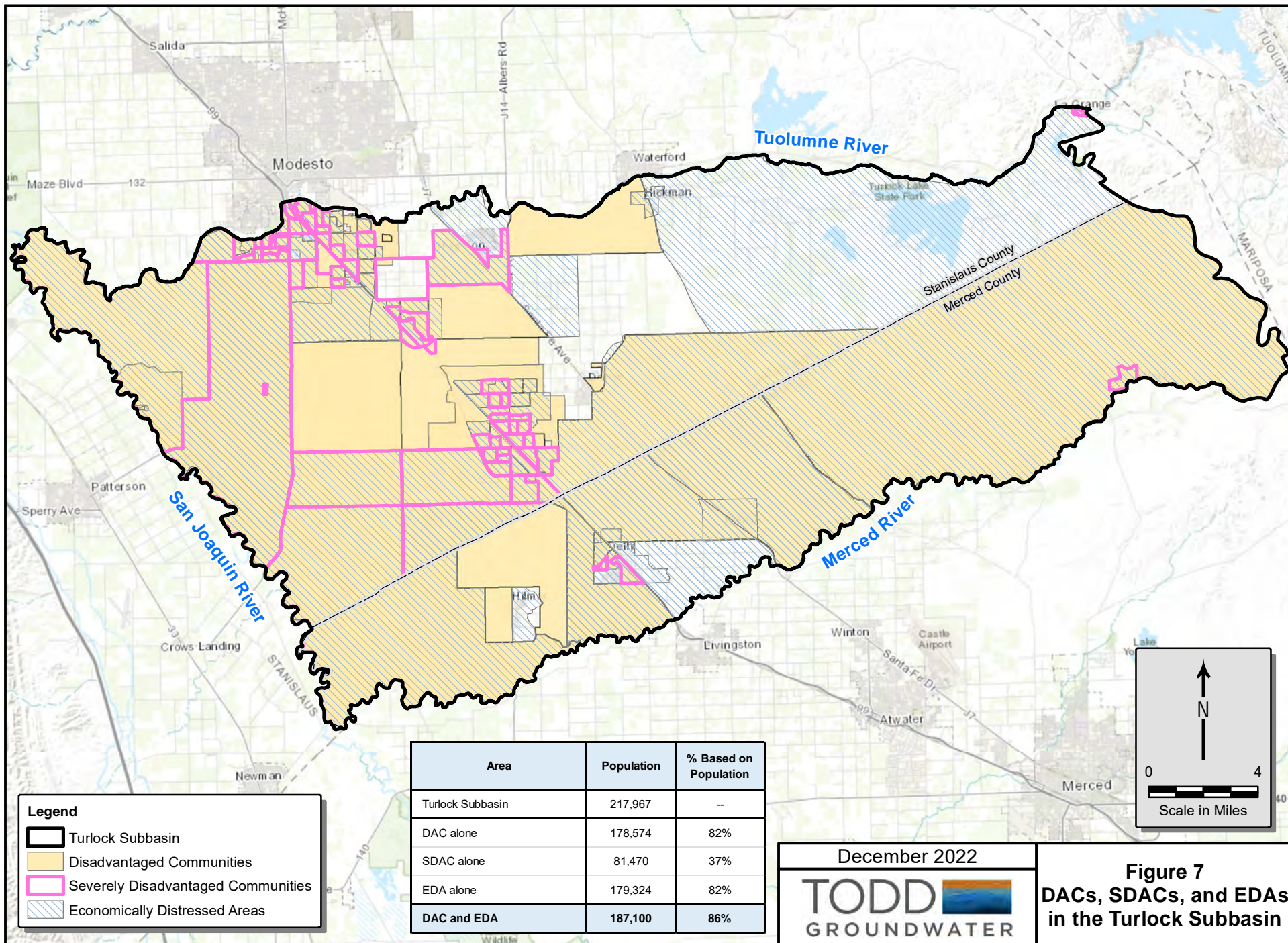
The following local benefits are expected to accrue to areas designated as DACs and/or EDAs within and downstream of ETSGSA. Benefits to these areas would be prioritized in the project prioritization framework identified in the MALRP under Task 1:

- Stabilization and recovery of groundwater levels will decrease pumping costs and result in a lower probability of domestic wells going dry. Areas of domestic wells going dry are prevalent in the north-central portion of the subbasin near the community of Denair, but have also been reported elsewhere. Projects that benefit these areas would be given a higher priority.
- Flood attenuation will benefit watershed areas downstream of projects involving orchard swale rewilding, floodplain restoration and floodplain connectivity enhancement through streamflow dispersal/retention using artificial beaver dam strategies or similar analogs. Projects potentially benefiting nearby downstream SDACs, DACs, and EDAs would be given a higher priority.









Legend

- Turlock Subbasin
- Disadvantaged Communities
- Severely Disadvantaged Communities
- Economically Distressed Areas

Area	Population	% Based on Population
Turlock Subbasin	217,967	--
DAC alone	178,574	82%
SDAC alone	81,470	37%
EDA alone	179,324	82%
DAC and EDA	187,100	86%

December 2022

Figure 7
DACs, SDACs, and EDAs
in the Turlock Subbasin

8. Policy and Project Expertise (1-page maximum)

ETSGSA will draw on a small, but relatively deep resource of experienced contract staff and agency member staff to inform development of agricultural land use policies and projects. ETSGSA's General Manager is experienced in managing projects and programs to inform and develop water and land use related policies. For Stanislaus County, he has been engaged since 2015 to inform regional SGMA implementation and well permitting policies, and advised groundwater resource policies related to several large land use projects. He also managed grant-funded projects totaling approximately \$14 million to address the combined objectives of SGMA, CV-SALTS, and municipal drinking water regulations in an integrated fashion that addresses overlapping agricultural and municipal groundwater issues. Additionally, he has been involved in large land use and groundwater resource management projects throughout California and the western US since 2005. ETSGSA's TAC chairperson is involved with water and land use policy implementation in several critically overdrafted subbasins, including land following policies. ETSGSA representatives from Stanislaus and Merced Counties, as well as ETSGSA legal counsel similarly have experience with implementing land repurposing strategies in critically overdrafted basins.

While ETSGSA has the staffing capacity and experience to administer the proposed planning project, it will contract with a Program Manager to develop the criteria and incentive program, including any related planning documents and assistance with implementing final project. This decision will expand local capacity to manage this project in an integrated effort with ongoing efforts to implement recharge projects and a pumping management framework in ETSGSA. It is envisioned that additional expertise in policy development will be provided by Sustainable Conservation.

Additional experience by ETSGSA staff and TAC members demonstrating experience applicable to land repurposing projects include:

- DWR Proposition 1 Sustainable Groundwater Planning Grant (SGWP), Stressed Basin Grant Program – \$500,000 for development of a PEIR for implementation of the Stanislaus County Groundwater Ordinance, which is aligned with SGMA (M. Tietze and W. Ward).
- DWR Proposition 1 Sustainable Groundwater Planning Grant (SGWP), Groundwater Sustainability Plans and Projects Grant – \$2,000,000 for Turlock Subbasin GSP and PEIR development (ETSGSA and WTSGSA).
- DWR Proposition 68 Sustainable Groundwater Planning Grant for installation of monitoring wells (ETSGSA and WTSGSA).
- Feasibility Study for implementation of replenishment water to growers along the Highline Canal along the boundary between WTSGSA and ETSGSA, including parcel characterization, outreach and interviews, engineering assessment and prioritization (EWD).
- Development and Implementation of a Surface Water Delivery Incentive Program from 1995 to present (EWD).
- DWR grant - \$200,000 for "Eastside Water District Groundwater Multiple Resources Integration Planning Study" (EWD).
- Develop "Potential Managed Aquifer and Recovery of Diffused Surface Water Program (DSWP)" and prepare 30% Design Plans (EWD).
- Development and implementation of land following policies in the Merced Subbasin (Merced County).
- Development and implementation of land following policies in the Chowchilla and Westlands Subbasins (S. Woolf).

9. Budget Summary

The summary table below presents the proposed budget for development and implementation of an MALRP in the Turlock subbasin. The following assumptions are incorporated into the project budget:

- The requested grant amount is \$8,890,000.
- The difference between the requested grant amount and the total budget is \$1,110,000, and would be provided by a local match of cash payments and in-kind services from ETSGSA and the project Partners.
- Indirect Costs are assumed to include costs for grant administration, which are estimated to be \$440,000, or 4.4% of the total grant amount.

Line Item

Development of Multibenefit Agricultural Land Repurposing Plan – \$500,000

Project Development and Permitting – \$200,000

Land Repurposing Project Implementation – \$8,100,000

Partner Capacity Needs – \$400,000

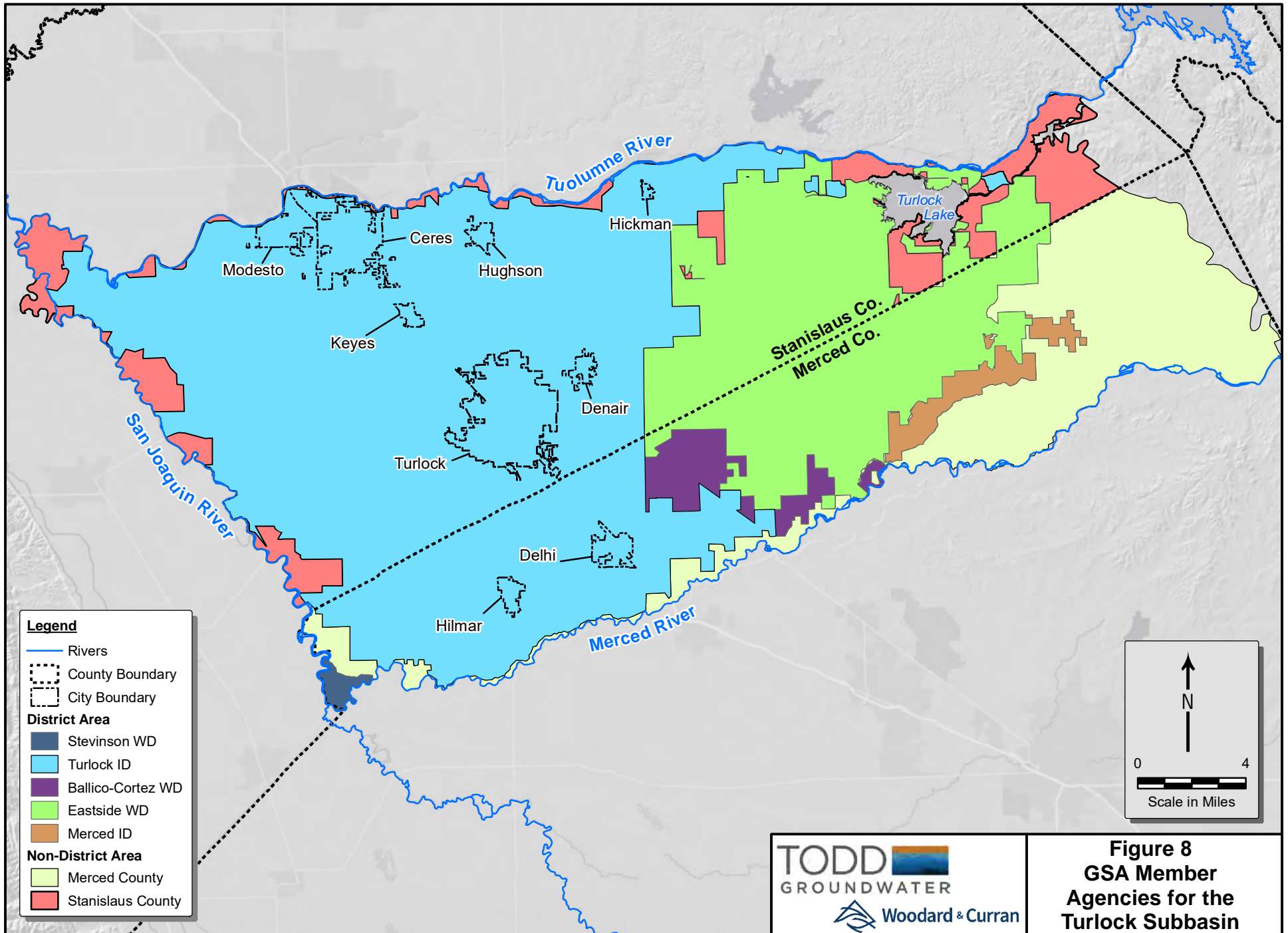
Outreach, Education, and Training – \$300,000

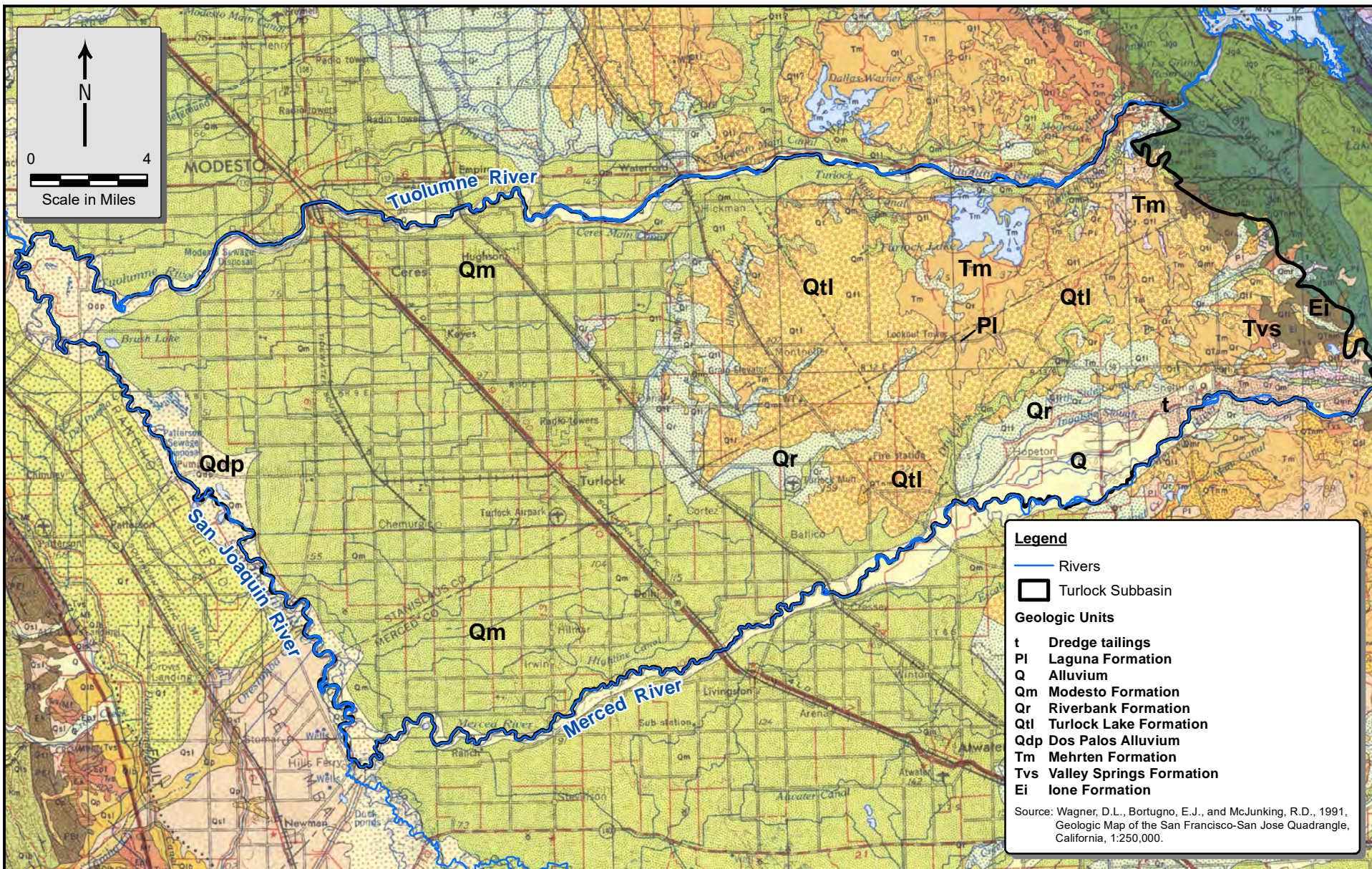
Monitoring – \$60,000

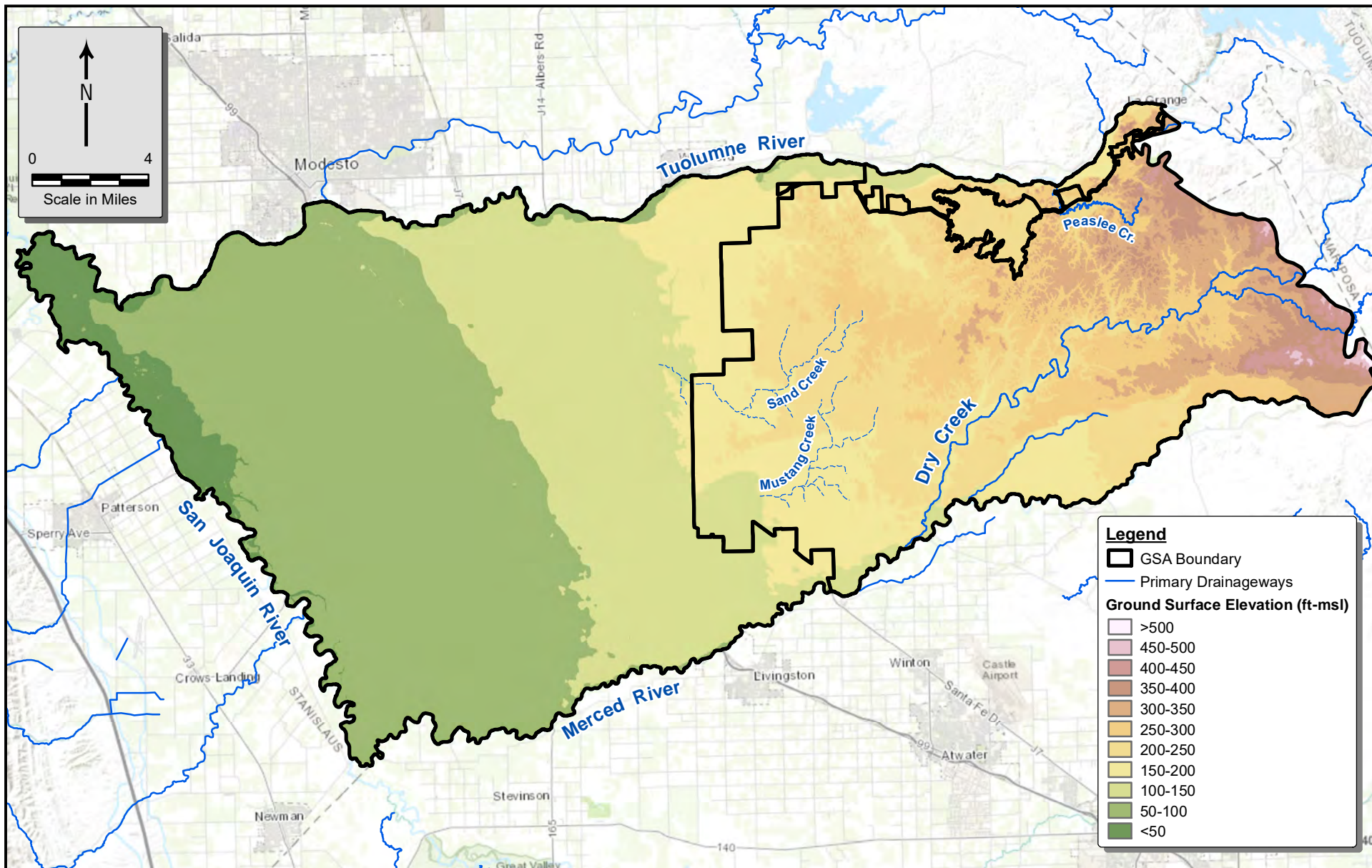
Indirect Costs (max 20% of grant) – \$440,000

TOTAL – \$10,000,000

10. Project Maps







June 2021

TODD
GROUNDWATER

**WOODARD
& CURRAN**

DAVIDS
ENGINEERING, INC

WOOD RODGERS
BUILDING RELATIONSHIPS ONE PROJECT AT A TIME

Figure 10
Ground Surface
Elevations

Authorizing Resolution from Governing Body

RESOLUTION NO. 2023-04

RESOLUTION OF THE EAST TURLOCK SUBBASIN GROUNDWATER SUSTAINABILITY AGENCY (ETS GSA) BOARD OF DIRECTORS (BOARD) AUTHORIZING PREPARATION AND SUBMITTAL OF AN APPLICATION FOR THE ROUND 2 (FY 22/23) MULTI-BENEFIT LAND REPURPOSING PROGRAM ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF CONSERVATION, AND ENTERING INTO A GRANT AGREEMENT IF A GRANT IS AWARDED

WHEREAS, in September 2014 the Governor signed legislation creating the Sustainable Groundwater Management Act (“SGMA”) “to provide local groundwater sustainability agencies with the authority and technical and financial assistance necessary to sustainably manage groundwater” (Wat. Code, § 10720.1(d)); and

WHEREAS, SGMA requires sustainable groundwater management through the development and implementation of groundwater sustainability plans (each, a “GSP”) (Wat. Code, § 10727) by one or more groundwater sustainability agencies (each, a “GSA”) in all basins designated by the Department of Water Resources (“DWR”) as medium- or high-priority, including the Turlock Subbasin (DWR basin number 5-22.03); and

WHEREAS, the single GSP for the Turlock Subbasin (the “Joint GSP”) was jointly developed by the East Turlock Subbasin Groundwater Sustainability Agency (“ETS GSA”) and the West Turlock Subbasin Groundwater Sustainability Agency (“WTS GSA”), and was jointly submitted by the two GSAs on January 28, 2022, after it was adopted at a public hearing on January 6, 2022; and

WHEREAS ETS GSA is the GSA for the eastern portion of the Turlock Subbasin and holds responsibility for sustainably managing groundwater within its portion in the Turlock Subbasin, pursuant to the requirements of SGMA; and

WHEREAS, WTS GSA is the other GSA within the Turlock Subbasin and holds responsibility for sustainably managing groundwater within the western portion of the Turlock Subbasin pursuant to the requirements of SGMA; and

WHEREAS, the ETS GSA and the WTS GSA are working collaboratively to implement the Joint GSP within their respective areas of the Turlock Subbasin as outlined in the GSP; and

WHEREAS, the groundwater budget analysis in the Joint GSP indicates subbasin-wide groundwater extraction exceeds the sustainable yield by approximately 24%, and the groundwater level analysis in the Joint GSP identifies a large cone of depression that has formed in the eastern portion of the Turlock Subbasin as a result of this imbalance; and

WHEREAS, the Joint GSP identifies a number of projects and management actions to bring subbasin groundwater extraction back into balance and achieve sustainable groundwater management by 2042; and

WHEREAS, agricultural lands in ETS GSA are irrigated almost exclusively by groundwater and opportunities for imported surface water deliveries are limited; therefore, ETS GSA is developing a pumping management framework to decrease groundwater demand and plans to implement a program for voluntary land retirement and repurposing; and

WHEREAS, ETS GSA has determined that projects and land repurposing strategies must incorporate multiple benefits to achieve resilient long term solutions that are consistent with regional land use planning and a healthy agricultural economy; specifically, where possible, projects and land repurposing should promote sustainable groundwater management as well as regional objectives related to habitat, flood control, alternative energy, and economic benefits; and

WHEREAS, the California Department of Conservation (“DOC”) is administering the Multi-Benefit Land Repurposing Program (“MLRP”) Grant, which is funded by the Public Resources Trailer Bill (AB 211, Ch. 574, Stat. of 2022), which appropriated \$40 million to the DOC to fund groundwater sustainability projects that reduce groundwater use, repurpose irrigated agricultural land, and provide wildlife habitat; and

WHEREAS, the Governor of California has issued a state emergency drought declaration dated March 28, 2022 (E.O. N-7-22), which applies to the Turlock Subbasin and is still in effect; and

WHEREAS, the ETS GSA desires to apply for the MLRP Grant to develop and begin implementing a Multibenefit Agricultural Land Repurposing Plan to reduce reliance on groundwater while providing regionally appropriate benefits, including community health, economic wellbeing, water supply, flood resilience, habitat, renewable energy, and climate benefits, and to conduct land repurposing projects and other related activities to implement the MLRP in the Turlock Subbasin (the “Grant Application”); and

WHEREAS, the ETS GSA desires to use this work to serve as a regional example of the integration of groundwater sustainability, with habitat, land use, and economic goals, and to build capacity within Stanislaus and Merced Counties to implement such programs; and

WHEREAS, if the Grant Application is accepted, the ETS GSA will serve as the grantee to administer Grant funds for MLRP purposes and will continue to collaborate with the WTS GSA and other Turlock Subbasin collaborators and participants to implement the MLRP; and

WHEREAS, should MLRP Grant funds be awarded, the ETS GSA has certified a Program Environmental Impact Report (“PEIR”) for implementation of projects and management actions under the GSP, and will complete any environmental compliance pursuant to the California Environmental Quality Act (“CEQA”) for proposed projects not covered by the PEIR as necessary.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the East Turlock Subbasin Groundwater Sustainability Agency finds as follows:

1. The facts stated in the recitals above are true and correct, and the Board of Directors (“Board”) so finds and determines.
2. The East Turlock Subbasin Groundwater Sustainability Agency (“ETS GSA”) Board hereby authorizes the submittal of the Grant Application for the Round 2 (FY 22/23) Multi-Benefit Land Repurposing Program Grant as completed by ETS GSA staff.
3. The ETS GSA Board hereby authorizes entrance into a grant agreement with the Department of Conservation for the MLRP Grant and accepts the template terms and conditions, if the ETS GSA is awarded funding.
4. The ETS GSA Board hereby authorizes its General Manager, on behalf of the ETS GSA, to accept the award of MLRP Grant funding and to execute tasks, such as signing documents

related to the Grant Application, grant agreement, and reimbursement requests, if the ETS GSA is awarded funding.

5. The ETS GSA Board hereby directs and authorizes ETS GSA staff and consultants to take such other actions as may be reasonably necessary to submit the Grant Application to DOC by March 29, 2023, and implement the purpose of this Resolution.


PASSED, APPROVED, AND ADOPTED this 23rd day of March, 2022, by a motion from Director Lloyd Pareira and a second by Director Dirk Ulrich, with the following vote to wit:

AYES: Ward Burroughs (Eastside Water District), Matt Beaman (Merced Irrigation District–Alternate), Christy McKinnon (Stanislaus County–Alternate), Lloyd Pareira (Merced County), and Dirk Ulrich (Ballico Cortez Water District).

NOES: None.

ABSTAIN: None.

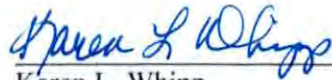
ABSENT: Vito Chiesa (Stanislaus County) and Hicham El-Tal (Merced Irrigation District).


Ward Burroughs
Chairman East Turlock Subbasin
Groundwater Sustainability Agency

**CERTIFICATE OF SECRETARY
OF
EAST TURLOCK SUBBASIN GROUNDWATER SUSTAINABILITY AGENCY**

I, Karen L. Whipp, do hereby certify that I am the duly authorized and appointed Secretary of the East Turlock Subbasin Groundwater Sustainability Agency, a joint powers authority (the "Agency"); that the foregoing is a true and correct copy of that certain resolution duly and unanimously adopted and approved by the Board of Directors of the Agency on the 23rd day of March, 2023; and that said resolution has not been modified or rescinded and remains in full force and effect as the date hereof:

IN WITNESS WHEREOF, I have executed this Certificate on this 23rd day of March, 2023.



Karen L. Whipp
Secretary of East Turlock Subbasin
Groundwater Sustainability Agency

Letters of Commitment



March 29, 2023

Mr. Mike Tietze
General Manager
East Turlock Subbasin Groundwater Sustainability Agency
731 East Yosemite Avenue, Suite B #318
Merced, CA 95340

RE: ETSGSA MULTIBENEFIT AGRICULTURAL LAND REPURPOSING PLAN

Dear Mr. Tietze:

Merced County is pleased to provide this letter of collaboration outlining our interest in participating as a partner with the East Turlock Subbasin Groundwater Sustainability Agency (ETSGSA) to develop and implement a Multibenefit Agricultural Land Repurposing Plan as part of its strategy to achieve sustainable groundwater management in the Turlock Subbasin.

As a member agency of the ETSGSA Joint Powers Authority, Merced County has a long history of working collaboratively with other agencies in the basin to meet the requirements of SGMA and other shared goals. Merced County has land use planning responsibility in the portion of the Turlock Subbasin that lies within the county. We view the successful achievement of the sustainability goals in the Turlock Subbasin Groundwater Sustainability Plan as being directly tied to our land use and planning responsibilities. This is especially true when it comes to maintaining the character and economic viability of our agricultural lands, which are some of the most productive in the country and a critical part of our economy. Sustainable groundwater management is also directly related to Merced County's General Plan Goals and Objectives of habitat preservation, maintaining safe and reliable water supplies, and providing a healthy and safe living environment.

Collaborating with ETSGSA to develop and implement a Multibenefit Land Repurposing Program will not only support meeting all of these objectives within the Turlock Subbasin, but also provides us the opportunity to expand the programmatic features that are developed into the other GSAs Merced County is involved with and will help to build the regional capacity for sustainable groundwater management and effective agricultural land use planning.

If ETSGSA is awarded a MLRP Block Grant by the California Department of Conservation, we are committed to entering into a Memorandum of Understanding to support and partner with them in developing and implementing this program. We anticipate helping with the following specific parts of the program:

- Assisting with development and review of the Multibenefit Agricultural Land Repurposing Plan to assure that it optimally meets our shared regional objectives. These include not only sustainable groundwater management, but flood control, habitat preservation, agricultural sustainability and climate resilience. We would also ensure the plan is consistent with county land use and planning objectives and procedures.
- Helping to develop and recommend regional and programmatic permitting strategies to streamline the permitting of agricultural land repurposing projects.

Board of Supervisors

Rodrigo Espinosa
Supervisor, District One

Josh Pedrozo
Supervisor, District Two

Daron McDaniel
Supervisor, District Three

Lloyd Pareira, Jr.
Supervisor, District Four

Scott M. Silveira
Supervisor, District Five

Raul Lomeli Mendez
County Executive Officer

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Excellence*

- Supporting the engagement of regional stakeholders to help build the capacity for multibenefit approaches to land repurposing. We would also provide opportunities and venues to help reach the general and farm community to educate them regarding the importance and advantage of multibenefit approaches that encompass groundwater sustainability, land management, habitat, and flood control and health communities.

We look forward to continuing to partner with ETSGSA on groundwater water sustainability projects in the Turlock Subbasin and specifically the Multibenefit Agricultural Land Repurposing project.

Sincerely,



Scott M. Silveira, Chairman
Merced County Board of Supervisors



Robert Kostlivy
DIRECTOR

Janis Mein
ASSISTANT DIRECTOR

Mandip Dhillon
ASSISTANT DIRECTOR

March 28, 2023

Department of Conservation
715 P Street, MS 1900
Sacramento, CA 95814

Subject: Letter of Collaboration for the East Turlock Subbasin Groundwater Sustainability Agency Application for the Multi-benefit Land Repurposing Program Grant Solicitation

To whom it may concern,

Stanislaus County is committed to building community through the delivery of efficient public services and community infrastructure to promote a safe and healthy environment. The Stanislaus County Groundwater Division is responsible for ensuring the sustainable management of groundwater resources in the Non-District Management Areas of the Turlock Groundwater Subbasin and is a member of each the East and West Turlock Groundwater Sustainability Agencies (GSAs), Joint Power Authority, and several other GSAs within the County. The County has land use planning responsibility and recognizes the regional issues the Subbasin faces regarding declining water levels and overdraft. We also recognize the benefits these projects and additional funding opportunities will bring as we continue to collaborate to achieve sustainability goals, while maintaining the character and economic viability of our agricultural lands.

Development and implementation of a Multi-benefit Land Repurposing Program in collaboration with the East Turlock Groundwater Sustainability Agency, - (ETGSA), will also support county general plan goals and objectives such as habitat preservation, maintaining safe and reliable water supplies while building regional capacity for sustainable groundwater management and effective agricultural land use planning.

I submit this letter on behalf of the Department of Environmental Resources because my agency adamantly supports the efforts of the ETSGSA in their pursuit of grant funding to aid in the achievement of the long-term groundwater sustainability of the Subbasin.

We are hopeful for grant funding that would be efficiently resourced to expand projects and management actions in accordance with the implementation of the Turlock Subbasin Groundwater Sustainability Plan to manage the Subbasin and provide an opportunity to expand programmatic features that can be utilized by other GSAs and interested stakeholders.

Therefore, Stanislaus County Department of Environmental Resources is committed to negotiating a Memorandum of Understanding to support the ETGSA's development and implementation of a Multi-benefit Land Repurposing Program. The Department of Environmental Resources anticipates assisting with the following specific parts of the program:

- Plan, review, and development to ensure shared regional objectives, including but not limited to sustainable management of groundwater resources, flood control, habitat preservation, agricultural viability, and climate resilience, are met.
- Review, development, and implementation of programmatic permitting strategies to help streamline the permitting of agricultural land repurposing projects.
- Assist with outreach, education, and engagement of property owners, residents, and regional stakeholders to help promote and create opportunities for multi-benefit approaches to land repurposing encompassing groundwater sustainability, land management, habitat, flood control, and healthy communities.

While the Turlock Subbasin is not in a condition of critical overdraft, there are several economically disadvantaged communities within the Subbasin, including several severely disadvantaged communities. This is of particular concern because, at current, groundwater is the sole source of domestic water supply to almost all Turlock Subbasin stakeholders, including these disadvantaged communities. This grant application provides significant benefits to these communities and supports the State's Human Right to Water.

It is our hope that you will give significant consideration to this application and recognize our commitment to support the ETGSA within the Turlock Subbasin as they pursue this grant opportunity in the continued spirit of groundwater sustainability.

Sincerely,



Christy McKinnon
Water Resources Manager
Groundwater Resources Division

March 29, 2023

California Department of Conservation
715 P Street, MS 1900
Sacramento, CA 95814

RE: East Turlock Subbasin Groundwater Sustainability Agency (ETSGSA) Grant Application for the Round 2 Multibenefit Land Repurposing Program

To Whom It May Concern,

The Turlock Irrigation District (TID) was formed in 1887 to provide irrigation water from the Tuolumne River to growers in the Central Valley around the City of Turlock. TID owns and maintains more than 250 miles of gravity-fed canals and laterals serving more than 4,500 irrigation customers covering approximately 145,000 acres of some of the most valuable and productive farmland in the world. It operates Don Pedro Reservoir and Turlock Lake, and has flood control responsibility for the Tuolumne River and several local streams. In addition, it provides electrical power to a service territory of approximately 662 square miles that extends from Lake Don Pedro to the east to the City of Patterson on the west, and serves a population of approximately 240,000 people. It operates as an independent Balancing Authority, being granted that status from the Western Energy Coordinating Council (WECC) in 2005, and provides a combination of hydroelectric, solar, wind, natural gas, and geothermal power.

TID is a member of the West Turlock Subbasin Groundwater Sustainability Agency (WTSGSA) and jointly manages the Turlock Subbasin together with the East Turlock Groundwater Sustainability Agency (ETSGSA) to meet the requirements of the Sustainable Groundwater Management Act (SGMA). The WTSGSA and ETSGSA are working together to implement the Groundwater Sustainability Plan they have adopted for the Turlock Subbasin to achieve sustainable groundwater management by 2042. As a regional supplier of raw agricultural and municipal water, TID is keenly interested in supporting both WTSGSA and ETSGSA in achieving their goals of sustainable groundwater management where it can. We are interested in the adoption of land repurposing strategies within the ETSGSA that help to meet these objectives, that improve opportunities for recharge of surface water, and that provide flood control, alternative power generation, and habitat benefits, and that promote maintaining a viable agricultural economy. Currently, groundwater levels in many locations in the subbasin are below Minimum Thresholds, reflecting an imbalance between recharge and groundwater extraction. This is especially evident in the eastern portion of the subbasin, where agricultural lands are dependent almost entirely on groundwater and a large cone of depression has formed. Although this was anticipated and current groundwater levels are therefore above the Interim Milestones set for 2027, it is evident that substantial efforts will be urgently required to bring the subbasin groundwater budget into balance. One of the key Management Actions identified in the GSP is to achieve Voluntary Conservation and/or Land Fallowing (MA #1). Although, at this time, these efforts are anticipated to be implemented by ETSGSA, subbasin-wide coordination is required for their successful implementation. In addition, multibenefit land repurposing approaches are applicable and of interest throughout the area to help

meet regional water supply, flood control, habitat, stream baseflow, alternative energy, and economic objectives.

To that end, if the ETSGSA is awarded a MLRP Block Grant by the Department of Conservation, we would be committed to fully supporting and partnering with them through WTSGSA to develop a Multibenefit Agricultural Land Repurposing Plan that meets our shared and regional objectives. Anticipated areas of collaboration include the following:

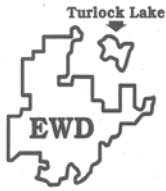
- Collaboration on the preparation and review of the plan so that it meets shared regional objectives. This would include review and oversight of plan preparation through our role in joint Technical Advisory Committee (TAC) meetings, and appointing TAC members and GSA staff to participate in an Ad Hoc Committee specifically to oversee and guide the details of plan preparation.
- Sharing of regional hydrologic, operational, and other data when possible, as available, and needed to guide plan development and implementation.
- Support for community and stakeholder outreach including regular email communications and development of a web-page for the program on our shared website.
- Investigating opportunities to promote flood control and alternative power generation through targeted land repurposing strategies.

TID supports the grant application package as submitted by the ETSGSA. Obtaining additional grant funding from the state is critical to the GSAs efforts as they continue GSP Implementation within the subbasin. It is TID's hope that you will give significant consideration to our support of the ETSGSA as they pursue this grant opportunity to meet the requirements of groundwater sustainability.

Sincerely,

A handwritten signature in cursive script that reads "Michelle Reimers".

Michelle Reimers
General Manager



EASTSIDE WATER DISTRICT

BOARD OF DIRECTORS

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(209) 874-5343

Ty Angle

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Vacancy

General Manager

Sarah Woolf
(559) 341-0174

Secretary

Karen Whipp
W: (209) 626-5523
C: (209) 388-4866

**Eastside Water
District**
731 E. Yosemite
Ave, Suite B #147
Merced, CA 95340
eastsidewaterdistrict.com

March 29, 2023

Department of Conservation
715 P Street, MS 1900
Sacramento, CA 95814

To Whom it May Concern:

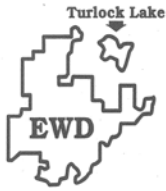
Eastside Water District (EWD) serves over 73,000 acres of agricultural land in the eastern Turlock Subbasin. It was established in 1985 to explore opportunities for recharge and surface water deliveries to agricultural lands within its jurisdiction, which are currently reliant almost exclusively on groundwater. The heavy groundwater reliance in this area has created an imbalance, and EWD has historically monitored groundwater levels and performed a variety of subsurface investigations of the aquifer system in support of this mission.

EWD is a member agency of the East Turlock Subbasin Groundwater Sustainability (ETSGSA) and is working with and through ETSGSA to implement the Groundwater Sustainability Plan (GSP) for the subbasin. To date, EWD has investigated and is implementing several in-lieu and direct recharge projects within ETSGSA. It is collaborating closely to develop a pumping management framework within ETSGSA to reduce groundwater demand. We are also working together on identifying and prioritizing other project opportunities and land use strategies that would help to reduce groundwater demand, including multi-benefit recharge strategies.

We consider the multi-benefit repurposing of agricultural lands in EWD to be a key component of these strategies. For example, re-wilding of orchard swales would decrease water demand and improve agricultural land use practices, all while providing habitat, flood control and recharge benefits. Strategically placed solar power and Agri-voltaic developments would decrease water demand, while providing diversified land use, income, and climate benefits. Smart strategies of this type will help to make the hard work of coming to sustainable groundwater management more achievable and help us to maintain the agricultural character and economy of this important producing area.

This letter outlines our commitment to work with ETSGSA to develop and implement a Multibenefit Agricultural Land Repurposing Plan for the area. If ETSGSA is awarded a grant, we would enter into a Memorandum of Understanding with them to work together on the following tasks:

- We envision that we would work with ETSGSA to manage the project.



EASTSIDE WATER DISTRICT

- We would help the ETSGSA develop and review the Multibenefit Agricultural Land Repurposing Plan by helping them understand the needs of our growers, as well as provide opportunities to work with them. Through our knowledge of the landscape, operations, and conditions in the area, we believe we can make a key contribution to the planning process.
- We would participate in the overall scoping and planning process and would review and help guide the development of the plan. We would especially focus on identifying and prioritizing opportunities for area-appropriate project types and incentives. Our knowledge of the area would help target effective strategies.
- We would assist ETSGSA with stakeholder outreach and engagement by hosting a series of workshops with growers to inform them of the program and garner their participation and input into the planning and implementation process.
- We would work with ETSGSA to help build capacity for implementation of the program in EWD and the surrounding region through our relationships with local grower groups, the counties, and other local and regional agencies.

If awarded, the Eastside Water District looks forward to participating in the Multibenefit Agricultural Land Repurposing Plan.

Sincerely,

Sarah Woolf
General Manager
Eastside Water District

March 29, 2023

California Department of Conservation
715 P Street, MS 1900
Sacramento, CA 95814

RE: East Turlock Subbasin Groundwater Sustainability Agency (ETSGSA) Grant Application for the Round 2 Multibenefit Land Repurposing Program

To Whom It May Concern,

The West Turlock Subbasin Groundwater Sustainability Agency (WTSGSA) was formed in 2017 to manage compliance with the Sustainable Groundwater Management Act (SGMA) in the western portion of the Turlock Subbasin. It is managed as a Joint Powers Authority that includes Turlock Irrigation District (TID), Delhi County Water District, Hilmar County Water District, Stanislaus County, Merced County, the Cities of Modesto, Turlock, and Ceres, and the communities of Denair, Keyes, Hickman, and Hughson. The WTSGSA manages the Turlock Subbasin together with the East Turlock Groundwater Sustainability Agency (ETSGSA), with the boundary between the two GSAs consistent with the eastern extent of TID's irrigation water service area. The WTSGSA and ETSGSA are working together to implement the Groundwater Sustainability Plan (GSP) they have adopted for the Turlock Subbasin to achieve sustainable groundwater management by 2042. Currently, groundwater levels in many locations in the subbasin are below Minimum Thresholds, reflecting an imbalance between recharge and groundwater extraction. This is especially evident in the eastern portion of the subbasin, where agricultural lands are dependent almost entirely on groundwater and a large cone of depression has formed. Although this was anticipated and current groundwater levels are therefore above the Interim Milestones set for 2027, it is evident that substantial efforts will be urgently required to bring the subbasin groundwater budget into balance. One of the key Management Actions (MA) identified in the GSP is to achieve Voluntary Conservation and/or Land Fallowing (MA #1). Although, at this time, these efforts are anticipated to be implemented by ETSGSA, subbasin-wide coordination is required for successful implementation. In addition, multi-benefit land repurposing approaches are applicable and of interest throughout the area to help meet regional water supply, flood control, habitat, stream baseflow, alternative energy, and economic objectives.


To that end, if the ETSGSA is awarded a MLRP Block Grant by the Department of Conservation, we would be committed to fully supporting and partnering with them to develop a Multibenefit Agricultural Land Repurposing Plan that meets our shared and regional objectives. Anticipated areas of collaboration include the following:

- Collaboration on the preparation and review of the plan so that it meets our shared regional objectives. This would include review and oversight of plan preparation through joint Technical Advisory Committee (TAC) meetings, and appointing TAC members and GSA staff to participate in an Ad Hoc Committee specifically to oversee and guide the details of plan preparation.

- Sharing of regional hydrologic, operational, and other data when possible, as available, and needed to guide plan development and implementation.
- Support for community and stakeholder outreach including regular email communications and development of a web-page for the program on our shared website.
- Supporting ETSGSA through capacity building for grant administration by sharing the tools and approaches we have used to successfully administer several subbasin-wide grant programs and the additional experience of our member agencies.
- Other support for investigations, planning, and implementation of the program as appropriate.

The WTSGSA supports the grant application package as submitted by the ETSGSA. Obtaining additional grant funding from the state is critical to the GSAs efforts as they continue GSP Implementation within the subbasin. It is the WTSGSA's hope that you will give significant consideration to our support of the ETSGSA as they pursue this grant opportunity to meet the requirements of groundwater sustainability.

Sincerely,



Joe Alamo
West Turlock Subbasin GSA
Chair, Board of Directors

Sand Creek Flood Control District

March 29, 2023

Department of Conservation
715 P Street, MS 1900
Sacramento, CA 95814

To Whom it May Concern:

Sand Creek Flood Control District (SCFCD) is a special district in a portion of Stanislaus County with responsibility for flood control and water conservation in the Sand Creek Watershed. It is located between the Tuolumne and Merced Rivers in the low Sierra Nevada foothills east of the City of Turlock. The district was established in 1988 to help address repeated issues with damage from flooding in this local watershed. Located in the heart of the East Turlock Subbasin Groundwater Sustainability Agency (ETSGSA), we are very aware of the need to bring our local groundwater resources into sustainable management. SCFCD welcomes the opportunity to work with ETSGSA to develop a land repurposing strategy that would help with both flood control and groundwater management. If ETSGSA is awarded a grant from the Department of Conservation, we would enter into a Memorandum of Understanding with them to work on the following tasks together:

- SCFCD would review and provide input during the development of the Multibenefit Agricultural Land Repurposing Plan.
- SCFCD would provide local planning information to help ETSGSA develop repurposing strategies that are implementable and help decrease flood control risks, and that can be incorporated into our ongoing flood control activities. We think SCFCD is in an ideal position to provide practical advice that can help to make this a better effort.
- We would provide a liaison with our local constituents that can help to make sure that they are informed, that their needs are considered and their voices are heard in the planning process.
- SCFCD would help ETSGSA to develop approaches that can help to build capacity for targeted land repurposing that will help address flood control issues along Sand Creek, and in other similar small watersheds in the region.

If awarded, the Sand Creek Flood Control District looks forward to participating in the Multibenefit Agricultural Land Repurposing Plan.

Sincerely,



Mark Hodges
Chairman
Sand Creek Flood Control District



Sustainable Conservation

March 29, 2023

Shanna Atherton-Bauer
Land Conservation Programs Manager
Department of Conservation, Division of Land Resource Protection
mlrp@conservation.ca.gov

Re. Letter of Collaboration for East Turlock Subbasin GSA MLRP proposal

To Whom it may concern,

Sustainable Conservation is writing this Letter of Collaboration to express our interest in collaborating with the East Turlock Subbasin Groundwater Sustainability Agency (ETSGSA) to develop and implement a Multibenefit Agricultural Land Repurposing Plan in the Turlock Subbasin as part of its efforts to achieve sustainable groundwater management.

Sustainable Conservation's mission is to advance the collaborative stewardship of California's land, air, and water for the benefit of nature and people. We seek collaborative, science-based and multi-disciplinary approaches to solve some of the state's toughest environmental challenges, including land management, habitat preservation and sustainable groundwater management.

Our prior and ongoing work in the Turlock Subbasin includes:

1. Developing a Groundwater Recharge Assessment Tool (GRAT) in partnership with the Earth Genome for the ETSGSA and the West Turlock Subbasin Groundwater Sustainability Agency (WTSGSA) under a grant from the Department of Water Resources. The GRAT assists local decision makers identify, prioritize and implement optimal recharge strategies to meet the sustainability goals of the Turlock Subbasin Groundwater Sustainability Plan (GSP).
2. Subcontracting with the California Department of Water Resources to apply GRAT as a component of five Flood-MAR Watershed Studies for the tributaries of the San Joaquin River (including the Tuolumne and Merced Rivers). The studies are being used to evaluate the potential of working and natural lands to capture future climate change projected runoff for recharge, flood mitigation, and habitat benefit.
3. Implementing three pilot on-farm agricultural managed aquifer recharge (Ag-MAR) projects at several Turlock Irrigation District sites in WSTSGS near the boundary between ETSGSA and WTSGSA to help demonstrate the effectiveness of this approach to recharge stormwater when available.

www.suscon.org • suscon@suscon.org

SAN FRANCISCO OFFICE • 98 Battery Street, Suite 302 • San Francisco, CA 94111 • 415-977-0380

MODESTO OFFICE • 201 Needham Street • Modesto, CA 95354 • 209-576-7729

Consistent with our approach and mission, all three of these projects were designed to demonstrate effective multi-benefit resource management approaches to achieve groundwater sustainability in the Turlock GSAs and be replicated in similar watersheds throughout California to achieve regional groundwater sustainability for communities, farming, and the environment.

ETSGSA's approach to developing an agricultural land repurposing program includes several features that are aligned with Sustainable Conservation's missions and goals. Specifically, we believe the rewilding of orchard swales and the development of simple surface modifications such as ecologically beneficial check dams and earthen berms to retain and spread farm runoff water has promise as a cost-effective, adaptive and low impact approach that can provide significant water demand reduction, incidental recharge, improved habitat and flood risk reduction benefits. Similarly, levee removal or setback, the use of artificial beaver dams, and other restoration practices that slow and spread stormwater onto adjacent floodplains of local streams such as Mustang Creek, Sand Creek and Dry Creek have promise as low impact and easily implemented strategies with similar potentially significant benefits. Partnering with ETSGSA to plan, develop, permit and implement these approaches would leverage the tools and approaches we have developed for this subbasin.

If ETSGSA is awarded a MLRP Block Grant by the Department of Conservation, we are committed to entering into a Memorandum of Understanding to support and partner with them in developing and implementing this program. We anticipate helping with the following specific parts of the program:

1. Assist ETSGSA with development of the Multibenefit Agricultural Land Repurposing Plan by using the Turlock subbasin GRAT and the DWR Flood-MAR study analysis of the Tuolumne and Merced River watersheds and other geospatial data and analysis tools to evaluate the best locations for implementing different land repurposing strategies. The GRAT could be modified in partnership with the Earth Genome to simulate the runoff capture and recharge potential of low impact water retention and spreading features in rewilded orchard swales and small stream riparian corridors. In addition, we would provide input to help ETSGSA develop optimal designs for recharge, flood attenuation and habitat benefits.
2. Work with ETSGSA to provide general guidance on use of existing statewide programmatic permits for aquatic habitat restoration and advise ETSGSA on development of permitting strategies that could advance multi-benefit habitat restoration that includes groundwater benefits. Sustainable Conservation has extensive experience working with the California Department of Fish and Wildlife (CDFW) and State Water Resources Control Board (SWRCB) as well as federal regulatory agencies to develop statewide programmatic permits for aquatic restoration projects. We are also assisting with developing strategies under the state's "Cutting the Green Tape" initiative. We can apply this experience to identifying programmatic permitting needs and opportunities that could support implementation of MLRP projects regionally and statewide.
3. Assist ETSGSA to build regional capacity to develop creative multi-benefit agricultural land repurposing programs that leverage the block grant program with a range of stakeholders and collaborators through outreach and grower engagement.

4. Assist ETSGSA in developing approaches to monitor and demonstrate the effectiveness of the land repurposing projects that emerge out of the block grant program.

Sustainable Conservation is pleased to be invited to participate in this proposal because we believe the proposal partners have demonstrated a real commitment to achieve groundwater sustainability through innovative, ecologically sustainable land and water management practices and incentives that will gain the support of landowners. As a statewide non-profit environmental organization, we look for promising examples of sustainable resource management that we can help develop, replicate and scale for the benefit of California's people and environment and this proposal offers that promise.

Sincerely,



Ashley Boren, CEO
Sustainable Conservation



March 28, 2023

Department of Conservation
715 P Street, MS 1900
Sacramento, CA 95814

Dear Program Manager,

On behalf of the California Farmland Trust (CFT), we appreciate the opportunity to collaborate with the East Turlock Subbasin Groundwater Sustainability Agency (ETSGSA) to develop and implement a Multi-benefit Agricultural Land Repurposing Plan in eastern Merced and Stanislaus County as part of its strategy to achieve sustainable groundwater management in the Turlock Subbasin.

CFT is a non-profit 501(c)(3) corporation with a mission to help farmers protect the best farmland in the world by conserving a unique natural resource that will enable future generations to thrive. It was founded in 2004 and currently serves California's Central Valley, working on behalf of landowners who wish to protect farmland in perpetuity with a farmland easement. CFT has successfully leveraged private donations and public funds to protect over 17,600 acres farmland throughout the Central Valley and several more thousand acres in the process of protection with interested landowners. We have facilitated agreements for farmland conservation of a number of properties in the Turlock Subbasin, including within ETSGSA.

CFT believes that partnering with ETSGSA to develop and implement a Multi-benefit Agricultural Land Repurposing Program in the eastern Turlock Subbasin provides a unique opportunity to demonstrate how targeted repurposing of agricultural lands can support groundwater sustainability while providing multiple other benefits that create a more resilient agricultural economy and lead to the long-term preservation of agricultural land uses.

ETSGSA includes some of the most productive agricultural land in the state but is reliant almost exclusively on groundwater at levels that are not currently sustainable. In order to achieve its goal of sustainable groundwater management, ETSGSA must maintain a viable agricultural economy and provide resilient solutions that serve local land use, habitat, flood control, climate change, economic and other objectives when possible. CFT believes that ETSGSA's location and approach are ideally suited to demonstrating the effectiveness of multi-benefit approaches to achieve these objectives in the eastern San Joaquin Valley and





building local capacity in Merced and Stanislaus County and beyond. We believe we can support ETSGSA in meeting these objectives by providing input into the development of a Multi-benefit Agricultural Land Repurposing Plan and in the development and monitoring of agricultural easement agreements and term contracts for land stewardship actions. We believe this assistance would benefit farmers, landowners, and the program.

To that end, if ETSGSA is awarded a Multi-benefit Agricultural Land Repurposing Plan Block Grant by the Department of Conservation, we would be committed to fully supporting and partnering with them to develop and implement a Multi-benefit Agricultural Land Repurposing Plan that meets our shared and regional objectives. Anticipated areas of collaboration include the following:

- Collaboration on the definition of plan goals, objectives and policies for development of agricultural land repurposing strategies that preserve sustainable agricultural land uses.
- Input into the development of engagement and land preservation strategies with farmers that support these goals.
- Based on our extensive experience in this area, assistance in the development of agreement terms for conservation easements, as well as term contracts that promote land stewardship actions and practices for sustainable groundwater management and agricultural use.
- Provide input to ETSGSA monitoring agreement implementation to help assure that the adopted easements and term contracts are meeting the desired objectives.

If awarded, the California Farmland Trust looks forward to working with East Turlock Subbasin Groundwater Sustainability Agency to develop a Multi-benefit Agricultural Land Repurposing Plan that achieves its outlined goals.

Sincerely,

Charlotte Mitchell
Executive Director





March 28, 2023

Michael Tietze
East Turlock Subbasin GSA

Re: East Turlock Subbasin GSA Multibenefit Land Repurposing Program Grant

East Merced Resource Conservation District (EMRCD) provides services to farmers and ranchers to help ensure viable local agriculture while also working toward a sustainable balance with the environment. We were formed in 1997 and serve over 190,000 acres of farm and range land in eastern Merced County. EMRCD provides natural resource education, conservation programs and technical assistance in Eastern Merced County and the surrounding region. We act as an independent, local liaison between government, agencies and local landowners to promote and improve stewardship of natural habitat and ag resources while working closely in Merced County with the USDA Natural Resources Conservation Service. We pursue funding to assist landowners with meeting conservation objectives and/or regulatory compliance.

We work to prepare the community, farmers, working lands, and wildlife habitats for resilience to extreme weather and engage them in practices that promote stewardship of our remarkable Valley resources. EMRCD works towards clean and reliable water for residents, agriculture, industry, ecosystems and wildlife; carbon reductions to slow global warming to preserve soil biodiversity, soil building to enhance agriculture products and productivity. EMRCD also wildlife rehabilitation projects to retain unique ecosystems in our area and native pollinator diversity. Our outreach serves to build community through education to help us all understand what a healthy relationship between people and the environment looks like;

We appreciate the opportunity to support the East Turlock Subbasin Groundwater Sustainability Agency (ETS GSA) to develop and implement a Multibenefit Agricultural Land Repurposing Plan that can help meet the objectives for sustainable groundwater management while also contributing to our other core objectives. We are especially interested in becoming involved in the planning to develop and promote viable, multi-benefit land management strategies such as converting to best practice ranching, regenerative farming and orchard swale rewilding that can help contribute to more sustainable and cleaner water, flood control, habitat restoration and soil management practices in the region.

If ETSGSA is awarded a grant from the Department of Conservation, EMRCD would enter into a Memorandum of Understanding with ETSGSA and we envision working with you to support the following areas:

- We would help to review and develop long-term viable land management strategies that provide multiple benefits. We believe that our experience and expertise can help provide vital information regarding local conditions, practices, and needs to improve the land repurposing plan.
- EMRCD would contribute to the development of the plan for long-term benefit.
- We would help to identify suitable sites for project implementation and support project permitting efforts.
- We would help to conduct education, outreach and stakeholder engagement services to our constituents, make them aware of the plan and its benefits, and get them involved in its preparation and implementation.

Sincerely,

Ursula Stock, Manager East Merced RCD

Additional Documentation Regarding Applicant Capacity

**FISCAL YEAR 22/23 GSP IMPLEMENTATION BUDGET
EAST TURLOCK SUBBASIN GROUNDWATER SUSTAINABILITY AGENCY JPA**

Implementation Support Activity	Task Description	FY 22/23 Budget	Comments
ISA 1: Monitoring, Reporting, and Outreach	ISA 1a: Groundwater Monitoring	\$11,500	Monitoring costs are combined with ISA 2a
	ISA 1b: Preparation of draft and final Annual Report	\$57,000	ETSGSA cost share of total budget
	ISA 1c: Preparation of 5-Year GSP Update. Budgeted on an accrual basis starting FY24/25.	\$0	Preparation of 5-Year GSP Update. Budgeted on an accrual basis starting FY24/25.
	ISA 1d: Outreach and Engagement	\$24,000	Outreach for ETSGSA workshops
ISA 2: Address Data Gaps	Investigations to address Data Gaps	\$0	Anticipated to start FY 23/24.
ISA 2a: Additional Monitoring Networks Costs	Groundwater Monitoring	\$58,525	Monitoring costs are combined with ISA 1a
ISA 3: Accounting Mechanism for Water Supplies within the Subbasin	Legal fees and negotiation support	\$30,000	
	Consulting Budget to Support Allocation Negotiations	\$250,000	Technical analysis of basin-wide water allocation
ISA 4a: Adaptive Pumping Management	Develop management framework for Pumping Management.	\$50,000	
ISA 4b: Develop and Process PEIR	Finalization of PEIR - All costs covered by existing grant	\$0	Funded under Round 1 SGMA implementation grant
ISA 4c: Domestic Well Mitigation Program	Development of Domestic Well Mitigation Program by joint consultant	\$27,000	ETSGSA cost share of total budget
ISA 5: Action Plan for Exceedance of Minimum Thresholds	Development of Action Plan for MT Exceedance by joint consultant	\$15,000	ETSGSA cost share of total budget
ISA 6: Refine Groundwater Model Incorporating New Data and Studies	Interim model update by joint consultant	\$53,000	ETSGSA cost share of total budget
	Refinements for 5-Year GSP Update	\$0	Anticipate starting work FY 24/25.
ISA 7: Further Develop Data Management System	Database and access portal for data management and reporting	\$0	Use existing database in FY 22/23 and update in FY 23/24
	Annual DMS management/maintenance	\$0	Use existing database in FY 22/23 and update in FY 23/24
ISA 8: Improve Coordination and Planning Integration	Inter-basin and regional planning coordination.	\$5,000	Special coordination beyond administrative budget
ISA 9: Well Registration and Management	ET analysis to develop 10-year baseline using CalEa dataset	\$15,000	
ISA 10: Develop Financing Strategies, Including Seeking Grant Funding	Grant tracking and financial planning	\$43,930	ETSGSA cost share of total budget for joint grant pursuits
ISA 11: OPTI Project List	Add GSP Projects to OPTI database	\$1,255	
GRAT	Maintenance and use of GRAT so it is available for project development	\$10,000	Annual fee
Supplemental Proposition 218	Supplemental Proposition 218 engineering study and assessment processing	\$60,000	Consultant cost for ETSGSA
TOTAL IMPLEMENTATION COSTS		\$711,210	

**FISCAL YEAR 22/23 GSP IMPLEMENTATION BUDGET
EAST TURLOCK SUBBASIN GROUNDWATER SUSTAINABILITY AGENCY JPA**

Implementation Support Activity	Task Description	FY 22/23 Budget	Comments
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ADMINISTRATIVE COSTS FOR GSP IMPLEMENTATION

Coordination	Estimated budget for Coordinator/General Manager Services	\$125,000	
Board Secretary	Admin and financial services Estimate from Prop 218 estimates	\$30,800	
Legal	Legal services (not including allocation negotiation)	\$68,000	
Services & Supplies	Insurance, memberships, mileage, rental, supplies, mail, copy services	\$18,954	
TOTAL ESTIMATED ADMINISTRATIVE COSTS		\$242,754	

TOTAL BUDGET

TOTAL FY 22/23 EXPENSES	\$953,964	
PRUDENT RESERVE (~10%)	\$22,862	Remaining as of March 2023
TOTAL EXPENSE BALANCE	\$976,826	

**EAST TURLOCK SUBBASIN
GROUNDWATER SUSTAINABILITY AGENCY**

**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT**

**FOR THE YEARS ENDED
JUNE 30, 2022 AND 2021**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
East Turlock Subbasin Groundwater Sustainability Agency

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities of the East Turlock Subbasin Groundwater Sustainability Agency (the Agency) as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Agency, as of June 30, 2022 and 2021, and the respective changes in financial position and cash flows thereof for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists.

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The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3-6 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2023, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

HUDSON HENDERSON & COMPANY, INC.

A handwritten signature in blue ink that reads "Hudson Henderson & Company, Inc." in a cursive script.

Fresno, California
March 27, 2023

**EAST TURLOCK SUBBASIN
GROUNDWATER SUSTAINABILITY AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

The following narrative provides an overview and analysis of the financial activities of the East Turlock Subbasin Groundwater Sustainability Agency (the Agency) as of and for the years ended June 30, 2022 and 2021. It is provided in order to enhance the information in the financial audit and should be reviewed together with that report.

OVERALL PROGRAM HIGHLIGHTS

East Turlock Subbasin Groundwater Sustainability Agency (the Agency) is a Joint Powers Agency formed in March 2017. Comprised of local public agencies and others engaged through binding agreements, the Agency is the governing body for a portion of the Turlock Subbasin of the San Joaquin Valley Groundwater Basin (California Department of Water Resources Bulletin 118, 5-22.03) in compliance with the Sustainable Groundwater Management Act of 2014. Agency members are Eastside Water District, Ballico-Cortez Water District, Merced County, Stanislaus County, and Merced Irrigation District. Each agency has also appointed an alternate director to represent members of the JPA in the event that the director is unable to attend a meeting.

The Agency is governed by a board of five directors. Each director shall represent members of the JPA. Regular board meetings are held once a month.

The budget is adopted by the Board of Directors prior to the commencement of each fiscal year. The principal source of the Agency's income is membership dues for services provided by the Agency. Membership dues are determined as part of the budget process and remains relatively consistent based on the needs of the Agency. Each member's contribution is determined by relative acre-footage under a member's jurisdiction.

Day-to-day operations of the Agency are the responsibility of the Chair acting through the following described personnel and committees:

- Vice Chair
- Treasurer
- Advisory Committee
 - Board Committees
 - Working Groups
 - Technical Advisory Committees

FINANCIAL HIGHLIGHTS FOR THE YEARS ENDING JUNE 30, 2022 AND 2021

- Operating revenues are \$489,772 and \$441,061, respectively.
- Operating expenses are \$478,623 and \$439,449, respectively.
- Total assets are \$142,962 and \$150,808, respectively.
- Total liabilities are \$112,977 and \$131,962, respectively.
- Net position is \$29,985 and \$18,846, respectively.

**EAST TURLOCK SUBBASIN
GROUNDWATER SUSTAINABILITY AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021 (continued)**

OVERVIEW OF FINANCIAL STATEMENTS

The Agency's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America and include certain amounts based upon reliable estimates and judgments. The financial statements include Statements of Net Position; Statements of Revenues, Expenses, and Changes in Net Position; and Statements of Cash Flows along with accompanying Notes to Financial Statements.

- The **Statements of Net Position** presents information on the Agency's assets, deferred outflows, liabilities, and deferred inflows, the difference between the two representing net position, or equity.
- The **Statements of Revenues, Expenses, and Changes in Net Position** presents information showing total revenues versus total expenses and how the Agency's net position changed during the fiscal year. All revenues and expenses are recognized as soon as the underlying event occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in these statements for some items that will result in the disbursement or collection of cash during future fiscal years (e.g., reimbursable ongoing project expenses).
- The **Statements of Cash Flows** presents the changes in cash flows from operating activities, non-capital financing activities, capital and related financing activities, and investing activities during the fiscal year.
- The **Notes to Financial Statements** provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes describe the nature of the Agency's operations and significant accounting policies as well as clarify unique financial information.

The assets, liabilities, revenues, and expenses are reported on a full-accrual basis.

Hudson Henderson & Company, Inc. has performed an independent audit of our financial statements in accordance with auditing standards generally accepted in the United States of America. Their opinion is included in the Independent Auditors' Report.

ANALYSIS OF OVERALL FINANCIAL POSITION AND RESULTS OF OPERATION

The following is financial information for the years ended June 30, 2022, 2021, and 2020.

	Summary Statements of Net Position		
	June 30, 2022	June 30, 2021	June 30, 2020
Current assets	\$ 34,325	\$ 40,789	\$ 28,067
Non-current assets	108,637	110,019	111,401
Total assets	142,962	150,808	139,468
Current liabilities	12,977	31,962	22,234
Non-current liabilities	100,000	100,000	100,000
Total liabilities	112,977	131,962	122,234
Net position	\$ 29,985	\$ 18,846	\$ 17,234

**EAST TURLOCK SUBBASIN
GROUNDWATER SUSTAINABILITY AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021 (continued)**

ASSETS

Total assets at June 30, 2022 were \$142,962, a decrease of \$7,846 from the prior year, resulting from a decrease in cash balances.

OPERATING REVENUES

Total revenues consist of member dues in relation to the services and expenses of the Agency, and in the current year, Prop 218 special assessments. Total revenues for the years ended June 30, 2022 and 2021 were \$489,772 and \$441,061, respectively.

GENERAL AND ADMINISTRATIVE EXPENSES

Total general and administrative expenses, including legal, office, and other administrative expenses represent 71.2% and 59.2%, respectively, of the total expenses incurred by the Agency during the years ending June 30, 2022 and 2021.

**Summary Statements of Revenue, Expenses,
and Changes in Net Position**

	Year ended June 30, 2022	Year ended June 30, 2021	Year ended June 30, 2020
Operating revenues	\$ 489,772	\$ 441,061	\$ 405,804
Operating expenses:			
Groundwater sustainability plan	127,060	138,425	188,104
Well monitoring program	7,080	39,500	107,073
Administrative fees	26,039	21,688	18,115
Office expense	1,616	165	1,085
Insurance expense	2,222	1,508	1,053
Miscellaneous	333	-	-
Professional services	295,169	227,630	125,525
Publications & legal expenses	773	-	-
Dues and subscriptions	4,465	3,260	2,188
Depreciation expense	1,382	1,382	1,382
Travel expense	658	512	1,477
Website expense	-	-	2,750
Reimbursements	9,836	5,379	1,937
Rent	2,000	-	-
Total operating expenses	478,633	439,449	450,689
Net operating income (loss)	11,139	1,612	(44,885)
Change in Net Position	11,139	1,612	(44,885)
Net Position - Beginning of Year	18,846	17,234	62,119
Net Position - End of Year	\$ 29,985	\$ 18,846	\$ 17,234

**EAST TURLOCK SUBBASIN
GROUNDWATER SUSTAINABILITY AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021 (continued)**

CAPITAL ASSETS

Net capital assets for the years ended June 30, 2022 and 2021 were \$8,637 and \$10,019, respectively. The Agency did not acquire capital assets during the year ended June 30, 2022. Depreciation for the years ended June 30, 2022 and 2021 were \$1,382 and \$1,382, respectively.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

In developing the budget for the 2022-2023 fiscal year and the near future years, the Board of Directors took into account the factors that had and will have significant potential to affect the budgeted figures, primarily the increase in consulting, legal and administrative costs associated with the implementation of the groundwater sustainability plan.

CONTACTING THE AGENCY'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the Agency's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Karen Whipp, East Turlock Subbasin Groundwater Sustainability Agency, 731 East Yosemite Avenue, Suite B #318, Merced, CA 95340. The Agency's website is www.turlockgroundwater.org.

**EAST TURLOCK SUBBASIN
GROUNDWATER SUSTAINABILITY AGENCY
STATEMENTS OF NET POSITION
JUNE 30, 2022 AND 2021**

	2022	2021
ASSETS		
Current Assets		
Cash and cash equivalents	<u>\$ 34,325</u>	<u>\$ 40,789</u>
Total Current Assets	<u>34,325</u>	<u>40,789</u>
Non-current Assets		
Other receivable	100,000	100,000
Capital assets, net	<u>8,637</u>	<u>10,019</u>
Total Non-current Assets	<u>108,637</u>	<u>110,019</u>
Total Assets	<u>142,962</u>	<u>150,808</u>
LIABILITIES		
Current Liabilities		
Accounts payable	<u>12,977</u>	<u>31,962</u>
Total Current Liabilities	<u>12,977</u>	<u>31,962</u>
Non-current Liabilities		
Due to members	<u>100,000</u>	<u>100,000</u>
Total Non-current Liabilities	<u>100,000</u>	<u>100,000</u>
Total Liabilities	<u>112,977</u>	<u>131,962</u>
NET POSITION		
Net investment in capital assets	8,637	10,019
Unrestricted	<u>21,348</u>	<u>8,827</u>
Total Net Position	<u><u>\$ 29,985</u></u>	<u><u>\$ 18,846</u></u>

The accompanying notes are an integral part of these financial statements.

**EAST TURLOCK SUBBASIN
GROUNDWATER SUSTAINABILITY AGENCY
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	2022	2021
OPERATING REVENUES		
Member dues	\$ 299,076	\$ 441,061
Special assessments	<u>190,696</u>	<u>-</u>
Total Operating Revenues	<u>489,772</u>	<u>441,061</u>
OPERATING EXPENSES		
Groundwater sustainability plan	127,060	138,425
Well monitoring program	7,080	39,500
Administrative fees	26,039	21,688
Office expense	1,616	165
Insurance expense	2,222	1,508
Publications & legal expenses	773	-
Miscellaneous	333	-
Professional services	295,169	227,630
Dues and subscriptions	4,465	3,260
Depreciation expense	1,382	1,382
Travel expense	658	512
Reimbursements	9,836	5,379
Rent	<u>2,000</u>	<u>-</u>
Total Operating Expenses	<u>478,633</u>	<u>439,449</u>
Net Operating Income (Loss)	<u>11,139</u>	<u>1,612</u>
Change in Net Position	11,139	1,612
Net Position, Beginning of Year	<u>18,846</u>	<u>17,234</u>
Net Position, End of Year	<u>\$ 29,985</u>	<u>\$ 18,846</u>

The accompanying notes are an integral part of these financial statements.

**EAST TURLOCK SUBBASIN
GROUNDWATER SUSTAINABILITY AGENCY
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	2022	2021
Cash Flows from Operating Activities:		
Cash received from operating activities	\$ 489,772	\$ 441,061
Payments to vendors for operating activities	<u>(496,236)</u>	<u>(428,339)</u>
Net cash provided (used) by operating activities	<u>(6,464)</u>	<u>12,722</u>
Net increase (decrease) in cash and cash equivalents	(6,464)	12,722
Cash and cash equivalents, Beginning of Year	<u>40,789</u>	<u>28,067</u>
Cash and cash equivalents, End of Year	<u><u>\$ 34,325</u></u>	<u><u>\$ 40,789</u></u>
Reconciliation of net operating income (loss) to net cash provided (used) by operating activities:		
Net operating income (loss)	<u>\$ 11,139</u>	<u>\$ 1,612</u>
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	1,382	1,382
Changes in operating assets and liabilities:		
Accounts payable	<u>(18,985)</u>	<u>9,728</u>
Total adjustments	<u>(17,603)</u>	<u>11,110</u>
Net cash provided (used) by operating activities	<u><u>\$ (6,464)</u></u>	<u><u>\$ 12,722</u></u>

The accompanying notes are an integral part of these financial statements.

**EAST TURLOCK SUBBASIN
GROUNDWATER SUSTAINABILITY AGENCY
NOTES TO BASIC FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: East Turlock Subbasin Groundwater Sustainability Agency (the Agency) is a Joint Powers Authority formed in March 2017. Composed of local public agencies and others engaged through binding agreements, the Agency is the governing body of a portion of the Turlock Subbasin of the San Joaquin Valley Groundwater Basin (California Department of Water Resources Bulletin 118, 5-22.03) in compliance with the Sustainable Groundwater Management Act of 2014. Agency members are Eastside Water District, Ballico-Cortez Water District, Merced County, Stanislaus County, and Merced Irrigation District.

On September 16, 2014, the Governor of California signed into law three bills collectively referred to as the Sustainable Groundwater Management Act (SGMA). In accordance with SGMA, the group of water supply agencies and local governments listed above, within the Eastern half of the Turlock Subbasin, which is located between the San Joaquin, Tuolumne, and Merced Rivers and the Sierra Nevada Foothills, in Stanislaus and Merced Counties, have agreed to form a Joint Powers Authority designated as the East Turlock Subbasin Groundwater Sustainability Agency. Currently, one additional groundwater sustainability agency (GSA), West Turlock Subbasin Groundwater Sustainability Agency (West Turlock GSA) has been established within the Turlock Subbasin.

As a Joint Powers Authority, the Agency has been established to sustainably manage the groundwater resources within a portion of the Turlock Subbasin, which is located within the greater San Joaquin Valley Groundwater Basin (Basin Number 5-22). In January 2016, the State Department of Water Resources ranked the San Joaquin Valley Basin (and therefore the Turlock Subbasin) as one of the 21 most over-drafted groundwater basins in California, out of 515. Accordingly, the San Joaquin Valley Basin is a “high-priority” groundwater basin for corrective action.

The SGMA establishes a timeline of activities and milestones for all GSAs within “high-priority” groundwater basins. The Agency submitted a GSA formation notification with the State Department of Water Resources (DWR), and the DWR formally approved the Agency as an “exclusive” GSA in 2017. The Agency now has until January 2022 to prepare and submit a Groundwater Sustainability Plan (GSP) to the DWR that will describe the Agency’s plan to achieve groundwater sustainability within its boundary by 2040.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation: The accounts of the Agency are organized and operated on a fund basis. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, net position, revenues, and expenses.

All activities of the Agency are accounted for within a proprietary (enterprise) fund. Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through users charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or operating income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operation.

The Agency’s operating revenues and expenses generally result from membership contributions in connection with the Agency’s ongoing operations. Operating expenses include consultants and general and administrative expenses. All other revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. All activities of the Agency are reported under one major proprietary (enterprise) fund.

**EAST TURLOCK SUBBASIN
GROUNDWATER SUSTAINABILITY AGENCY
NOTES TO BASIC FINANCIAL STATEMENTS (continued)**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued): Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied. The accompanying financial statements are reported using the “economic resources measurement focus”, and the accrual basis of accounting. Under the economic measurement focus all assets and liabilities (whether current or noncurrent) associated with these activities are included on the Statements of Net Position. The Statements of Revenues, Expenses, and Changes in Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Cash and Cash Equivalents: For purposes of reporting the Statements of Cash Flows, the Agency considers all cash accounts and all highly liquid debt instruments purchased with an original maturity of three (3) months or less to be cash equivalents.

Accounts Receivable: The Agency utilizes the allowance method of accounting for uncollectible or doubtful accounts based on historical experience and current information as it becomes available. There was no allowance for doubtful accounts recorded at June 30, 2022 and 2021. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when received. All accounts receivables are non-interest bearing.

Capital Assets: Capital assets are stated at cost, less accumulated depreciation. Depreciation is computed by using the straight-line method over the lesser of the estimated useful life of the asset or the related lease term. Major replacements and improvements, in excess of \$2,500, or per management’s discretion as determined to have a useful life, are capitalized at cost. Maintenance, repairs, and minor replacements are expensed when incurred. Estimated useful lives vary within the following categories as follows:

Equipment	Years
	10

Accounts Payable: Certain costs are incurred by the Agency during the current reporting period but are not paid until after the beginning of the next fiscal period. These costs are reported as payables in the financial statements. The Agency’s accounts payable balance as of June 30, 2022 and 2021 are \$12,977 and \$31,962, respectively.

Net Position: Net position represents the residual interest in the Agency’s assets after liabilities are deducted. The Statements of Net Position reports total net position and presents it in three broad components: net investment in capital assets, restricted, and unrestricted. Net investment in capital assets includes capital assets net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets. Net position is restricted when constraints are imposed by third parties or by law through constitutional provisions or enabling legislation. All other net position is unrestricted. Amounts included as unrestricted net assets are available for designation for specific purposes established by the Agency’s Board of Directors. The Agency’s policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**EAST TURLOCK SUBBASIN
GROUNDWATER SUSTAINABILITY AGENCY
NOTES TO BASIC FINANCIAL STATEMENTS (continued)**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental Accounting Standards Update: During the year ending June 30, 2022, the Agency implemented the following standards with no impact on the financial statements:

GASB Statement No. 87 – *Leases*. The requirements of this statement are effective for reporting periods beginning after December 15, 2019. Subsequent to issuance, GASB Statement No. 95 postponed the requirements of this statement to reporting periods beginning after June 15, 2021.

GASB Statement No. 92 – *Omnibus 2020*. The requirements of this statement are effective for reporting periods beginning after June 15, 2020. Subsequent to issuance, GASB Statement No. 95 postponed the requirements of this statement to June 15, 2021.

GASB Statement No. 97 – *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The requirements of this statement are effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 98 – *The Annual Comprehensive Financial Report*. The requirements of this statement are effective for reporting periods beginning after December 15, 2021.

Released GASB Statements to be implemented in future financial statements are as follows:

GASB Statement No. 91 – *Conduit Debt Obligations*. The requirements of this statement are effective for reporting periods beginning after December 15, 2020. Subsequent to issuance, GASB Statement No. 95 postponed the requirements of this statement to reporting periods beginning after December 15, 2021.

GASB Statement No. 93 – *Replacement of Interbank Offered Rates*. The requirements of this statement are effective for reporting periods beginning after June 15, 2021. Subsequent to issuance, GASB Statement No. 95 postponed the certain requirements of this statement to reporting periods beginning after June 15, 2022.

GASB Statement No. 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The requirements of this statement are effective for reporting periods beginning after June 15, 2022.

GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements*. The requirements of this statement are effective for reporting periods beginning after June 15, 2022.

GASB Statement No. 99 – *Omnibus 2022*. The requirements related to leases, PPPs, and SBITAs of this statement are effective for reporting periods beginning after June 15, 2022. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for reporting periods beginning after June 15, 2023.

GASB Statement No. 100 – *Accounting Changes and Error Corrections* – an amendment of GASB statement No. 62. The requirements of this statement are effective for reporting periods beginning after June 15, 2022.

GASB Statement No. 101 – *Compensated Absences*. The requirements of this statement are effective for reporting periods beginning after June 15, 2023.

Subsequent Events: In compliance with accounting standards, management has evaluated events that have occurred after year-end to determine if these events are required to be disclosed in the financial statements. Management has determined the event noted in Note 9 requires disclosure in accordance with accounting standards. These subsequent events have been evaluated through March 27, 2023, which is the date the financial statements were available to be issued.

**EAST TURLOCK SUBBASIN
GROUNDWATER SUSTAINABILITY AGENCY
NOTES TO BASIC FINANCIAL STATEMENTS (continued)**

NOTE 2 – MEMBER DUES

Member dues for the years ended June 30, 2022 and 2021 consists of the following:

	<u>2022</u>	<u>2021</u>
Member Contributions		
Ballico-Cortez Water District	\$ -	\$ 29,047
Eastside Water District	299,076	266,195
County of Merced	-	109,594
County of Stanislaus	-	36,055
Merced Irrigation District	-	170
Total	<u>\$ 299,076</u>	<u>\$ 441,061</u>

NOTE 3 – OTHER RECEIVABLE

The Agency has a receivable balance for gap funding made to the West Turlock GSA related to the groundwater sustainability plan (GSP). The Agency will be reimbursed by West Turlock GSA upon completion of the GSP for this balance upon reimbursement from the Sustainable Groundwater Management (SGM) Grant Program. The balance of the other receivable at June 30, 2022 and 2021 was \$100,000 and \$100,000, respectively.

NOTE 4 – CAPITAL ASSETS

Capital assets consisted of the following at June 30, 2022 and 2021:

	<u>Balances July 1, 2021</u>	<u>Additions</u>	<u>Deletions and Adjustments</u>	<u>Balances June 30, 2022</u>
Equipment	\$ 13,820	\$ -	\$ -	\$ 13,820
Property and Equipment-Gross	13,820	-	-	13,820
Less: Accumulated Depreciation	(3,801)	(1,382)	-	(5,183)
Property and Equipment-Net	<u>\$ 10,019</u>	<u>\$ (1,382)</u>	<u>\$ -</u>	<u>\$ 8,637</u>

**EAST TURLOCK SUBBASIN
GROUNDWATER SUSTAINABILITY AGENCY
NOTES TO BASIC FINANCIAL STATEMENTS (continued)**

NOTE 4 – CAPITAL ASSETS (continued)

	<u>Balances July 1, 2020</u>	<u>Additions</u>	<u>Deletions and Adjustments</u>	<u>Balances June 30, 2021</u>
Equipment	\$ 13,820	\$ -	\$ -	\$ 13,820
Property and Equipment-Gross	<u>13,820</u>	<u>-</u>	<u>-</u>	<u>13,820</u>
Less: Accumulated Depreciation	<u>(2,419)</u>	<u>(1,382)</u>	<u>-</u>	<u>(3,801)</u>
Property and Equipment-Net	<u>\$ 11,401</u>	<u>\$ (1,382)</u>	<u>\$ -</u>	<u>\$ 10,019</u>

Depreciation expense for the years ended June 30, 2022 and 2021 was \$1,382 and \$1,382, respectively.

NOTE 5 – DUE TO MEMBERS

The Agency has a member's payable balance for gap funding received related to the groundwater sustainability plan (GSP). The Agency will reimburse the five members of the GSA upon completion of the GSP and reimbursement by West Turlock GSA. Total due to members at June 30, 2022 and 2021 was \$100,000 and \$100,000, respectively.

NOTE 6 – RISK MANAGEMENT

The Agency is a member of the Association of California Water Agencies Joint Powers Insurance Agency (ACWA/JPIA) for liability insurance. The relationship is such that this public entity risk pool is not a component unit of the Agency for financial reporting purposes.

The risk pool is governed by a board consisting of a representative from each member agency. The board controls their operations, including selection of management and approval of operating budgets. The pooling agreement does not permit the pool to make additional assessments or distribute retrospective refunds to its members, however, future annual premiums are adjusted for any surpluses or deficits experienced by the pool.

During the years ending June 30, 2022 and 2021, there were no settlements or reductions in insurance coverage.

**EAST TURLOCK SUBBASIN
GROUNDWATER SUSTAINABILITY AGENCY
NOTES TO BASIC FINANCIAL STATEMENTS (continued)**

NOTE 7 – COMMITMENTS AND CONTINGENCIES

Economic Dependency

Approximately 61% and 60% for the years ended June 30, 2022 and 2021, respectively, of the Agency's total operating revenue came from one general member. Any loss or removal of this one general member could create a reduction in services and/or closure of the Agency.

Pending Litigation

Commitments and contingencies, undeterminable in amount, include normal recurring pending claims and litigation. In the opinion of management, based upon discussion with legal counsel, there is no pending litigation which is likely to have a material adverse effect on the financial position of the Agency.

COVID-19 Contingency

Management has determined the events regarding the novel Coronavirus require disclosure in accordance with accounting standards. On March 4, 2020, Governor Newsom issued an emergency proclamation declaring a State of Emergency in California due to the Novel Coronavirus (COVID-19). The COVID-19 outbreak is ongoing, and the ultimate geographic spread of the virus, the duration and severity of the outbreak and the economic and other action that may be taken by the governmental authorities to contain the outbreak or to treat its impact are uncertain. A vaccination has been created and is being administered throughout the State, including the Agency's service area. The ultimate impact of COVID-19 on the operations and finances of the Agency is unknown.

NOTE 8 – RELATED PARTY TRANSACTIONS AND GROUNDWATER SUSTAINABILITY PLAN

In December 2017, the Agency ratified a memorandum of understanding (the MOU) with West Turlock GSA to collaborate on the development and implementation of a groundwater sustainability plan (GSP) that covers the extent of the Turlock Subbasin. Under the terms of the MOU, West Turlock GSA acts as the lead agency in engaging the services of a groundwater consultant and applying for Proposition 1 grant funding from the Department of Water Resources of the State of California. As the lead agency, West Turlock GSA maintains a bank account that will be proportionally funded by each agency or directly from the agencies' JPA members, as well as from grant revenues, and will disburse those funds for approved GSP implementation costs.

In January 2018, West Turlock GSA, within the terms of the MOU, entered into an agreement with a groundwater consultant to provide services necessary for the Turlock Subbasin to meet the GSP implementation requirements of the SGMA. Under the terms of the agreement, West Turlock GSA will disburse funds to the consultant in various project phases as work is performed and GSA tasks are completed. During the years ending June 30, 2022 and 2021, the Agency has provided funds to the West Turlock GSA, for GSP related funding, totaling \$127,060 and \$138,425, respectively.

NOTE 9 – SUBSEQUENT EVENT

On January 26, 2023, the Agency (the borrower) entered into a loan agreement with its member agency, Eastside Water District (the lender), in the amount of \$431,532. Interest on the loan is at a rate of 2.5% per annum until paid in full. The purpose of the loan is for the Agency to continue to implement the SGMA of 2014 in the Turlock Subbasin. The payment amounts on the loan are yet to be determined, however payments will begin within one year of the effective date of the agreement.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
East Turlock Subbasin Groundwater Sustainability Agency

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the East Turlock Subbasin Groundwater Sustainability Agency (the Agency) as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated March 27, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

7473 N. INGRAM AVE., SUITE 102 ♦ FRESNO, CA 93711

P (559) 412-7576 ♦ F (559) 493-5325 ♦ WWW.HHCCPAS.COM

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

HUDSON HENDERSON & COMPANY, INC.

Hudson Henderson & Company, Inc.

Fresno, California
March 27, 2023

ATTACHMENT B

GRANT AGREEMENT BETWEEN ETSGSA AND CALIFORNIA DEPARTMENT OF CONSERVATION

State of California - Department of Conservation
GRANT AGREEMENT DOC6
(Revised 05/23)

GRANT AGREEMENT NUMBER:
3023-4003
FI\$CaI NUMBER:

1. This Grant Agreement is entered into by and between the Department of Conservation ("Department") and East Turlock Subbasin Groundwater Sustainability Agency (ETSGSA), a California joint powers authority ("Grantee").
2. The Grant Agreement Term is: From 09/22/2023 through 03/30/2027
(Or upon execution of this Grant Agreement by both parties, whichever is later)
3. The maximum amount of this Grant Agreement is: \$8,890,000
4. Signing this Grant Agreement means that Grantee agrees to comply with the terms and conditions of the following exhibits which are part of the Grant Agreement:

Exhibit A, Scope of Work Pages	3 Pages
Attachment 1: Authorized Signatory Form	1 Page
Attachment 2: Work Plan	2 Pages
Attachment 3: Final Report	1 Page
Exhibit B, Budget Detail and Payment Provisions	3 Pages
Attachment 4: Budget Detail Worksheet	1 Page
Attachment 5: Invoice	2 Page
Attachment 6: Invoice Dispute Notification Template	1 Page
Exhibit C, General Terms and Conditions	2 Pages
Exhibit D, Special Terms and Conditions	4 Pages
Exhibit E, Award Letter	1 Pages
Exhibit F, Guidelines	51 Pages

IN WITNESS WHEREOF, this Grant Agreement has been executed by the Parties hereto.

GRANTEE

GRANTEE'S NAME: East Turlock Subbasin Groundwater Sustainability Agency (ETSGSA)

BY (Authorized Signature)

Mike Tietze

DATE SIGNED 10/31/2023

PRINTED NAME AND TITLE OF PERSON SIGNING

Mike Tietze, Coordinator/General Manager

ADDRESS

731 East Yosemite Ave., Suite B #318, Merced, CA 95340

STATE OF CALIFORNIA

Agency Name: Department of Conservation

BY (Authorized Signature)

DocuSigned by:

7EBA8A8BC71B459...

DATE SIGNED 11/1/2023

PRINTED NAME AND TITLE OF PERSON SIGNING

Clayton Haas, Assistant Director

ADDRESS

715 P St, Sacramento, CA 95814

Exhibit A, Scope of Work

1. Multibenefit Land Repurposing Grant Program Background

The Multibenefit Land Repurposing Program seeks to increase regional capacity to prioritize, develop, and implement projects to increase regional capacity to repurpose agricultural land to reduce reliance on groundwater while providing community health, economic wellbeing, water supply, habitat, and climate benefits. Block grants will be utilized by recipients to support strategic planning and implementation of multi-benefit groundwater sustainability projects that reduce groundwater use, repurpose irrigated agricultural land, and provide wildlife habitat consistent with the Budget Act of 2022.

The Department of Conservation (“Department”) released the Final Multibenefit Land Repurposing Program Grant Solicitation in February 2023 ([Exhibit F](#)) (Solicitation). The “Project” is Grantee’s performance of the work set forth in the Solicitation and the Work Plan ([Attachment 2](#)).

The Multibenefit Land Repurposing Program is administered by the Department.

2. Authorized Signers

The Department Director or designee is authorized to sign this Grant Agreement and grant-related documents. Grantee’s Authorized Signatory or designee is authorized to sign this Grant Agreement and grant-related documents as shown in the Authorized Signatory Form ([Attachment 1](#)).

Grantee must keep Authorized Signatory Forms up to date. Within seven (7) working days of any change to the authorized signatory or to the delegated authorized signatory, Grantee shall notify the Department in writing of the change. The written notice shall be sent as an electronic mail (email) attachment to be filed with the Grant Agreement.

3. Project Representatives

The project representatives are the contact people for Department and Grantee. The project representatives during the term of this Grant Agreement are:

Department

Name	Title	Phone Number	Email
Jessica Parrish	Grant Manager*	916-261-4552	Jessica.Parrish@conservation.ca.gov

* Unless otherwise stated within this Grant Agreement, all correspondence and documents will be sent to the Grant Manager.

**State of California
Department of Conservation
Multibenefit Land Repurposing Program**

**Grant Agreement
East Turlock Subbasin Groundwater Sustainability
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Grantee

Name	Title	Phone Number	Email
Mike Tietze	ETSGSA (Formation Environmental) - General Manager	916-200-9038	Mtietze@formationenv.com
Len Mason	ETSGSA (Formation Environmental) - MLRP Program Manager	512-638-6464	lmason@formationenv.com
Karen Whipp	ETSGSA – Board Secretary	209-626-5523	kareneastsidewater@att.net

The Department and Grantee must keep the Project Representative(s) up to date. Any changes to the Project Representatives by either Grantee or the Department shall be made by providing seven (7) working days advance written notice to the other party. The written notice shall be sent as an electronic mail (email) attachment to be filed with the Grant Agreement.

4. Grantee Responsibilities

Grantee is responsible for:

- A. Using grant funds only as intended for the Project, including distributing funds to eligible subgrantees.
- B. Completing work on time and within budget. This includes meeting all milestones and deliverables, as described in the Solicitation ([Exhibit F](#)) and Work Plan ([Attachment 2](#)), and in accordance with the Budget Detail Worksheet ([Attachment 4](#)) and the terms and conditions of the Solicitation, unless otherwise agreed to by all parties through the amendment process described in Exhibit B, Section 9.
- C. Coordinating and facilitating strategic agricultural land repurposing efforts for multiple benefits within the region.
- D. Coordinating activities with the relevant Groundwater Sustainability Agencies to ensure the multi-benefit agricultural land repurposing plan, project planning, project permitting, and implementation projects are consistent with the relevant Groundwater Sustainability Plan(s).
- E. Meeting, at a minimum, the Disadvantaged Community Benefits requirements set forth in the Solicitation.
- F. Submitting invoices for reimbursement using the Invoice ([Attachment 5](#)) template, including any supporting documents.
- G. Submitting a final report with the last invoice, using the Final Report template ([Attachment 3](#)).
- H. Complying with all terms and conditions of this Grant Agreement, including all incorporated documents.
- I. Complying with all statutes, rules, and regulations applicable to the work and activities funded by this Grant Agreement.

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- J. Maintaining an accounting system that accurately reflects all fiscal transactions and provides accounting information, retaining all records and required documents as specified in [Exhibit C, Section 4](#), and providing all required documents during an audit, as specified in [Exhibit C, Section 5](#).

5. Document Submission

A. Electronic Mail

When this Grant Agreement requires Grantee to give invoices, reports, or other documents to the Department, Grantee must use email unless this Grant Agreement specifically requires that the document be sent by mail. All email must contain the Grant Agreement number and Grantee's name in the subject line.

6. Meetings and Reporting Requirements

- A. Grantee will participate in an orientation meeting. Attendance at the orientation is mandatory. The Department will notify Grantee of the time and place of the orientation. Grantee may invoice eligible expenses, including travel and lodging, incurred participating in the orientation.
- B. Grantee will provide monthly status updates. Updates will be provided during monthly meetings with Department staff. On a quarterly basis, in lieu of the monthly meeting with Department staff, these updates may be provided in a meeting with Department staff and Agency Advisory group members. Department staff and Grantee will meet and confer on the time, place, manner (i.e., in person, conference call, video conference or other method), attendees, and agenda of the monthly status update.
- C. Grantee will participate in monthly workshops. These workshops will be conducted by the statewide support entity. The time, place, and manner (i.e., in person, conference call, video conference or other method) of these workshops will be determined by the statewide support entity.
- D. Grantee shall identify and track investments in and benefits to disadvantaged communities following the guidance provided in the solicitation for each deliverable. Grantee shall report results and provide a copy of supporting documentation for each deliverable to the Department as deliverables are completed. In addition, Grantee shall report on disadvantaged community benefits as follows:
- i. Prior to Department approval of the Multi-benefit Agricultural Land Repurposing Plan, Grantee shall provide to the Department written justification and supporting documentation demonstrating how the plan meets the disadvantaged community requirements outlined in the Solicitation.
 - ii. Prior to Department approval of expenditures for project development and implementation, Grantee shall provide to the Department written justification and supporting documentation demonstrating that the Grantee has engaged disadvantaged communities in the project and evaluated whether and how the project will meaningfully benefit the relevant disadvantaged communities following the requirements outlined in the Solicitation.
- E. When the Project is completed, Grantee must submit a Final Report with the last invoice. To complete and submit the Final Report:
- i. Submit the Final Report with the last invoice. If Grantee does not submit the Final Report with the last invoice, then the last invoice will be considered incomplete and returned following process specified in [Exhibit D, Section 5](#).
 - ii. Use the Final Report Template, which is attached as [Attachment 3](#).
 - iii. Make sure the Final Report is signed by the person authorized to sign on the most current Authorized Signatory Form ([Attachment 1](#)).
 - iv. Put enough detail in the Final Report to show that Grantee fulfilled the terms of the Grant Agreement and should be paid for completing the project.

State of California
Department of Conservation
Multibenefit Land Repurposing Program

Grant Agreement
East Turlock Subbasin Groundwater Sustainability
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Attachment 1: Authorized Signatory Form

I hereby verify that I am an authorized Grantee representative and signatory and, as such, can sign and/or delegate authorization to sign and bind Grantee as it relates to the above-referenced Grant Agreement and grant related documents.

Grantee Authorized Signatory:

Name: Mike Tietze Title: ETSGSA General Manager
(Type or Print Name)

Signature: Mike Tietze Date: 10/31/2023

Delegated Authorized Signatories:

1. Name: Len Mason Title: MLRP Program Manager
(Type or Print Name)

Signature: Len Mason Date: 10/31/2023

Document(s) Authorized to sign: All Grant Related Documents **or** Grant Agreement
 Grant Amendments Budget Amendments Reports
 Invoices Other _____

2. Name: Karen Whipp Title: Board Secretary
(Type or Print Name)

Signature: Karen Whipp Date: 11/1/2023

Document(s) Authorized to sign: All Grant Related Documents **or** Grant Agreement
 Grant Amendments Budget Amendments Reports
 Invoices Other _____

Attachment 2: Work Plan

Vision: ETSGSA’s land repurposing vision includes efforts to preserve prime farmland by focusing on an integrated approach that repurposes portions of properties where the loss of production is offset by other benefits, periodic fallowing consistent with normal orchard replanting cycles, and/or finding ways to shift land from more- to less-intensive irrigated use in a strategic fashion. The approach will rely on identifying a suite of repurposing strategies that can be self-implemented by growers and provide them with site selection and optimization criteria, standard designs, programmatic permitting strategies, and implementation guidelines. Employing grower implemented, regionally integrated multi-benefit approaches will help meet the objective of demand reduction while maintaining healthy communities, a viable agricultural economy, and sound, sustainable land use practices for working lands.

TASK 1 – Land Repurposing Plan	Timeline [Start and End Date]	Deliverables
<p>Subtask A: Establish advisory committee that includes representatives from diverse stakeholder groups to guide creation of the Multibenefit Agricultural Land Repurposing Plan.</p> <p>Subtask B: Develop Multibenefit Agricultural Land Repurposing Plan (MARLP) that identifies and prioritizes land repurposing opportunities, and provides a framework for project development and implementation.</p> <p>B.1: Identify plan objectives, including those related to identification and prioritization of scalable alternatives, agricultural land use and economies, regional capacity and collaboration, and quantification of desired benefits</p> <p>B.2: Update and refine the Groundwater Recharge Assessment Tool (GRAT) and perform</p>		<p>1a. Advisory committee established.</p> <p>1b. Progress Reports and completion of Multibenefit Agricultural Land Repurposing Plan.</p>
<p>technical analysis to support evaluation of recharge from stormwater runoff and flood flows using various land repurposing strategies, such as dispersed storage and recharge basins, orchard swale rewilding, floodplain restoration, and floodplain connectivity enhancement along local streams using artificial beaver dams and other analogs.</p> <p>B.3: Identify opportunities for fallowing, re-cropping, cover cropping and other approaches to decrease water demand.</p> <p>B.4: Identify opportunities for solar power projects, agrivoltaic projects, and increasing green energy production.</p> <p>B.5: Develop tools/information to allow evaluation of Disadvantaged Community (DAC) benefits.</p> <p>B.6: Develop project scoring and prioritization framework. Establish a project vetting process via the Steering Committee.</p> <p>B.7: Create project application requirements and standard plans, specifications and implementation requirements for the land repurposing strategies identified in the MARLP.</p>		
<p>TASK 2 – Project Development and Permitting</p>		
<p>Subtask A: Develop programmatic and site-specific CEQA compliance strategies.</p> <p>A.1: Identify multibenefit land repurposing project approaches in the MARLP that (1) are already covered under the existing Program Environmental Impact Report (PEIR) California</p>		<p>2a. CEQA compliance strategy and documentation checklists, including a list of project approaches covered under the existing PEIR CEQA and any that qualify for a SERP.</p>

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<p>Environmental Quality Act (CEQA) analysis; (2) can tier from the PEIR; or (3) may qualify for a Statutory Exemption for Restoration Projects (SERP) from CEQA.</p> <p>A.2: Develop a streamlined programmatic checklist for documentation of CEQA compliance based on the findings of Subtask A.1.</p> <p>Subtask B: Prepare a Multibenefit Land Repurposing Program Permit Management Plan.</p> <p>B.1: Inventory permitting requirements for the multibenefit land repurposing approaches identified in the MALRP.</p> <p>B.2: Identify permitting requirements that may be met using programmatic or regional permitting approaches (e.g., under Clean Water Act Sections 401/404, Fish and Game Code Section 1600, or existing programmatic regulatory documents), and compile the appropriate permit application and documentation materials needed to apply these programs at individual sites.</p> <p>B.3: If needed and to the extent possible within the scope of the project, engage in regulatory agency consultations to develop and approve programmatic, regional, and streamlined permitting approaches and Safe Harbor Agreements.</p> <p>B.4: Compile information needs, submittal requirements and compliance monitoring and</p>		<p>2b. Multibenefit Land Repurposing Program Permit Management Plan.</p> <p>2c. Programmatic regulatory agreements, as applicable.</p> <p>2d. Permitting-level Project Designs and Descriptions for use in obtaining site-specific permits and approvals.</p>
<p>reporting requirements for the MALRP project approaches.</p> <p>Subtask C: Develop permitting-level designs and descriptions of the multibenefit land repurposing project approaches to support Subtasks A and B, and to support obtaining site-specific permits under Task 3, as needed.</p>		
TASK 3 – Project Implementation		
<p>Subtask A: Using site-specific designs for the deployment of the MARLP project concepts developed by the growers with assistance from the MLRP project team under Tasks 4 and 5, develop CEQA compliance documentation and obtain site-specific permits and authorizations as needed.</p> <p>Subtask B: Implement Multibenefit land repurposing projects on irrigated lands identified using the prioritization framework and guidelines established under Task 1.</p> <p>Subtask C: Provide incentive payments for lands enrolled in the program that accept conservation easements or term contracts for land repurposing and stewardship for at least 10 years.</p>		<p>3a. Documentation of site-specific project designs, CEQA documentation, and permit compliance.</p> <p>3b. Progress reports.</p> <p>3c. Progress reports and completed projects.</p>
TASK 4 – Partner/Collaborator Capacity		
<p>Subtask A: Provide funding support for partner organizations to complete project work directly related to the completion of the deliverables of this grant agreement.</p>		<p>4a. Progress reports; invoices</p>
TASK 5 – Outreach, Education, Training		
<p>Subtask A: With input from Partners, develop an outreach plan to guide outreach under this program, including outreach to growers and DACs.</p>		<p>5a. Progress reports, outreach plan finalized.</p>

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<p>Subtask B: Stakeholder outreach, education, training, and other engagement built on existing partnerships and outreach activities, including a mix of traditional large public workshops and smaller, nuanced discussions.</p> <p>B.1: Obtain input and develop concepts for land repurposing strategies, land prioritization process, incentive structures, and restoration activities for the proposed MALRP.</p> <p>B.2: Finalize plan design and create a process for plan implementation.</p> <p>B.3: Guide implementation of the land repurposing process.</p>		<p>5b. Progress reports and documentation of participation, interpretation services, meeting times newsletters, invitations, and email blasts; Project-specific web content and links; Op-eds and letters to the editor and translated materials that allow for broad participation by community members, and meeting locations conducive to participation by traditionally underserved and disadvantaged community members.</p>
TASK 6 – Monitoring		
<p>Subtask A: Monitor project performance using key performance indicators, including participation, compliance rates, and socioeconomic and environmental metrics.</p> <p>Subtask B: Review monitoring data regularly to assess program performance and recommended revisions as needed for improvement.</p>		<p>6a. Monitoring/project effectiveness reports.</p>
TASK 7 – General Grant Management and Reporting		
<p>Subtask A: General Grant Management Subtask B: Reporting</p>		<p>7a. Staff costs - invoices 7b. Reporting; invoices</p>
OTHER EXPENSES		
<p>Travel</p>		

**State of California
 Department of Conservation
 Multibenefit Land Repurposing Program**

**Grant Agreement
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Attachment 3: Final Report

Final Report	Date Submitted:
Grantee Name:	Grant Number:
Project Name:	

1. Based on your experiences with this grant program, please provide feedback about how the Department can improve future grant programs.
2. Briefly summarize the Project's results and outcomes, including how the goals and objectives were accomplished, findings or conclusions, and planned or potential future projects that may result from the Project. Include a list of other sources of funding that were secured, directly or indirectly, through this Project.
3. Describe and explain any differences between the planned results, as listed in the Work Plan ([Attachment 2](#)), and the actual results. Include a discussion of any problems, barriers, or issues that occurred during the Project, corrective actions taken, and the outcomes.
4. Explain any plans to continue funding for the Project, and/or to expand, modify, or replicate the Project.
5. Attach any relevant documents to this report, including plans, photos, news articles, fliers, etc. If the documents cannot be sent electronically, notify the Grant Manager.
6. Equipment Inventory Record: Grantee must submit an inventory of all equipment acquired with grant funds at the end of the Project Completion Period using the template provided by DOC.

I certify that this Final Report is accurate and that this project complies with the Agreement. I further certify that any expenditure discussed in this report is allowed under the Agreement and that all funds were expended for the purposes of this Project.

Name: _____
 (Type or Print Name)

Title: _____

Signature: _____

Date: _____

Exhibit B, Budget Detail and Payment Provisions

1. Payment

- A. Payment will be on a reimbursement basis for actual costs and expenses incurred.
- B. Advances may be permitted under this Grant Agreement at the Department's discretion. The Department may distribute up to 25% of the grant amount at a time in anticipation of the work to be performed in advance of actual expenditures. Approval of an advance does not require the Department to approve future requests for an advance. If the Department does not approve a request for an advance, Grantee will submit invoices monthly in arrears unless a subsequent request for advance payment is made and approved.
- C. Except for permitted advances, invoices will be submitted monthly in arrears.
- D. Both invoices for advance payment and incurred expenses in arrears require submittal of an itemized invoice and supporting documentation. Supporting documentation for advance funds include cost estimates for performance of specified tasks within the Work Plan.
- E. Upon receipt and approval of an itemized invoice and required supporting documentation, the Department agrees to reimburse Grantee for actual expenditures for tasks completed, in accordance with the rates specified in the Budget Detail Worksheet ([Attachment 4](#)).
- F. The Department may withhold final payment until all terms of the Grant Agreement have been satisfied.
- G. Payment shall be made within forty-five (45) days upon receipt and approval of an invoice. Failure to comply with requirements may result in non-payment or delayed payment.
- H. For cost principles, see [Exhibit B, Section 5](#).

2. How to Submit Invoices

- A. Send the invoices to the Grant Manager by email. Include the Grant Agreement number and Grantee's name in the subject line.
- B. Send invoices regularly, to keep getting paid. Grantee shall submit invoices no more frequently than monthly, in arrears, to the Grant Manager.
- C. A request for payment shall consist of:
 - i. The Invoice ([Attachment 5](#)) on official letterhead and signed by the Authorized Signatory, or authorized designee on file with the Department ([Exhibit A, Section 3](#)), certifying the expenditures are for actual expenses for the tasks performed under this Grant Agreement.
 - ii. Each cost category and task must correspond to a cost category and task identified in the Budget Detail Worksheet ([Attachment 4](#)).
 - iii. Supporting documentation for reimbursement of funds (e.g., timesheets, activity logs, subcontractor invoices, cancelled checks).
- D. If Grantee receives advanced funds, it will report quarterly:
 - i. Eligible costs incurred and paid from advance funds and include supporting documentation (e.g., timesheets, activity logs, subcontractor invoices, cancelled checks). Each cost must correspond to a category and task identified in the Budget Detail Worksheet ([Attachment 4](#)).
 - ii. Certification that the expenditures were for actual expenses for the tasks performed under the Grant Agreement.
 - iii. Remaining total of advance funds on hand.
- E. At any time, the Department may request hard copies of invoices, reports, supporting documentation, and evidence of progress.

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3. Invoice Dispute

In the event of an invoice dispute, see [Exhibit D, Section 5](#).

4. Budget Contingency Clause

- A. If the Budget Act of the current year and/or any subsequent years covered under this Grant Agreement does not appropriate sufficient funds for the program, this Grant Agreement shall have no further force nor effect. In this event, the Department 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.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the Department shall have the option to either cancel this Grant Agreement with no liability occurring to the Department or offer an amendment to reflect the reduced amount.

5. Cost Principles

- A. All costs to be reimbursed must be consistent with the Solicitation ([Exhibit E](#)).
- B. All costs to be reimbursed must be reasonable, as defined in the Solicitation ([Exhibit E](#)).
- C. The Department will reimburse Grantee only for actual expenses incurred during the term of this Grant Agreement, as specified in the Budget Detail Worksheet ([Attachment 4](#)). Any costs incurred outside of the Grant Agreement term are not eligible for reimbursement.
- D. Grantee shall place advance funds in a separate interest-bearing account, setting up and identifying such account prior to the advance. Interest earned on advances must be used solely on the Project. Unless spent on approved costs, the grant amount will be reduced by the amount of the interest earned. Unused advances will be returned to the Department within 30 days of completion of the Project or termination of the agreement.

6. Travel Reimbursement

Travel expenses directly related to the performance of this Grant Agreement will be subject to the State of California travel reimbursement rates in effect during the term of this Grant Agreement.

- A. The Department will only reimburse for actual expenditures incurred for in-state travel, as specified in the Solicitation ([Exhibit E](#)).
- B. Grantee shall maintain, and submit upon request, detailed travel records and supporting documents (e.g., travel request and approval forms, expense claims, invoices, receipts for lodging and transportation) showing the date and purpose of the grant-related travel, destination, and, in the case of travel by automobile, the number of miles driven.
- C. Grantee shall ensure travel costs are included in the Budget Detail Worksheet ([Attachment 4](#)) and are tied to tasks and deliverables in the Work Plan ([Attachment 2](#)).
- D. Grantee and any person traveling pursuant to this Grant Agreement shall indemnify and hold harmless the Department and State of California for any liabilities resulting from such travel.

7. Equipment

The Grantee, Partner, or Subcontractor, as applicable and with concurrence of the Department, must be the sole owner on title for any equipment purchased with funds that are reimbursable as a direct cost of the Project, as determined by the Department. During the Project, equipment must be dedicated to the described use in the same proportion and scope as in this Grant Agreement, unless the Department authorizes otherwise following the amendment process, specified in [Exhibit B, Section 9](#).

On termination of the Grant Agreement, the Department will either require that the equipment be returned or

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authorize the continued use of such equipment at the Project Area. In making that determination, the Department will consider the useful life of the equipment, and the Grantee may be required to refund the Department for the fair market value of equipment that continues to have a usable life, but is no longer required for Project implementation.

For any vehicles that were approved as equipment purchases, the vehicles acquired – including cars, trucks, vans – must be maintained in a state of good repair and dedicated to the described use during the grant term and to public use for their full useful life.

Grantee must maintain an inventory record for each piece of non-expendable equipment purchased or built with funds provided under the terms of a Grant Agreement. Grantee must submit an inventory of all equipment acquired with grant funds at the end of the Project Completion Period using a template provided by the Department.

8. Budget Modifications

- A. Grantee must keep the [Budget Detail Worksheet](#) up to date.
- B. Changes up to twenty percent (20%) between tasks shall be made by providing written notice with or before submission of an invoice. If submitted before the invoice, the written notice shall be sent as an electronic mail (email) attachment to be filed with the Grant Agreement.
- C. Changes of more than twenty percent (20%) between tasks shall follow the amendment process, specified in [Exhibit B, Section 9](#).

9. Amendments

- A. This section applies to any changes to this Grant Agreement, excluding the following:
 - i. Changes to the Authorized Signatory Form ([Attachment 1](#)). For changes to the Authorized Signatory Form see [Exhibit A, Section 3](#).
 - ii. Changes to project representatives, see [Exhibit A, Section 4](#).
 - iii. Changes to the Budget Detail Worksheet of up to twenty percent (20%) between tasks, see [Exhibit B, Section 8](#).
- B. Except as otherwise specified, Grantee must request and obtain prior written approval before any change (amendment) to this Grant Agreement is valid.
- C. Request for amendments must:
 - i. Be prepared, in writing, on official letterhead and signed by the Authorized Signatory or designee on file with the Department.
 - ii. Be submitted to the Grant Manager at least two (2) months prior to when the amendment is needed.
 - iii. Include the Grant Agreement number, a detailed explanation of the proposed amendment, reason for the amendment, and the effect of not approving the request.
 - iv. Include a copy of the document(s) requested for amendment that shows the requested changes.
- D. The Grant Manager will respond in writing within fifteen (15) working days from receipt of request to approve or deny the request for amendment, including the reason for the decision.
- E. The Grant Manager will process amendments within thirty (30) days of the approval date. The amendment will not be in effect until both parties have signed the Grant Agreement amendment.

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Attachment 4, Budget Detail Worksheet

Total Budget Allocation

Budget Detail Worksheet					
Grantee Name: East Turlock Subbasin GSA		Grant #:		3023-4003	
Budget Item	Units <i>(if applicable)</i>	Rate <i>(if applicable)</i>	Program Reimbursement Request	Grantee Match	Grand Total
Task 1: Agricultural Land Repurposing Plan					
			\$ 495,800	\$ -	\$ 495,800
Task 2: Project Development and Permitting					
			\$ 191,800	\$ -	\$ 191,800
Task 3: Project Implementation					
			\$ 6,978,300	\$ 1,110,000	\$ 8,088,300
Task 4: Partner/Collaborator Capacity					
			\$ 382,800	\$ -	\$ 382,800
Task 5: Outreach, Education, Training					
			\$ 292,000	\$ -	\$ 292,000
Task 6: Monitoring					
			\$ 60,000	\$ -	\$ 60,000
Task 7: General Program Management and Reporting					
			\$ 410,500	\$ -	\$ 410,500
Other Expenses:					
Travel			\$ 68,800	\$ -	\$ 68,800
Administrative Costs (not to exceed 20% of the grant)			\$ 10,000	\$ -	\$ 10,000
					\$ 78,800
Grand Total			\$ 8,890,000	\$ 1,110,000	\$ 10,000,000
TABLE 2: RATES DETAIL					
Title	Rate (\$/hour)	Notes			
Staff Rates		**Hours will vary by position. Amount for reimbursement not to exceed amount stipulated and allocated by workplan phases.			
ETSGSA General Manager	\$195.00				
MLRP Program Manager	\$165.00				
TAC Chairperson	\$300.00				
Legal Counsel, Partner	\$350.00				
Legal Counsel, Senior Associate	\$325.00				
Legal Counsel, Junior Associate	\$295.00				
Legal Counsel, Paralegal	\$200.00				
Board Secretary	\$45.00				
Accountant	\$75.00				
Consultant		*Total amount not to exceed that which is listed in this budget component of the grant agreement.			

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Attachment 5, Invoice

Date: _____

Email required invoice documents to: Grant Manager
dlrpinvoices@conservation.ca.gov

Invoice Number:	
Grantee Name:	Grant Number:
Project Name:	
Invoice Period:	(Start Date) (End Date)

Cost Category	Task #1	Task #2	Task #3	Task #4	Task #5	Task #6	Other Expenses	Total
Staff								
Contractors								
Sub-grantees								
Equipment, Materials, Permits								
Travel								
Administrative Costs (not to exceed 20%)								
Current Total								
Cumulative Total								
Allocated Total								

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Work Plan Task #	Description of Work Completed
	<i>Please refer to specific deliverables in the Budget and Work Plan.</i>

Status Update			
Work Plan Task #	On Schedule (Y/N)	Within Budget (Y/N)	Corrective Plan or Action, if needed
1			
2			
3			
4			
5			
6			

CERTIFICATION: By my signature below, I certify that I have full authority to execute this payment request on behalf of Grantee. I declare under penalty of perjury, under the laws of the State of California, that this invoice for reimbursement, and any accompanying supporting documents, are true and correct to the best of my knowledge, and all disbursements have been made for the purposes and conditions as outlined in the Grant Agreement.

Print Name:	Print Title:
Signature:	Date:

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Attachment 6, Invoice Dispute Notification

INVOICE DISPUTE NOTIFICATION

GRANTEE ADDRESS		INVOICE DATE
		INVOICE NUMBER
		INVOICE AMOUNT \$
		DATE INVOICE RECEIVED
		GRANT AGREEMENT NUMBER

The invoice referenced above is disputed for the following reasons:

- | | |
|--|--|
| <input type="checkbox"/> Request reimbursement for expenses not in the Budget Detail | <input type="checkbox"/> Invoiced for indirect cost reimbursement |
| <input type="checkbox"/> Invoiced for incidental costs or travel costs outside of California | <input type="checkbox"/> Work performed prior to the Grant start or end date |
| <input type="checkbox"/> Insufficient evidence of progress made or task completion | <input type="checkbox"/> Invoice submitted without using required templates |
| <input type="checkbox"/> Insufficient supporting document for reimbursement | <input type="checkbox"/> Progress Report or Final Report not included with invoice |
| <input type="checkbox"/> Invoice not submitted by 5:00 p.m. on the required due date | <input type="checkbox"/> Request reimbursement through another funding source |
| <input type="checkbox"/> Other not listed above: | |

Comments:

THIS NOTIFICATION IS A FOLLOW UP TO A PHONE CONVERSATION WITH THE GRANTEE OR DESIGNEE WHOSE NAME APPEARS BELOW.

NAME	DATE OF CONVERSATION
------	----------------------

IF YOU HAVE ANY QUESTIONS REGARDING THIS DISPUTE, CONTACT:

NAME	TELEPHONE NUMBER (include Area Code)
------	--------------------------------------

RETURN A COPY OF THIS NOTIFICATION WITH THE CORRECTED INVOICE TO:	STATE OF CALIFORNIA USE ONLY	
	DATE DISPUTE RESOLVED	INITIALS
	RESOLUTION	

**State of California
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Exhibit C, General Terms and Conditions

1. Approval

This Grant Agreement is of no force or effect until signed by both parties. Grantee may not commence performance until such approval has been obtained.

2. Amendment

No change to this Grant Agreement shall be valid unless made in accordance with [Exhibit A, Section 3](#), or [Exhibit B, Section 9](#). No oral understanding or change not incorporated in this Grant Agreement is binding on any of the parties.

3. Assignment

This Grant Agreement is not assignable by Grantee, either in whole or in part, without the consent of the Department in the form of an amendment.

4. Records Retention

- A. Grantee shall establish an official file containing adequate documentation of all actions taken with respect to the Project, including copies of the Grant Agreement, changes, amendments, letters, email correspondence, financial records, and required reports for a minimum of four (4) years following the final payment of funds or until completion of any action and resolution of all issues which may arise as a result of an audit, whichever is later.
- B. Grantee shall adequately protect all records, physical and electronic, from loss, damage, or destruction during the four (4) year retention period.

5. Audit

- A. Grant funded projects are subject to audit by the State of California during the grant term and for up to four years following the termination of the grant agreement. Grantee agrees that the Department, Department of Finance, Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Grant Agreement. The audit may consist of examining and auditing pertinent books, documents, papers, and records including financial transactions and supporting documents, general accounting systems, internal controls, management practices, policies, and procedures pertaining to the performance of this Grant Agreement.
- B. At any time, the Department, Department of Finance, Bureau of State Audits, or their designated representative may request to review Grantee's records to ensure proper grant management. Grantee shall be given advance notice when the grant-funded Project is selected for an audit or review by the Department, Department of Finance, Bureau of State Audits, or their designated representative. Grantee agrees to allow the auditor(s) access to such records during normal business hours, excluding State of California holidays, and to allow interviews of any employees who might reasonably have information related to such records. Further, Grantee agrees to include a similar right of the Department to audit records and interview staff in any subcontract related to performance of this Grant Agreement in accordance with Government Code section 8546.7. Grantee shall comply with the above and be aware of the penalties for violations of fraud and for obstruction of investigation as set forth in Public Contract Code section 10115.10.

6. Indemnification

Grantee agrees to indemnify, defend, and hold harmless the State of California, its officers, agents, and employees from any and all claims and losses accruing or resulting to any and all Grantees, partners, subcontractors, suppliers, laborers, and any other person, firm, or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Grant Agreement, and from any and all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by Grantee in the performance of this Grant Agreement.

7. Disputes

Grantee shall continue with the responsibilities under this Grant Agreement during any dispute.

8. Independent Grantee

Grantee, and the agents and employees of Grantee, in the performance of this Grant Agreement, shall act in an independent capacity and not as officers, employees, or agents of the Department.

9. Non-Discrimination Clause

During the performance of this Grant Agreement, Grantee and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of race, color, ancestry, national origin, religion, creed, age (over 40), mental disability, physical disability, sex, gender (including pregnancy, childbirth, breastfeeding, or related medical conditions), sexual orientation, gender identity, gender expression, medical condition, genetic information, marital status, and military and veteran status. Grantee and subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated 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 Grant Agreement by reference and made a part hereof as if set forth in full. Grantee and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Grant Agreement.

Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Grant Agreement.

10. Timeliness

Time is of the essence in this Grant Agreement. The Department and Grantee will work collaboratively to ensure this Grant Agreement is administered in a timely fashion.

11. Governing Law

This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

12. Unenforceable Provision

If any provision of this Grant Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Grant Agreement have force and effect and shall not be affected thereby.

Exhibit D, Special Terms and Conditions

1. Compliance with Laws and Regulations

By signing this Grant Agreement, Grantee certifies that it shall comply fully with all applicable federal, state, and local laws, ordinances, regulations, and permits and shall secure any new permits required by authorities having jurisdiction over the Project(s), and maintain all presently required permits. Grantee shall ensure that any applicable requirements of the California Environmental Quality Act are met in order to carry out the terms of this Grant Agreement.

2. Subcontractors

The Department contractual relationship is with Grantee, and not any of its subcontractors. Grantee is entitled to make use of its own staff and subcontractors, as identified in the Budget Detail Worksheet ([Attachment 4](#)), and will comply with its own competitive bidding and sole sourcing requirements for subcontracts that arise out of or in connection with this Grant Agreement. Grantee shall manage, monitor, and accept responsibility for the performance of its own staff and subcontractors, and will conduct Project activities and services consistent with professional standards for the industry and type of work being performed under this Grant Agreement.

Nothing contained in this Grant Agreement or otherwise, shall create any contractual relation between the Department and any subcontractors, and no subcontract shall relieve Grantee of its responsibilities and obligations hereunder. Grantee agrees to be as fully responsible to the Department for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by Grantee. Grantee's obligation to pay its subcontractors is an independent obligation from Department's obligation to make payments to Grantee. As a result, the Department shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

3. No Third-Party Beneficiaries

This Grant Agreement is not intended for the benefit of any person or entity other than the parties, and no one other than the parties themselves may enforce any of the rights or obligations created by this Grant Agreement.

4. Project Monitoring and Oversight

Project monitoring and oversight is essential to ensure the Project stays within scope and is completed on schedule and within budget in accordance with this Grant Agreement.

5. Dispute Resolution

A. Invoice Disputes

- i. In the event of an invoice dispute, the Grant Manager will notify Grantee by phone and follow up in writing using the Invoice Dispute Notification Template ([Attachment 6](#)) within ten (10) working days of receipt of the disputed invoice.
- ii. During the dispute, both parties shall deal in good faith to resolve the dispute. Grantee shall continue to meet its responsibilities and obligations under the terms of this Grant Agreement.
- iii. If Grantee contests the decision made by the Grant Manager, Grantee shall submit a written "Notice of Dispute" on official letterhead, according to Subsection C below.

B. General Disputes

- i. In the event of a dispute unrelated to the dispute of an invoice, Grantee shall first attempt to resolve the dispute with the Grant Manager.
- ii. Both parties shall deal in good faith and attempt to resolve the dispute informally.
- iii. Grantee shall continue to meet its responsibilities and obligations under the terms of this Grant Agreement during a dispute.

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- iv. If Grantee contests the decision made by the Grant Manager, Grantee shall submit a written "Notice of Dispute" on official letterhead, according to Subsection C below.

C. Contesting a Dispute Decision

- i. If Grantee contests a decision made by the Grant Manager, Grantee may submit a written "Notice of Dispute" on official letterhead. The "Notice of Dispute" shall include:

- The Grant Agreement number
- A complete description of the basis for the dispute
- Legal authority or pertinent facts, supporting arguments and documentation
- Action requested for resolution

The "Notice of Dispute" shall be sent to:

Department of Conservation
Division of Land Resource Protection
Attn: Division Director
dlrpinvoices@conservation.ca.gov

- ii. Within 30 days after receipt of the "Notice of Dispute," the Division Director shall review the dispute and submit a written decision to Grantee, which shall include:

- The decision made
- An explanation for the decision
- Whether the decision shall be conclusive and binding or can be appealed and the steps to take to appeal the decision

6. Termination

- A. Completion of Project. This Grant Agreement shall terminate upon completion of the project and payment of the last invoice.
- B. Early Termination. Either Party may terminate this Grant Agreement upon thirty (30) days advance written notice by certified mail to the other Party. The notice shall specify the reason for early termination and may permit Grantee or the Department to rectify any deficiency(ies) prior to the early termination date.

7. Waiver of Rights

- A. Grantee waives any and all rights to any type of express or implied indemnity or right of contribution from the Department, its officers, agents, or employees for any liability arising from, growing out of, or in any way connected with this Grant Agreement.
- B. Grantee waives all claims and recourses against the Department, including the right to contribution for loss or damage to persons or property arising from, growing out of, or in any way connected with or incident to this Grant Agreement, except claims arising from the gross negligence of the Department, its officers, agents, and employees.
- C. None of the provisions of this Grant Agreement shall be deemed waived unless expressly waived in writing.

8. Insurance Requirements

- A. Grantee that is a governmental organization may provide evidence of self-insurance to satisfy this requirement.
- B. If Grantee is not a governmental organization or is unable to provide evidence of self-insurance, then it shall obtain and keep in force for the term of this Agreement the following insurance policies that cover any acts

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or omissions of Grantee, its subcontractors, or its employees engaged in the provision of service specified in this Agreement:

- i. Workers' Compensation Insurance in an amount of not less than \$1,000,000 in accordance with the statutory requirement of the State of California (California Labor Code § 3700 et seq.).
- ii. Commercial general liability insurance in an amount of not less than \$1,000,000 per occurrence for bodily injury and property damage combined.
- iii. Motor vehicle liability with limits not less than the amounts below for combined single limit per accident. Such insurance shall cover liability arising out of a motor vehicle including owned or hired, and non-owned motor vehicles.
 - 7 or fewer passengers: \$1,000,000
 - 8-15 passengers: \$1,500,000
 - 16+ passengers: \$5,000,000
- C. The State of California, its officers, agents, and employees are included as additional insured, but only with respect to work performed for the State of California under this Grant Agreement. The additional insured endorsement must accompany the certificate of insurance.
- D. Grantee shall submit proof of insurance documents referencing this Grant Agreement number to the Department electronically within thirty (30) days of signing this Grant Agreement.
- E. Grantee shall notify the Department in writing within five (5) working days of any cancellation, non-renewal, or material change that affects required insurance coverage.
- F. Grantee shall submit proof of new or updated policy based on insurance requirements within thirty (30) days of policy cancellation or substantial policy change. Failure to provide proof of insurance may result in termination of this Grant Agreement.

9. Stop Work

If it is determined, at the sole discretion of the Department, that Grantee is not meeting the terms and conditions of this Grant Agreement, immediately upon receiving a written notice through certified mail from the Department to stop work, Grantee shall cease all work under this Grant Agreement. The Department has the sole discretion to determine that Grantee meets the terms and conditions after a stop work order, and to send through certified mail a written notice to Grantee to resume work under this Grant Agreement.

10. Publicity

Grantee agrees that it will acknowledge the Department's support whenever activities or projects funded, in whole or in part, by this Grant Agreement are publicized in any news media, brochures, articles, seminars, websites, or other type of promotional material.

Grantee shall also include in any publication resulting from work performed under this grant an acknowledgment substantially as follows:

"The work upon which this publication is based was funded in whole or in part through a grant awarded by the California Department of Conservation."

Media: Grantee is required to identify a point of contact for all press inquiries and communications needs related to the Project and provide the name, phone number, and email address of this individual to the Department. All press releases must be approved by the Department prior to distribution, and the Department must be alerted and invited to participate in all press conferences related to the grant.

Social Media: Grantee is encouraged to use social media to inform and share with the public activities under this Grant Agreement. Furthermore, the Department should be tagged on all posts related to activities under this Grant Agreement.

11. Drug-Free Workplace Certification

In signing this Grant Agreement, Grantee certifies that it and or its subcontractors will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

- A. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- B. Establish a Drug-Free Awareness Program to inform employees about:
 - i. The dangers of drug abuse in the workplace.
 - ii. The person's or organization's policy of maintaining a drug-free workplace.
 - iii. Any available counseling, rehabilitation, and employee assistance programs.
 - iv. Penalties that may be imposed upon employees for drug abuse violations.
- C. Every employee who works on this Grant Agreement will:
 - i. Receive a copy of the company's drug-free workplace policy statement.
 - ii. Agree to abide by the terms of the company's statement as a condition of employment on this Grant Agreement.

Failure to comply with these requirements may result in suspension of payments under this Grant Agreement or termination of this Grant Agreement or both, and Grantee may be ineligible for award of any future State of California agreements if the Department determines that any of the following has occurred: Grantee has made false certification, or violated the certification by failing to carry out the requirements as noted above (Gov. Code §8350 et seq.).

12. Americans with Disabilities Act

Grantee assures the Department that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA (42 U.S.C. 12101 et seq.).

13. Air/Water Pollution Violation Certification

Under State of California laws, Grantee shall not be: (1) in violation of any order or resolution not subject to review promulgated by the California 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.

14. Payee Data Record Form - STD 204

This form must be completed by all Grantees that are not another state agency or other governmental entity.

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Exhibit E, Award Letter

DocuSign Envelope ID: 8FF700AC-CF7D-4ADA-9669-B80858269EC0



California
Department of Conservation
Division of Land Resource Protection

Govin Newsom, Governor
David Shabazzian, Director

June 12, 2023

Mike Tietze
East Turlock Subbasin Groundwater Sustainability Agency (ETSGSA)

Via Email to: mtietze@formationenv.com

Re: Multibenefit Land Repurposing Program Grant Solicitation – Regional Block Grants

Dear Mike:

Thank you for your application in response to the Department of Conservation's Round 2 Multibenefit Land Repurposing Program regional block grant solicitation. We were pleased to receive numerous strong proposals totaling over \$84.6 million in requests and demonstrating a commitment to repurposing agricultural lands to support groundwater sustainability and provide multiple benefits.

It is my pleasure to inform you that your proposal has been awarded \$8.89 million in funding through this solicitation.

Department of Conservation staff will work with you to complete the draft grant agreement that was included in the solicitation. If your budget, work plan, or any other aspect of your proposal requires revision, staff will work with you to update these elements of your proposal prior to preparing the grant agreement. The grant agreement must be fully executed before expenses can be incurred.

Please contact Jessica Parish, Grant Manager for this project, at Jessica.Parish@conservation.ca.gov or (916) 261-4552 should you have any questions. We look forward to working with you and wish you success in implementing your work plan.

Sincerely,

Keali'i Bright
Director, Division of Land Resource Protection

State of California Natural Resources Agency | Department of Conservation
715 P Street, MS 1904, Sacramento, CA 95814
conservation.ca.gov | T: (916) 324-0850 | F: (916) 327-3430

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Exhibit F, Guidelines

**California Department of Conservation
Solicitation Notice and Application for:**

Multibenefit Land Repurposing Program

**FINAL
January 31, 2022**



California
**Department of
Conservation**

At A Glance

Program

The Multibenefit Land Repurposing Program seeks to increase regional capacity to repurpose agricultural land to reduce reliance on groundwater while providing community health, economic wellbeing, water supply, habitat, and climate benefits.

Funding Source

This program is funded by the Public Resources Trailer Bill (AB 211, Ch. 574, Statutes of 2022)

Critical Dates (proposed, subject to change)

Public Comment Period Closes—December 30, 2022

Solicitation Notice and Application released— January 24, 2023

Applications due— March 29, 2023

Awards Announced— June 1, 2023

Contact for Questions

Department of Conservation

Division of Land Resource Protection

Shanna Atherton-Bauer, Land Conservation Programs Manager

mlrp@conservation.ca.gov

(916) 858-9724

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Section 1: Introduction and Program Summary

Background

Implementation of the Sustainable Groundwater Management Act ("SGMA") necessitates coordinated management of landscapes to minimize economic, social, and environmental impacts from the transition of agricultural lands in areas of groundwater overdraft to less water intensive land uses while providing benefits to local and regional communities. The Multibenefit Land Repurposing Program seeks to increase regional capacity to repurpose agricultural land to reduce reliance on groundwater while providing community health, economic wellbeing, water supply, habitat, renewable energy, and climate benefits.

Multi-Agency Implementation

The Multibenefit Land Repurposing Program will be led by the Department of Conservation ("Department") and implemented in close partnership with multiple state and federal agencies. This partnership will help the Department structure the program so that it can efficiently respond to specific regional needs related to SGMA implementation and land repurposing, as well as provide support to grantees throughout program implementation.

An Agency Advisory Group comprised of representatives from state and federal agencies will provide ongoing guidance to the program and coordinate the alignment of technical and other grant program resources to support the goals of the program. While the Advisory Group will have an adaptive membership model, the initial participants include:

- CA Department of Conservation
- CA Department of Water Resources
- CA Department of Food and Agriculture
- CA Department of Fish and Wildlife
- CA State Water Resources Control Board
- CA Wildlife Conservation Board
- Governor's Office of Business Development
- CA Strategic Growth Council
- US Natural Resources Conservation Service
- US Fish and Wildlife Service.

The Agency Advisory Group will directly consult with non-member agencies, including regulatory agencies, on an as-needed basis to inform the program.

Vision

This program is part of a suite of complementary programs administered by the Department of Conservation Division of Land Resource Protection's Conservation Unit. These programs protect, restore, and enhance natural and working lands through capacity building, land-use and project planning, and implementation funding. The programs operated by the Conservation Unit include:

- Agricultural Land Mitigation Program
- California Farmland Conservancy Program
- Sustainable Agricultural Lands Conservation Program
- Working Lands and Riparian Corridors Program

These programs address the land element of the Department of Conservation's mission, which is to balance today's needs with tomorrow's obligations by fostering the wise use and conservation of energy, land, and mineral resources.

Program Authorization and Funding

This program is funded by the Public Resources Trailer Bill (AB 211, Ch. 574, Stat. of 2022), which appropriated \$40 million to the Department to fund groundwater sustainability projects that reduce groundwater use, repurpose irrigated agricultural land, and provide wildlife habitat.

Grants up to \$8.89 million each will be awarded as block grants to regional or basin-scale organizations to develop and implement land repurposing programs. Block grant recipients will then award subgrants and contract to achieve the program deliverables. The Department reserves the right to increase grant awards above \$8.89 million as funding allows.

\$500,000 will be awarded to the statewide support entity to ensure provision of statewide technical assistance to Round 2 grantees and continued facilitation of communication and collaboration necessary to meet the purposes of the program. The Department reserves the right to increase the statewide support entity grant award as funding and the Department's need allows.

Up to \$2.44 million in grants, comprised of \$1.94 million from the current grant solicitation and \$500,000 from the remaining funding from the Budget Act of 2021 (SB 170, Ch. 240, Stat. 2021), will be awarded to federally recognized and non-federally recognized California Native American tribes on the contact list maintained by the Native American Heritage Commission to plan for, develop, and implement multibenefit land repurposing projects within the eligible groundwater basins identified in Section 2. This funding may also be used to increase regional block grant awards where the block grant recipient partners or collaborates with a tribe to plan for, develop, and/or implement multibenefit land repurposing projects. The Department reserves the right to increase awards above \$2.5 million as funding allows.

Up to 5% of the funds available under this program may be used by Department of Conservation to administer the program.

Goals

The primary goals of the Program are to:

- Support coordinated, regional and basin-scale efforts to achieve groundwater sustainability in critically overdrafted basins and in high and medium priority basins where a state emergency drought declaration has been declared
- Support long-term repurposing of lands least viable for agriculture and multibenefit opportunities that convert land to less intensive water uses while maintaining natural and working lands
- Provide short- and medium-term drought relief
- Support regional efforts to sustain land-based economies that are impacted by groundwater sustainability measures
- Reduce groundwater use
- Create or restore wildlife habitat and wildlife connectivity, including seasonal wetland habitat to replenish aquifers

- Improve groundwater supply, including through groundwater recharge, improved baseflows in rivers and streams, and groundwater supply improvement for fish and wildlife habitat
- Support nature-based solutions to reduce the impacts of hazards on lives, property, and the economy from overdrafted groundwater basins
- Provide benefits to disadvantaged communities and socially disadvantaged farmers and ranchers
- Foster partnerships and collaboration among diverse entities to enable regional scale leadership to meet this program's goals
- Develop scalable, transferable land repurposing models
- Support farmer, rancher, and farm worker leadership in multibenefit land repurposing strategies and project implementation
- Provide flexible and efficient program administration so that grantees can lead expeditious and adaptive programs to meet their needs.

Disadvantaged Communities

The Public Resources Trailer Bill of 2022 requires that the Department prioritize the achievement of disadvantaged community benefits when implementing this program. For the purposes of this program, a disadvantaged community is defined as a) a community with a median household income less than 80 percent of the statewide average, or b) a community where the lands are under the control of a federally recognized Tribe. This may include providing access to nature, protection of community air quality, improved drinking water supplies, and creation of recreational spaces and community-agriculture buffer zones.

Section 2: Regional Block Grants

Eligible Applicants

Eligible regional block grant applicants are: (1) Groundwater Sustainability Agencies (“GSAs”), (2) federally recognized California Native American tribes, (3) non-federally recognized California Native American tribes on the contact list maintained by the Native American Heritage Commission; (4) public agencies; (5) nonprofit groups with 501(c) status; and (7) Watermasters implementing an approved groundwater sustainability plan or approved alternative to a groundwater sustainability plan.

Eligible applicants that are not Groundwater Sustainability Agencies or tribes must partner with at least one Groundwater Sustainability Agency to submit an application. The application must include a resolution or letter from the Groundwater Sustainability Agency(ies) stating their support for the project, and how the Groundwater Sustainability Agency will be involved in the applicant's work.

Eligible applicants must also be either: 1) locally-based, which is defined as an entity that maintains a local office and focuses on issues within or proximal to the region or basin that is the focus of the application; or 2) non-local, where there are strong local partnerships between the applicant, the local GSA(s), and other important stakeholders.

Partnering and Collaboration

This grant program requires partnering and collaboration among stakeholders within regions or basins. Proposals should demonstrate multiple, committed partnerships and extensive collaboration with other agencies, organizations, entities, and individuals with interests in their proposal area.

Partnering is defined as commitments by other organizations, government agencies, private citizens or volunteer groups to provide funds or in-kind services. Partners will be eligible to receive program dollars to support their participation in work toward the program deliverables. Partnerships must be initially evidenced by letters of commitment that explain the relationship between the partner and block grant recipient and outline the partner's contributions to the program. As land repurposing projects progress toward implementation, the Department will require partners to enter into memoranda of understanding with the block grant recipients to formalize roles.

Collaboration is defined as working with other organizations, government agencies, groups, and individuals to ensure that all entities work in agreement and are non-duplicative of each other's activities, and to ensure that diverse interests are meaningfully incorporated into the block grant recipient's work. Collaboration may be evidenced by letters of support, signed agreements, board resolutions, or other signed documents.

Eligible Groundwater Basins

Eligible proposals are those that address a project area as defined by the applicant and comprised of one or more SGMA critically overdrafted basins managed under an approved groundwater sustainability plan or alternative to a groundwater sustainability plan, one or more high- or medium-priority groundwater basins where a state emergency drought declaration has been declared, or a combination of the two (collectively, eligible groundwater basins). High and medium priority groundwater basins under an emergency

drought declaration will still be considered eligible for funding if that drought declaration is lifted on or after the application deadline. A map of eligible basins is provided in Appendix A.

Regional Block Grant Deliverables

Regional block grant recipients must include each the following activities in their scope of work:

1. Develop a **Multibenefit Agricultural Land Repurposing Plan** to reduce reliance on groundwater while providing regionally appropriate benefits, including community health, economic wellbeing, water supply, flood resilience, habitat, renewable energy, and climate benefits;
2. Complete **project development and permitting** to generate implementation-ready projects to repurpose agricultural lands for funding consideration;
3. Implement **land repurposing projects** that achieve multiple benefits;
4. Support **capacity needs of partners** to achieve the deliverables of the grant;
5. Conduct **outreach, education, and training** as needed to facilitate and build capacity to implement the above activities; and
6. Conduct **monitoring** to ensure defined conservation outcomes from projects have been achieved and maintained for the agreed upon duration the benefit.

The majority of each block grant recipient's budget should go toward project implementation. Block grant recipients may conduct work toward each deliverable in parallel or sequentially as is appropriate for their region and the successful implementation of their grant.

Multibenefit Agricultural Land Repurposing Plans

Each block grant recipient must use a portion of this funding to develop a Multibenefit Agricultural Land Repurposing Plan that identifies and prioritizes land repurposing strategies and projects to address groundwater sustainability within their region. Plans must be consistent with the relevant Groundwater Sustainability Plan(s) for the region and prioritize projects that provide meaningful benefits to disadvantaged communities and socially disadvantaged farmers and ranchers.

Desired outcomes from the Plan's development and implementation include:

- Identification and prioritization of agricultural land repurposing strategies and projects that can be implemented at scale within their region
- A quantifiable estimate of project benefits, such as reduction in groundwater demand, quantity of recharge, stream flow improvement, or habitat acreage/quantity
- Protection of long-term viability of agricultural economies through support for agricultural systems with flexible water demand and sustainable groundwater management
- Attainment of strong regional support for the Multibenefit Agricultural Land Repurposing Plan and identified projects through broad inclusion of stakeholders and partners

- Development and management of a broad collaborative structure and effective networks of partners and collaborators
- Coordination of agricultural land repurposing efforts across land ownerships
- Resource and habitat connectivity
- Identification of habitat restoration opportunities that are located adjacent to land with high habitat value and provide habitat for endangered plant or animal species
- Identification of adaptive management strategies to avoid adverse impacts on neighboring properties of repurposed lands
- Economic development planning to support regional land-based economies through sustainable groundwater management implementation
- Identification of strategies to address cumulative and economic impacts of land repurposing on farmworker jobs
- Durable, long-term benefits that meet the program goals
- Short- and medium-term emergency groundwater demand reduction to address environmental or public health needs caused by drought
- Benefits to disadvantaged communities and socially disadvantaged farmers and ranchers
- Tribes' ownership, co-ownership, co-management of, and access to the land
- Support for local jobs, local communities, small businesses, and local economies.

Desired outcomes from the priority projects identified in each Plan should be consistent with the outcomes listed for Land Repurposing Projects below.

Each Plan must:

- be developed in coordination with the applicable groundwater sustainability agency, farmers and ranchers, local/state/federal agencies, local disadvantaged communities, tribes, non-governmental organizations, and environmental justice organizations
- be consistent with the applicable Groundwater Sustainability Plan
- Include a description of all disadvantaged communities in the region and the extent to which the program will benefit those communities
- Identify a clear process for engaging disadvantaged communities in project development and implementation.

Block grant recipients should ensure that their plan is consistent with the best available state, regional, and local data (water, climate, habitat, etc).

Block grant recipients will lead the development of the Plan for their region, partnering directly with organizations in their region through sub-contracts or other agreements as needed throughout the process.

Block grant recipients and partnering entities will work in coordination with the Department, the Agency Advisory Group, and the statewide support entity to ensure that the Multibenefit

Agricultural Land Repurposing Plan is consistent with the program's goals and desired outcomes for plans.

If a comprehensive multibenefit agricultural land repurposing plan already exists for the region and substantially meets the requirements above, that plan may be used in lieu of development of a new plan, at the discretion of the Department. Block grant recipients may also incorporate relevant portions of existing plans into their Multibenefit Agricultural Land Repurposing Plan as applicable.

Land Repurposing Project Development and Permitting

Block grant recipients must use a portion of this funding to support preliminary project development and permitting activities for the priority projects identified in their Plan or previously contemplated projects that were identified prior to development of the Plan and already have regional support. Developing and completing permitting for these projects should ensure that projects are ready to receive implementation funding from state and non-state programs. These projects should contribute to the desired outcomes identified for land repurposing projects.

To ensure that disadvantaged communities are engaged in and meaningfully benefit from projects developed using this funding, as part of a project's development, block grant recipients must:

- Identify and describe the disadvantaged communities near the proposed project
- Describe to what extent each disadvantaged community near the proposed project will benefit from the project or, if no benefit is provided to a particular disadvantaged community, provide justification why
- Describe the process by which the block grant recipient will engage with the relevant disadvantaged communities in the project's development and implementation
- Engage the relevant disadvantaged communities in the project's development

Project development and permitting may occur in parallel with the development of the Plan pursuant to consultation with the Department.

Desired outcomes for project development and permitting include:

- Completed project design and permitting
- Established non-state partnerships, support, and funding, as well as broad partnerships with regional stakeholders
- Completed memorandums of understanding with project partners to implement projects
- Developed pipeline of multiple years of implementation-ready projects that meet the goals of the Plan available for funding consideration
- Integrated benefits to disadvantaged communities and tribes

Land Repurposing Project Implementation

Block grant recipients must use a majority of their grant to implement multibenefit agricultural land repurposing projects that achieve the goals of the program. Projects must result in

multiple benefits lasting at least 10 years, unless they are directly responding to a state emergency drought declaration, in which case, benefits must be reasonably durable.

Block grant recipients must prioritize projects that:

- Meaningfully benefit disadvantaged communities
- Are conducted on lands that are least viable for irrigated agriculture
- Contribute to resource connectivity (e.g., connectivity of habitat, agricultural landscapes, renewable energy centers, etc.)

Multibenefit projects are those that provide both groundwater sustainability benefits as well as at least one other community health, economic wellbeing, habitat, flood, renewable energy, or climate benefit.

Block grant recipients should identify regionally appropriate project opportunities throughout the grant period.

Block grant recipients will work with the statewide support entity to identify performance measures to assess desired outcomes of projects.

Block grant recipients should propose the most effective means to implement projects to meet their goals. This may include subcontracting with conservation partner organizations, paying farmers and ranchers to lead implementation, working with academic institutions, or other options as appropriate.

The program encourages early action on funding-ready implementation projects while supporting thoughtful development of project priorities through the Multibenefit Agricultural Land Repurposing Plan. Land repurposing projects funded by this program must be consistent with the Groundwater Sustainability Plan for the area and may either be identified through the Multibenefit Agricultural Land Repurposing Plan or pre-identified, shovel-ready projects that meet program requirements and maximize the project outcomes outlined below.

Examples of strategies and projects that may be funded include:

- Rewilding landscapes, including through creation or restoration of habitat such as pollinator habitat, wetland habitat, upland habitat, and riparian habitat
- Creation of multibenefit recharge areas
- Restoring floodplains
- Transitioning irrigated land to dryland farming or non-irrigated rangeland
- Transitioning to less water intensive crops, including for native seed production
- Planting cover crops or conservation cover
- Reestablishment of tribal land uses
- Implementation of tribal cultural practices
- Facilitation of renewable energy projects that have an overall net GHG reduction
- Creation of parks or community recreation areas
- Incentive payments to landowners, farmers, and ranchers to implement multibenefit land repurposing projects that create a public benefit for at least ten years
- Land acquisitions to facilitate land repurposing and protect repurposed land uses
- Voluntary land transfers to tribes or qualified public entities to facilitate land repurposing and protect repurposed land uses

- Easement acquisitions, including conservation easement and flood easement acquisitions, to facilitate land repurposing and protect repurposed land uses

The block grant recipient will work with the Department to develop reasonable incentive payments to landowners, farmers, and ranchers to implement multibenefit land repurposing projects.

Land acquisitions, land transfers, and easement acquisitions must occur in conjunction with at least one non-acquisition land repurposing strategy or project type on the acquired land.

Desired outcomes for land repurposing projects include:

- Reduced groundwater use
- Increased groundwater recharge
- Improved baseflows in rivers and streams
- Transition of land to less water intensive, regenerative uses while maintaining natural and working lands
- Creation and/or restoration of wildlife and pollinator habitat and/or migratory resources
- Protection of cultural resources
- Improved water quality
- Increased access to nature
- Land use agreements to accomplish prioritized opportunities
- Quantified achievement of multiple benefits of the program
- Incorporated participation from multiple partners, collaborators, and funding sources
- Replicability and scalability
- Integrated benefits to disadvantaged communities and tribes
- Increased community outreach, involvement, and education
- Increased regional workforce development opportunities and support of local business
- Diversified economic opportunities.

Funding for project implementation will only be released upon Department review of individual projects and confirmation that said projects are consistent with the goals of the program.

On a case-by-case basis, the Department may approve use of funds to implement projects outside of an eligible groundwater basin if that project can be shown to:

- 1) Reduce groundwater use in an eligible groundwater basin interconnected with surface water,
- 2) Improve groundwater supply in an eligible groundwater basin interconnected with surface water , or
- 3) Improve baseflows in rivers and streams in an eligible groundwater basin.

For the Department to consider such projects for funding, the GSA responsible for the eligible groundwater basin must provide a letter attesting to the benefits the project would provide to the eligible groundwater basin.

The Public Resources Trailer Bill (AB 211, Ch. 574, Stat. of 2022) requires that any groundwater recharge achieved through these strategies and projects must be subtracted from any calculation by the Groundwater Sustainability Agency from the groundwater available for extraction by water users for the duration of the benefits paid for by the program. Payments for benefits must be linked to the achievement and delivery of the defined conservation outcomes for the project and the duration of those outcomes.

Partner and Collaborator Capacity Needs

The program requires broad partnerships and collaborations with entities to participate in regional planning, project development, and project implementation, and support broader block grant implementation to achieve the program's goals. Block grant recipients must develop mechanisms to support the critical capacity needs of their partners and collaborators to ensure their participation can be sustained and meaningful and to meet program goals. This may include providing payments for services to disadvantaged community members and tribal members for their participation in and contributions to planning, project development, and project implementation efforts, subject to the requirements outlined in the Eligible Costs section.

The Department will work with the block grant recipient and fiscal control entities to determine whether actual expenditures are reimbursable, but examples of partner and collaborator capacity needs that should be considered include:

- financial compensation for program staff time
- minor office materials
- compensation for participation by non-paid members of organizations that bring specific expertise to the grant.

Outreach, Education, and Training

Critical to all the above activities, the Multibenefit Land Repurposing Program intends to support outreach to a broad and diverse range of communities within each region to develop a comprehensive understanding of and support for the program. This includes block grant recipients' outreach to and engagement of farmers, ranchers, and disadvantaged communities in the development of Multibenefit Agricultural Land Repurposing Plans. Further, the program aims to strengthen grantees' skills by developing region-wide peer-to-peer training opportunities. Block grant recipients must use funds from this program to further the above goals.

Desired outcomes of outreach, education, and training efforts associated with each block grant include:

- Community-level engagement and education, including to disadvantaged communities, regarding the need to repurpose land, options for repurposing land, and what happens in a "do-nothing" scenario

- Targeted outreach to and engagement of farmers and ranchers about land repurposing, including education regarding the need to repurpose, options for repurposing, and what happens in a “do-nothing” scenario
- Practitioner-level education and regional coordination
- Regional understanding of the benefits of land repurposing strategies and projects identified in the Multibenefit Agricultural Land Repurposing Plan
- Trainings to support upward financial mobility and transitions from agricultural work for farmworkers
- Broad regional support for Multibenefit Agricultural Land Repurposing Plan
- A collaborative stakeholder structure that can implement the Multibenefit Agricultural Land Repurposing Plan long-term

Monitoring

Regional block grant recipients must monitor projects funded by this program to ensure defined conservation outcomes from projects, including identified benefits to disadvantaged communities, have been achieved and are maintained for the agreed upon duration the benefit. Block grant recipients are not expected to monitor every project; however, they are expected to develop a monitoring plan to be approved by the Department to ensure satisfactory tracking of outcomes across their portfolio of projects. At a minimum, grantees will be required to capture the before and after condition for each project.

For projects with an easement component, grantees will be required to monitor and report on compliance with the easement terms annually for the duration of the easement.

Optional Activities

In addition to the deliverables outlined above, block grant recipients may use funds to support research and demonstration projects needed to test innovative land repurposing strategies of interest to block grant recipients.

Eligibility Criteria

Below are the Eligibility Criteria upon which each proposal will be evaluated. Applications must meet all eligibility criteria listed below to be considered for funding under this solicitation:

- Applicant is a (1) Groundwater Sustainability Agency; (2) federally recognized California Native American tribe, or (3) non-federally recognized California Native American tribe on the contact list maintained by the Native American Heritage Commission **OR** is a public agency; nonprofit group with 501 (c) status; or Watermaster implementing an approved groundwater sustainability plan or approved alternative to a groundwater sustainability plan and is partnering with a GSA to submit an application.
- Applicant is locally based or has strong, well-documented ties to local communities, stakeholders and/or GSA(s).

- Applicant has overall capacity to administer the grant.
- Application is for one or more SGMA critically overdrafted basins managed under an approved groundwater sustainability plan or alternative to a groundwater sustainability plan; one or more high- or medium-priority groundwater basins where a state emergency drought declaration has been declared; or a combination of the two.
- Application includes the following deliverables in the scope of work and budget:
 - Develop a **Multibenefit Agricultural Land Repurposing Plan** to reduce reliance on groundwater while providing regionally appropriate benefits, including community health, economic wellbeing, water supply, habitat, renewable energy, and climate benefits;
 - Complete **project development and permitting** to generate implementation-ready projects to repurpose agricultural lands for funding consideration;
 - **Implement land repurposing projects** that achieve multiple benefits;
 - **Support capacity needs of partners and collaborators** to achieve the deliverables of the grant;
 - Conduct **outreach, education, and training** as needed to facilitate and build capacity to implement the above activities; and
 - **Conduct monitoring** to ensure defined conservation outcomes from projects have been achieved and maintained for the agreed upon duration the benefit.
- Application is complete and was received by the deadline.

Selection Criteria

Total selection criteria points available out of 100. Factors to be considered when selecting regional block grant recipients include:

- **Goals** (25 points): The extent to which the applicant's vision for an agricultural land repurposing program in their region aligns with the program's goals.
- **Partnerships and Collaboration** (20 points): The extent to which the applicant has built strong regional partnerships and collaborations to support the grant, and has a plan to expand and enter into new partnerships and collaborations to execute the grant. Partnerships are demonstrated through letters of support outlining the financial and in-kind commitments of partner organizations to the work conducted under the grant. Collaboration is evidenced by demonstrating meaningful incorporation of diverse interests into the block grant recipient's work through letters of support, signed agreements, board resolutions, or other signed documents.
- **Community Engagement** (15 points): The extent to which the applicant demonstrates experience and expertise in conducting effective and inclusive engagement across diverse communities and organizations, as well as the extent to which the applicant plans to engage with and meaningfully include the feedback of: farmers, ranchers, disadvantaged community members, tribes, and other interested practitioners in the development and implementation of their land repurposing work. Applicants who demonstrate experience and expertise engaging with farmers, ranchers, disadvantaged communities, and tribes will receive more points. Applicants who outline clear steps in their work plan for engaging with disadvantaged communities

through planning, project development, and project implementation will receive more points.

- **Disadvantaged Community Benefits** (15 points): The extent to which the proposal is likely to result in projects that provide substantiated benefits to disadvantaged communities. Substantiated benefits to disadvantaged communities may include increased access to nature, improved drinking water supplies, improved air quality, and creation of community-agriculture buffer zones next to disadvantaged communities.
- **Fiscal and Administrative Capacity** (15 points): The extent to which the applicant has the fiscal and administrative control systems to adequately oversee the expenditure of block grant awards.
- **Policy and Project Expertise** (10 points): The extent to which the applicant demonstrates the policy and project implementation expertise necessary to complete the grant deliverables. Applicants may demonstrate this ability in-house or through partnerships and collaborations.

Application Review and Award

Materials and Submission

The application template is provided in Appendix B and is available on the [Department's website](#). Applicants should familiarize themselves with this solicitation prior to completing the application.

Applicants must submit all required application materials via email to mlrp@conservation.ca.gov. Applications must be received digitally by 11:59 p.m. on March 29, 2023.

Incomplete applications, applications that don't meet all the eligibility criteria, and applications not received by the deadline will not be evaluated for funding.

Each applicant will receive an acknowledgement upon the Department's receipt of their application.

The schedule for this solicitation is provided in the "[At-A-Glance](#)" section of this solicitation. The schedule is subject to change.

Application Review Process

Applicants for regional block grants will be required to submit an application for funding and participate in a virtual interview with reviewers to discuss their project prior to funding decisions being made.

Applications will be evaluated by Department of Conservation and scored by a review panel comprised of representatives from the Department of Conservation and/or Agency Advisory Group, collectively "reviewers." Mean scores and reviewer rankings will be considered when determining funding recommendations.

The reviewers will convene to provide consensus for funding recommendations.

Project Selection

The projects, selection scoring, and reviewer rankings will be presented to the Director of the Department who will consider the comments and recommendations of the reviewers and make the final funding decisions. The Department will notify applicants within 10 days of the Director's determination as to whether their project was approved for funding.

The Director may consider the following when making awards:

- Selection criteria scores
- Reviewer rankings
- Interview responses
- The availability of funds
- The program purposes
- The balance and distribution of funding among program priorities and/or geographic area.

Program Participation

Block grant recipients must participate in all of the following activities:

- An orientation
- Monthly check-in meetings with the Department
- Monthly block grant recipient webinars with the statewide support entity
- Quarterly progress report meetings with the Department and Agency Advisory Group members

Section 3: Statewide Support Funding Eligibility and Scope of Work

\$500,000 will be provided to increase the statewide support entity's existing award to ensure they are able to provide technical assistance services to regional block grant recipients awarded under the current solicitation. The statewide support entity will provide technical assistance and facilitate communication and collaboration necessary to meet the purposes of the program. The statewide support entity may partner and contract with other entities to meet the deliverables outlined below.

Deliverables

The statewide support entity will:

1. Coordinate collaboration between block grant recipients
2. Develop a peer-learning structure through which block grant recipients can receive education and training to successfully execute the deliverables of their grant
3. Connect block grant recipients to resources needed to successfully execute the deliverables of their grant
4. Coordinate external communications about program work (e.g., reports, stories, press), including working with the Department to produce an annual report of program outcomes
5. Working with block grant recipients to engage disadvantaged communities, tribes, and socially disadvantaged farmers and ranchers in the development of their Multibenefit Agricultural Land Repurposing Plans and in the development and implementation of land repurposing projects
6. Work to fill gaps in and build capacity to develop and implement land repurposing work, and provide technical assistance to entities interested in applying for land repurposing funding
7. Oversee monitoring efforts and outcomes reporting to ensure consistency and transparency in outcomes monitoring across regions.

Optional Activities

In addition to the deliverables outlined above, the statewide support entity may use funds to support research and demonstration projects needed to test innovative land repurposing strategies.

Section 4: Funding for Tribes

Eligible Applicants

Eligible applicants under this Section are: (1) Federally recognized California Native American tribes; (2) non-federally recognized California Native American tribes on the contact list maintained by the Native American Heritage Commission; and (4) nonprofit groups with 501 (c) status with meaningful connections to or on behalf of eligible tribes.

Non-profit applicants must have a Native American-centered mission or have a majority Native American board. If the non-profit applicant does not meet this criterion, they must provide a letter of support from an eligible tribe detailing the nature of the relationship between the non-profit and the tribe, how the tribe will benefit from the project, and the tribe's support for the project.

At its discretion, the Department may also use the funding available under this Section to increase block grant awards where the block grant recipient partners or collaborates with a tribe to plan for, develop, and/or implement multibenefit land repurposing projects consistent with the project types listed below. In order to receive additional funding under this Section, block grant recipients must provide memoranda of understanding with or letters of support from the tribe(s) they are partnering or collaborating with detailing the work to be conducted using this funding.

Maximum Grant Award

Up to \$2.44 million in funding is available under this Section. At the Discretion of the Department Director, this amount may be increased if funding allows. Applications may be submitted for up to the total amount of funding available under this Section.

Solicitation Period

Applications submitted under this Section will be accepted on a rolling, non-competitive basis. If funding remains available under this section as of March 1, 2026, the Department, in consultation with the Agency Advisory Group and the California Natural Resources Agency Assistant Secretary of Tribal Affairs or similar position, may elect to distribute the remaining funds to regional block grant recipients.

Project Types

Tribes may apply for funding under this section to plan for, develop, or implement multibenefit agricultural land repurposing projects that address two or more project outcomes identified below. Projects must result in benefits lasting at least 10 years, unless they are directly responding to a state emergency drought declaration, in which case, benefits must be reasonably durable. Multibenefit projects are those that provide both groundwater sustainability benefits as well as at least one other community health, economic wellbeing, habitat, renewable energy, or climate benefit.

Examples of projects that may be funded include:

- Creation or restoration of habitat, including pollinator habitat, wetland habitat, upland habitat, and riparian habitat
- Creation of multibenefit recharge areas
- Conversion of irrigated land to dryland farming or non-irrigated rangeland
- Planting cover crops or conservation cover
- Reestablishment of tribal land uses

- Implementation of tribal cultural practices
- Facilitation of renewable energy projects that have an overall net GHG reduction
- Creation of parks or community recreation areas
- Incentive payments to landowners, farmers, and ranchers to implement multibenefit land repurposing projects that create a public benefit for at least ten years
- Land acquisitions to facilitate land repurposing and protect repurposed land uses
- Easement acquisitions to facilitate land repurposing and protect repurposed land uses

Land acquisitions, land transfers, and easement acquisitions must occur in conjunction with at least one non-acquisition land repurposing strategy or project type on the acquired land.

Desired outcomes for land repurposing projects include:

- Reduced groundwater use
- Increased groundwater recharge
- Improved baseflows in rivers and streams
- Conversion of land to less intensive water uses while maintaining natural and working lands
- Creation and/or restoration of wildlife and pollinator habitat and/or migratory resources
- Protection of cultural resources
- Improved water quality
- Land use agreements to accomplish prioritized opportunities
- Quantified achievement of multiple benefits of the program
- Incorporated participation from multiple partners and funding sources
- Replicability and scalability
- Integrated benefits to disadvantaged communities
- Tribes' ownership, co-ownership, co-management of, and access to the land
- Increased community outreach, involvement, and education
- Increased regional workforce development opportunities and support of local business.

As required by statute, any groundwater recharge achieved through these strategies and projects must be subtracted from any calculation by the Groundwater Sustainability Agency from the groundwater available for extraction by water users for the duration of the benefits paid for by the program. Payments for benefits must be linked to the achievement and delivery of the defined conservation outcomes for the project and the duration of those outcomes.

Tribes must work with the relevant Groundwater Sustainability Agency to quantify the groundwater recharge achieved by funded projects.

Eligibility Criteria

Below are the Eligibility Criteria upon which each proposal will be evaluated. Applications must meet all eligibility criteria listed below to be considered for funding under this solicitation:

- Applicant is a (1) Federally recognized California Native American tribes; (2) non-federally recognized California Native American tribes on the contact list maintained by the Native American Heritage Commission; (3) members of a Federally

recognized or non-federally recognized California Native American tribe; and (4) nonprofit groups with 501 (c) status with connections to or on behalf of eligible tribes.

- The project is located in one or more SGMA critically overdrafted basins managed under an approved groundwater sustainability plan or alternative to a groundwater sustainability plan, one or more high- or medium-priority groundwater basins where a state emergency drought declaration has been declared, or a combination of the two; or the project is located outside of an eligible groundwater basin but is shown to reduce groundwater use, improve groundwater supply, or improve baseflows in rivers and streams in an eligible groundwater basin interconnected with surface water.
- Application is for an eligible project type.
- Application is complete.
- The proposed project provides groundwater sustainability benefits.
- The proposed project provides benefits in addition to groundwater sustainability benefits. Additional benefits include community health, economic wellbeing, habitat, renewable energy, or climate benefits. Projects that are conducted on lands that are least viable for irrigated agriculture and that contribute to resource connectivity (e.g., connectivity of habitat, agricultural landscapes, renewable energy centers, etc.) will receive priority for funding.
- The benefits provided by the proposed project will last for at least ten years.
- The proposed project meets at least three goals of the program and provides at least one desired outcome for project development or implementation grants, as relevant.
- The applicant has the fiscal and administrative control systems to adequately oversee the expenditure of the grant.
- The funding request is reasonable and commensurate with the work required to complete the project.
- The applicant has and is able to demonstrate access to the site.

Application Review and Project Selection

Materials and Submission

The application template is provided in Appendix D and is available on the [Department's website](#). Applicants should familiarize themselves with this solicitation prior to completing the application.

Applications will be reviewed as they are received.

Incomplete applications will be returned to the applicant for revision. Applications that don't meet all the eligibility criteria will not be awarded funding.

Each applicant will receive an acknowledgement upon the Department's receipt of their application.

Application Review Process

Applicants will be required to submit an application for funding and participate in a site visit prior to a funding decision being made. Applications will be evaluated by Department of Conservation for consistency with the program's goals and requirements. Projects that meet

the program's eligibility criteria will be awarded funding on a first come, first served basis as funding allows. The final funding decisions will be made by the Director of the Department.

Limited Waivers of Sovereign Immunity

Limited waivers of sovereign immunity may be necessary to ensure the enforceability of agreements. The Department will consult with tribes as needed in the formation of grant agreements.

Section 5: Eligible Costs

Only eligible costs incurred during the grant agreement term that are related to the project will be reimbursed. All eligible costs must also be reasonable and supported by appropriate documentation to be reimbursed. All eligible costs must, to the satisfaction of the Department, support the work plan and be directly related to, and in support of, the program deliverables.

Reasonable

For an eligible cost to be considered reasonable, the cost, in its nature and amount, must not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. In determining reasonableness of a given cost, consideration must be given to:

- Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the entity or the proper and efficient performance of project.
- The restraints or requirements imposed by such factors as: sound business practices; arm's-length bargaining; federal, state, local, tribal, and other laws and regulations; and terms and conditions of this project.
- Market prices for comparable goods or services for the geographic area.
- Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to its employees, the public at large, and the state.
- Whether the cost significantly deviates from the acquiring entity's established practices and policies regarding the incurrence of costs.

Direct Costs

Funding may be used for the following direct costs incurred to meet the program deliverables:

- Block grant recipient, statewide support entity, tribal set-aside recipient, subgrantee, and their contractors' staff costs, including salary at the fully burdened rate. Indirect costs should not be included in the staff rate or salary. Indirect costs should be budgeted separately and must comply with the requirements outlined below.
- Payments to tribes or members of tribes for expertise provided in the development of plans; the development, permitting, and implementation of projects, and in the development and implementation of educational, training, and monitoring activities.
- Incentive payments to landowners, farmers, and ranchers to implement multibenefit land repurposing projects that create a public benefit for at least ten years.
- Travel. Eligible travel costs can only be used for in-state travel for the watershed coordinator as necessary to complete coordination work. Mileage for watershed coordinator activities is reimbursable if included in the proposed budget and work plan. In addition to mileage for watershed coordinator activities, costs must meet the requirements outlined below and in the Grant Agreement:
 - Accommodation-related travel costs: maximum reimbursement rates based on county as shown at: <https://hrmanual.calhr.ca.gov/Home/ManualItem/1/2203>, with no option for approval of an "excess lodging rate."

- Rental car costs or personal vehicle mileage for travel directly related to the grant activities will be reimbursed at the relevant rental car or Reimbursement Rate Per Mile for Personal Vehicle as shown here:
<https://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx>
- Rental car, personal vehicle, ride share, train, or airfare costs will only be reimbursed for travel directly related to execution of the work plan, and then only if it is the typical method used to get from one location to the other. Grantees should choose the least expensive mode of transportation feasible given their travel needs.
- No other travel-related costs will be reimbursed through this grant program.

Indirect Costs

Indirect costs may account for no more than twenty percent (20%) of the total funding award. This limit may be exceeded if the block grant recipient or statewide support entity has a federally approved administrative cost rate that is greater than 20%. Proof of the federally approved indirect cost rate must be submitted with the application. Indirect costs may include those costs incurred by a block grant recipient to administer their grant, or administrative costs by subgrantees necessary to fulfill the deliverables outlined in these guidelines. Indirect costs include:

- Office space
- Supplies and equipment
- Legal or management oversight
- Prorated general liability, Workers' Compensation (may be included in payroll), and automotive insurance

Project Development Costs and Permitting Fees

Block grant funding and funding provided under Section 4 may be used for project development costs, including:

- Preparing project plans, specifications, and cost estimates that will result in a specific project
- Acquiring permits for specific, future on-the-ground projects
- Analysis required to support and complete CEQA and or NEPA documentation for specific projects
- Performing necessary cultural resources, biological, botanical, aquatic, soil, hydrologic, wildlife, timber, or other studies/surveys and/or developing necessary project designs related to a specific site or physical project
- Contracting grow-outs or initial payments to growers or nurseries to support the sourcing and production of regionally adapted native plant materials to be used in block grantees' land repurposing projects

Project Implementation Costs

Block grant funding and funding provided under Section 4 may be used for project implementation costs, including:

- Preparation of bid packages and contractor documents

- Performance costs within the scope of the project, including materials and supplies
- Labor and other costs necessary for the physical implementation of the project

Outreach, Education, and Training

The following costs associated with outreach, education, and training activities directly related to the execution of program deliverables are considered eligible, in keeping with the program's goal of ensuring that the program provides benefits to disadvantaged communities, and recognizing that public participation in community engagement activities is a benefit to the program and public:

- Meeting space
- Meeting materials
- Facilitation services
- Technical assistance to landowners, farmers, or ranchers to apply for program funds
- Translation and interpretation for meetings and written materials
- Participant compensation that is an exchange of payment for services rendered in the development of community work products, and appropriately documented with deliverables such as sign in sheets or written surveys.
- Provision of transportation services for community residents, such as a vanpool.
- Provision of childcare services for community residents.
- Food and refreshments, excluding alcoholic beverages of any kind, that are determined to be an integral part of the event. Examples of activities where it would be appropriate to approve food purchase would include a design charrette held in the evening, where the meal is consumed as part of the event and replaces a meal otherwise missed by attending the event.

Monitoring

Block grant funding and funding provided under Section 4 may be used for pre- and post-project monitoring and adaptive management, including preparation of long-term management plans associated with projects.

Research

Block grant funding may be used for research and demonstration projects needed to test innovative land repurposing strategies of interest to block grant recipients.

Ineligible Costs

Ineligible costs are:

- Costs that are not related to the Multi-Benefit Land Repurposing Program
- Costs that occur outside of the Grant Agreement term
- Meals, incidentals, tips, per diems, or refreshments for travel not allowed above
- Out-of-state travel and activities

Section 6: Grant Implementation

Grant Agreements

All grantees will be required to enter into a grant agreement with the Department. Grantees will work with an assigned grant manager to develop their grant agreement. Grant agreements will not be executed until authorized by the Department and will be effective upon execution by the Department's authorized signatory. The Department may require modifications to the project in the grant agreement. All contents of the grant recipient's application will be included in the grant agreement.

Responsibility of the Block Grant Recipient

The block grant recipient will be responsible for carrying out the project and for managing finances, including: invoicing; payments to contractors, subcontractors, and suppliers; accounting and financial auditing; and other project management duties such as monitoring and reporting requirements.

Block grant recipients shall:

- Distribute necessary funds through subgrants and/or contracts to create regional multibenefit agricultural land repurposing plans; develop and permit land repurposing projects; implement land repurposing projects; support the capacity needs of partners; provide outreach, education, and training; and monitor land repurposing projects all consistent with these guidelines and the applicable Groundwater Sustainability Plan
- Ensure execution of all project deliverables and requirements outlined in Section 2 within the grant term
- Coordinate and integrate management of agricultural land repurposing efforts within their region or basin
- Coordinate activities with the relevant Groundwater Sustainability Agency to ensure activities are consistent with the goals of the applicable Groundwater Sustainability Plan and to ensure any groundwater recharge achieved through these strategies and projects is subtracted from any calculation by the Groundwater Sustainability Agency from the groundwater available for extraction by water users for the duration of the benefits paid for by the program.

Distribution of Block Grant Funds to Third Parties

As the fiscal administrators of the Multibenefit Land Repurposing Program, block grant recipients will award subgrants of Multibenefit Land Repurposing Program funding or enter into contracts to fulfill the scope of work of this program. Subgrantees may be selected to engage in completion of all the deliverables or for discrete tasks. Block grant recipients may award subgrants via competitive or non-competitive processes and may engage subgrantees and contractors to fulfill individual deliverables or multiple deliverables, at their discretion.

Eligible subgrantees include federal, state, and local government agencies; federally and non-federally recognized California Native American tribes; resource conservation districts;

special districts; universities, colleges, and research institutions; and California 501c3 non-profit organizations.

Contracts may be entered in to with qualified entities in accordance with block grant recipients' internal contracting policies and procedures.

Block grant recipients may also provide incentive payments directly to landowners, farmers, and ranchers to implement multifibenefit land repurposing projects that create a public benefit for at least ten years, including reasonable incentives to support a farmer or rancher's ability to transition land use. In order to distribute funds to landowners, block grant recipients must establish guidelines for funding projects based on the conservation outcomes achieved and delivered, and the duration of the outcomes provided. Block grant recipients must verify that the defined conservation outcomes of the project have been achieved and delivered for the duration identified in order to distribute incentive payments and must report this information to the Department quarterly.

Invoicing and Reporting

Payments

Grant agreements will generally be structured to provide reimbursement in arrears for work performed. Invoices for reimbursement may be submitted quarterly or monthly.

Advance payment terms will be considered and negotiated on a case-by-case basis. Advance payments may require additional statutory authority and are subject to future approval from the Department and its control agencies. Advance payment terms may allow up to 25% of the original grant amount to be paid in advance at a time. Funding for project implementation will only be released upon Department review of individual projects and confirmation that said projects are consistent with the goals of the program.

Block grant recipients receiving advanced funds must provide a fiscal report detailing how those funds have been expended on a quarterly basis and along with each subsequent request for an advance. Block grant recipients that receive funding on a reimbursement basis must provide a fiscal report detailing how funds have been expended along with each invoice.

Loss of Funding

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

- Failure to execute an agreement within six months of receiving an official funding notification,
- Withdrawal from the grant program prior to completion of the work plan,
- Failure to submit required documentation within the time periods specified in the grant agreement,
- Change in project scope, schedule, or budget without prior approval,
- Failure to complete the deliverables within the grant agreement term,
- Failure to demonstrate sufficient progress toward deliverables, and

- Failure to comply with applicable laws or grant requirements.

State Audits

Projects are subject to audit by the state annually and for three (3) years following the final payment of grant funds. If the project is selected for audit, the grantee will be contacted in advance of the audit. The audit will include all books, papers, accounts, documents, or other records of grantee, as they relate to the project. All project expenditure documentation should be available for an audit, whether paid with grant funds or other funds.

The grantee must have project records, including source documents and evidence of payment, readily available and must provide an employee with knowledge of the project to assist the auditor. The grantee must provide a copy of any document, paper, record, or other such material requested by the auditor.

Accounting Requirements

Grantees must maintain an accounting system that:

- Accurately reflects fiscal transactions, in accordance with standard accounting principles,
- Provides a good audit trail, including original source documents such as purchase orders, receipts, progress payments, invoices, employee paystubs and timecards, evidence of payment, etc.,
- Provides accounting data so the total cost of each individual project can be readily determined, and,
- Maintains records for a period of three (3) years after final reimbursement is made by the state. Grantee must retain all project records at least one (1) year following an audit

Section 7: General Requirements

Confidentiality

Once the application has been submitted, any privacy rights, as well as other confidentiality protections afforded by law with respect to the application package may be waived. All applications, communications, or other documentation received by Department are subject to the Public Records Act (Government Code § 6250, et seq.).

Conflict of Interest

All applicants and individuals who participate in the review of submitted applications are subject to applicable conflict of interest laws. Any individual who has participated in planning or setting priorities for a specific solicitation or who will participate in any part of the grant development and negotiation process on behalf of the public is ineligible to receive funds or personally benefit from funds awarded through this solicitation. Applicants should also be aware that certain local agencies may submit applications that will compete for funding. Failure to comply with the conflict of interest laws, including business and financial disclosure provisions, will result in rejection of the application and any subsequent grant agreement being declared void. Other legal actions may also be taken.

This paragraph is not intended to enlarge the scope of existing restrictions under applicable conflict of interest laws, including the Political Reform Act (Government Code, § 81000, et seq.) and provisions regarding financial interests in public contracts (Government Code, § 1090, et seq.). Those laws, including their relevant statutory exceptions, apply to this solicitation and any ensuing grants and contracts.

Compliance with Laws

Activities funded under this solicitation must be in compliance with applicable laws and regulations, and applications may include in their budgets the funding necessary for compliance-related activities. As part of a grantee's project development work, grantees must identify expected required permits, state whether they have received the required permits or describe the process through which the permits will be obtained, and indicate which permits could significantly delay project implementation.

Environmental Compliance

Grants awarded consistent with this solicitation may be subject to prevailing wage provisions of the California Labor Code commencing with section 1720. Any questions of interpretation regarding the California Labor Code should be directed to the Director of the Department of Industrial Relations, the state department having jurisdiction in these matters. For more details, please refer to the Department of Industrial Relations website.

The Department, as a government agency that will be taking a discretionary action to provide funding for projects, must comply with the California Environmental Quality Act (CEQA). Each proposed project must follow the California Environmental Quality Act, Division 13 (commencing with Public Resources Code section 21000) and California Code of Regulations Title 14 section 15000 et seq. ["CEQA"].

For applications submitted by government entities, it is expected that the resolution adopted to submit the application will address CEQA and that the Department will act as a responsible agency. For applications submitted by non-profits or California Native American

tribes, the Department will act either as a lead or responsible agency depending on what other CEQA documents have been completed for the proposed activities.

Projects implemented using program funding must meet all environmental compliance requirements prior to disbursement of funding.

Therefore, for the Department to review a project proposed for implementation, one of the following must be submitted:

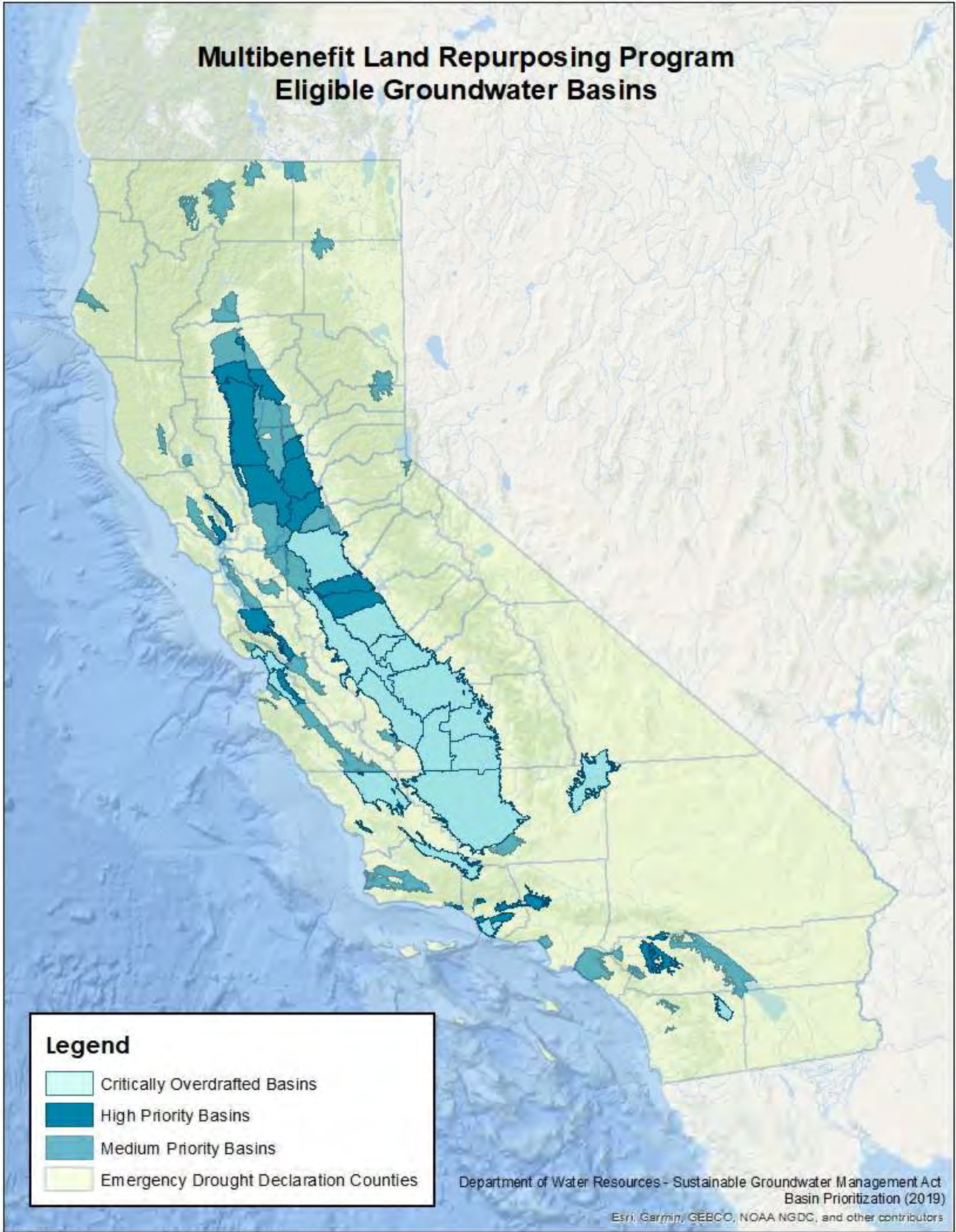
- a. A Finding or similar determination that the proposed project is not a project as defined by the California Environmental Quality Act, with an explanation as to why it is not a project, with the appropriate sections of the Public Resources Code and California Code of Regulations cited.
- b. The Notice of Exemption filed with the County Clerk and State Clearinghouse (as applicable) if the proposed project is categorically or statutorily exempt, with the appropriate Public Resources Code section citation to the exemption(s) being relied upon by the lead agency.
- c. The Negative Declaration or Mitigated Negative Declaration adopted by the lead agency and Initial Study, including a copy of the Environmental Checklist Form located in Appendix G of the CEQA Guidelines and the Notice of Determination filed with the County and with the State Clearinghouse. If the lead agency has adopted a Mitigated Negative Declaration, the applicant must also provide the adopted mitigation monitoring and reporting program.
- d. The Final Environmental Impact Report certified and adopted by the lead agency with Initial Study, including a copy of the Environmental Checklist Form located in Appendix G of the CEQA Guidelines, the adopted mitigation monitoring and reporting program, and the Notice of Determination filed with the County and the State Clearinghouse. Please include any State Clearinghouse responses received by the applicant.

*For b and c, include documentation the State of California Department of Fish and Wildlife CEQA fee was paid or is not applicable.

- e. Projects that tier from a Programmatic, Master, or other Environmental Impact Report shall include a copy of any subsequent Initial Study for the proposed project together with a copy of any supplementary environmental documentation adopted by the lead agency, including, if applicable, any required findings pursuant to Public Resources Code section 21157.1, subdivision (c), and the Notice of Determination, filed with the County Clerk and with the State Clearinghouse, as applicable.

Pursuant to section 75102 of the Public Resources Code, before the adoption of a Negative Declaration or Environmental Impact Report, the lead agency shall notify the proposed action to a California Native American tribe, which is on the contact list maintained by the Native American Heritage Commission, if that tribe has traditional lands located within the area of the proposed project.

Appendix A: Map of SGMA Priority Basins



As of October 19, 2021, the Emergency Drought Declaration covers all 58 counties.

APPENDIX B: Regional Block Grant Application

This is the application for the Multi-Benefit Land Repurposing Program. The solicitation details the background and requirements to apply for funding under the program.

Application Instructions

- Each application must contain all of the materials listed in the checklist below.
- Materials should be presented in the order indicated on the checklist.
- Please complete all materials using an easy-to-read font, 11 point or larger.
- In the header or footer of each page of the application, applicants should include: (1) name of applicant and (2) sequential page numbers.
- Materials not specifically requested (e.g., press clippings or brochures) will not be considered during the evaluation.

Application Checklist

1. Cover Sheet
2. Applicant Eligibility and Capacity
3. Basin(s) Description
4. Proposal Summary
5. Partnerships and Collaboration
6. Community Engagement
7. Disadvantaged Community Benefits
8. Policy and Project Expertise
9. Budget Summary
10. Project Maps
11. Authorizing Resolution from Governing Body

1. Cover Sheet

Project Information

Project Title:

Location (County/ies):

District Number(s):

Senate:

Assembly:

SGMA Sub-basin(s) (see Appendix A – List of eligible basins):

Applicant Information

Applicant Name:

Organization Type:

Federal Employer ID Number:

Mailing Address:

Contact Person:

Title:

Phone Number:

Email Address:

Partner Information *(if applicant is not a GSA or tribe)*

Partner Name:

Organization Type: Groundwater Sustainability Agency

Federal Employer ID Number:

Mailing Address:

Contact Person:

Title:

Phone Number:

Email Address:

2. Applicant Eligibility and Capacity

Eligibility

Applicants must provide all the following to demonstrate eligibility:

- Verification that the applicant is a: (1) Groundwater Sustainability Agency; (2) federally recognized California Native American tribe, or (3) non-federally recognized California Native American tribe on the contact list maintained by the Native American Heritage Commission OR is a public agency; nonprofit group with 501(c) status; or Watermaster implementing an approved groundwater sustainability plan or approved alternate plan and is partnering with a GSA to submit an application.
 - Non-profit groups must provide a copy of their IRS 501(c) Tax Determination Letter.
- Evidence that the applicant is locally based or has strong working ties to local stakeholders, communities, and/or GSAs.

Capacity

Applicants must provide a short narrative description of their capacity to successfully implement the grant, should the project be funded. This description should address:

- How the applicant's board and/or management structure will contribute to the effective execution of project activities.
- Any professional staff within the applicant's employ who are qualified to develop and successfully implement the activities outlined in the proposal. The response should include a description of the skills and experience of such staff or, if the applicant does not possess such expertise, how the applicant will acquire this expertise.
- Any financial resources at the applicant's disposal to support the implementation of the grant.
- Any additional resources the applicant can draw on to ensure his/her success. Resources include, but are not limited to volunteers, physical capital, and existing partnerships.

Applicants must provide the following to demonstrate capacity:

- A copy of the current annual organizational budget.
- A copy of the most recent financial audit (if an audit is not available, a copy of the organization's recent financial statements).

3. Basin(s) Description (1/2-page maximum)

Briefly describe the basin(s) included in the proposal, including whether they are critically overdrafted, or whether they are high- or medium-priority basins where a state emergency drought declaration has been declared. Indicate whether a Groundwater Sustainability Plan has been approved for each critically overdrafted basin included in the proposal.

4. Proposal Summary (3-page maximum)

- Summarize the applicant's land repurposing vision for their region.
- Describe the proposed work to be conducted under the grant, including how the proposed work relates to the goals and objectives of the program. The summary of proposed work should include:
 - Development of a Multibenefit Agricultural Land Repurposing Plan
 - Project development and permitting
 - Land repurposing project implementation
 - Support of partner and collaborators' capacity needs
 - Outreach, education, and training to facilitate and build capacity to conduct land repurposing
 - Monitoring to ensure defined conservation outcomes of projects.

If the application is funded, the Department will work with the applicant to convert this summary into a work plan to be included in the grant agreement.

5. Partnerships and Collaboration (1-page maximum)

Partners are defined as organizations, government agencies, private citizens or volunteer groups that provide funds or in-kind services. Collaboration is defined as working with other organizations, government agencies, groups, and individuals to ensure that all entities work in agreement and are non-duplicative of each other's activities, and to ensure that diverse interests are meaningfully incorporated into the block grant recipient's work. Proposals that demonstrate multiple, committed partnerships and extensive collaboration with other agencies, organizations, or entities will be given more points. Applicants are urged to work collaboratively with other groups and agencies to avoid multiple proposals for the same sub-basins.

- List any participating partners and describe how each partner will contribute to the work, including their proposed financial contribution, proposed in this application. For each partnership, provide a letter of commitment explaining the relationship between the partner and applicant and outlining the partner's contributions to the proposed work.
- List any participating collaborators and describe how each collaborator will contribute to the work proposed in this application. For each collaboration, provide documentation from the relevant individual(s)/organization(s) describing those collaborations.
- Describe your plan, if any, to expand these partnerships and/or collaborations to execute the grant.

Do not submit general letters of support that do not specify the individual/organization's specific contributions to the proposal, as these will not increase the number of points awarded.

6. Community Engagement (1-page maximum)

- Describe the applicant's experience and expertise conducting effective and inclusive engagement and collaboration across diverse communities and organizations.

- Explain how the applicant will engage with and include feedback from farmers, ranchers, disadvantaged community members, tribes, and other interested practitioners in the development and implementation of their land repurposing work.
- Describe the disadvantaged community/ies to be served by the applicant's land repurposing work, and describe how the work performed will result in benefits to those communities.

7. Disadvantaged Community Benefits (1-page maximum)

A disadvantaged community is defined as a) a community with a median household income less than 80 percent of the statewide average, or b) a community where the lands are under the control of a federally recognized Tribe.

- Describe how the proposal will provide substantiated benefits to disadvantaged communities, including through project prioritization and implementation.

8. Policy and Project Expertise (1-page maximum)

Describe the applicant's land repurposing policy expertise and project implementation expertise. Applicants may demonstrate this ability in-house or through partnerships and collaborations.

9. Budget Summary

Applicants must provide a budget broken down by cost type (line item). Cost estimates should be consistent with the proposal summary. All costs must be eligible. If awarded funding, the Department will work with the applicant to refine the budget for incorporation into the Grant Agreement.

2021 Multi-Benefit Land Repurposing Program: BUDGET SUMMARY

Line Item

Development of Multi Benefit Agricultural Land Repurposing Plan - \$
Project Development and Permitting - \$
Land Repurposing Project Implementation - \$
Partner Capacity Needs - \$
Outreach, Education, and Training - \$
Monitoring - \$
[Optional Activities] - \$
Indirect Costs (*max 20% of grant*) - \$

TOTAL - \$

10. Project Map(s)

A location map (in PDF) that identifies the project area relative to nearby cities and/or landmarks must be included with the application.

Additional maps that further describe or otherwise support the proposal may be included as relevant (e.g., maps of the subbasins included in the proposal, maps of disadvantaged communities within the proposal area, etc).

All maps must be of sufficient resolution to be legible if printed on an 8 ½" x 11" sheet of paper.

The applicant may submit geographic information system (GIS) data along with any maps.

11. Authorizing Resolution from Governing Body

Applicants must submit a signed Resolution of Support adopted by the entity's governing body that evidences authority to submit the application and, if awarded funding, to enter into and perform under the terms of the Grant Agreement template ([Appendix C](#)).

The resolution must:

- Authorize the submittal of the grant application for a 2022 Multi-Benefit Land Repurposing Program grant.
- Authorize entrance into a grant agreement with the Department for the project and accept the template terms and conditions, if the project is awarded funding.
- Authorize a designated individual to, as agent, accept the award of grant funding and to execute tasks, such as signing documents, related to the application, grant agreement, reimbursement requests, if the project is awarded funding.

APPENDIX C: Tribal Project Grant Application

This is the Multi-Benefit Land Repurposing Program application for planning, project development, and project implementation funding for tribes. The solicitation details the background and requirements to apply for funding under the program.

Application Instructions

- Each application must contain all of the materials listed in the checklist below.
- Materials should be presented in the order indicated on the checklist.
- Please complete all materials using an easy-to-read font, 11 point or larger.
- In the header or footer of each page of the application, applicants must include: (1) name of applicant and (2) sequential page numbers.
- Materials not specifically requested (e.g., press clippings or brochures) will not be considered during the evaluation.

Application Checklist

1. Cover Sheet
2. Applicant Eligibility and Capacity
3. Project Summary
4. Application Questions
5. Work Plan
6. Budget
7. Project Map(s)
8. Environmental Documentation
9. Authorizing Resolution from Governing Body
10. Proof of site access (for implementation projects only)

1. Cover Sheet

Project Information

Project Title:

Property Location (County and Nearest City):

SGMA Sub-basin(s):

[SGMA Sub-basin status](#) (check all that apply):

- Critically overdrafted
- High priority basin
- Medium priority basin
- Located in a county subject to an emergency drought declaration

[Groundwater Sustainability Plan](#) approved: Yes No

Landowner Name(s):

Project APN(s):

Property's 5-year agricultural history:

Disadvantaged Community: Yes No

Census Tract:

Project Category

- Project Development
- Project Implementation

Project Implementation Grants Only

Proposed Project Acreage:

Site Access Agreement:

Project type (check all that apply):

- Creation or restoration of habitat, including pollinator habitat, wetland habitat, upland habitat, and riparian habitat
- Creation of multibenefit recharge areas
- Conversion of irrigated land to dryland farming or non-irrigated rangeland
- Planting cover crops or conservation cover
- Reestablishment of tribal land uses
- Implementation of tribal cultural practices
- Facilitation of renewable energy projects that have an overall net GHG reduction
- Creation of parks or community recreation areas
- Incentive payments to landowners, farmers, and ranchers to implement a multibenefit land repurposing project
- Land acquisition to facilitate land repurposing and protect repurposed land uses
- Easement acquisition to facilitate land repurposing and protect repurposed land uses
- Other:

Project Funding

Grant Request Amount:

Total Estimated Project Cost:

Applicant Information

Applicant Name:

Applicant type (check all that apply):

- Federally Recognized California Native American Tribe
- Non-federally recognized California Native American tribes on the contact list maintained by the Native American Heritage Commission
- Member of one of the above
- Nonprofit group with 501(c) status with connections to or on behalf of an eligible tribe

Mailing Address:

Contact Person:

Title:

Phone Number:

Email Address:

2. Applicant Eligibility and Capacity

Eligibility

Applicants must provide the following (as relevant) to demonstrate eligibility:

- For Federally recognized California Native American tribes: Documentation of Federal acknowledgement
- For non-federally recognized California Native American tribes: Documentation that the applicant is on the contact list maintained by the Native American Heritage Commission
- For Non-profit groups:
 - A copy of their IRS 501 (c) Tax Determination Letter
 - A letter of support, signed agreement, board resolution, or other signed document demonstrating the non-profit's connection to or work on behalf of a tribe.

Capacity

Applicants must provide a short narrative description of their capacity to successfully implement the grant, should the project be funded. This description should address:

- How the applicant's governance and/or management structure will contribute to the effective execution of project activities.
- Any financial resources at the applicant's disposal to support the implementation of the grant.
- Any additional resources the applicant can draw on to ensure his/her success. Resources include, but are not limited to volunteers, physical capital, and existing partnerships.

3. Project Summary (1-page maximum)

Concisely summarize the proposed project. Include:

- a description of the property's existing condition and agricultural use
- a description of work proposed
- how the proposed work will enhance the project site

4. Application Questions

Groundwater Sustainability (1/2-page maximum)

Describe how the project will result in groundwater sustainability benefits, either through reduced groundwater use or increased groundwater recharge. Describe the length of the benefits to be provided by the proposed project and how those benefits will be maintained (must be a minimum of ten years).

Additional Benefits (1/2-page maximum)

Describe any additional benefits provided by the project. Additional benefits include community health, economic wellbeing, habitat, renewable energy, or climate benefits. Describe the length of the benefits to be provided by the proposed project and how those benefits will be maintained (must be a minimum of ten years).

Program Goals (1/2-page maximum)

Select three of the goals listed below. Describe how the proposed project meets those goals.

- Support coordinated, regional and basin-scale efforts to achieve groundwater sustainability in critically overdrafted basins and in high and medium priority basins where a state emergency drought declaration has been declared
- Support long-term repurposing of agricultural lands
- Provide short- and medium-term drought relief
- Support regional efforts to sustain land-based economies and the communities that rely on them while achieving groundwater sustainability
- Reduce groundwater use
- Create or restore wildlife habitat and wildlife connectivity, including seasonal wetland habitat to replenish aquifers
- Improve groundwater supply, including through groundwater recharge and improved baseflows in rivers and streams
- Support nature-based solutions to reduce the impacts of hazards on lives, property, and the economy from overdrafted groundwater basins
- Provide benefits to disadvantaged communities and socially disadvantaged farmers and ranchers
- Foster partnerships and collaboration among diverse entities at the regional scale to effectively meet this program's goals
- Develop scalable, transferable land repurposing models to reduce groundwater reliance
- Support farmer, rancher, and farm worker leadership in multibenefit land repurposing strategies and project implementation
- Provide flexible and efficient support to grantees so that they can lead expeditious and adaptive programs to meet their needs.

Project Development Outcomes (1/2-page maximum)

Only complete this section if the application is for a project development request. Select one outcome listed below. Describe how the proposed project addresses that outcome.

- Completed project design and permitting
- Established non-state partnerships, support, and funding, as well as broad partnerships with regional stakeholders
- Completed memorandums of understanding with project partners to implement projects
- Developed pipeline of multiple years of implementation-ready projects that meet the goals of the Plan available for funding consideration

Project Implementation Outcomes (1/2-page maximum)

Only complete this section if the application is for a project implementation request. Select one outcome listed below. Describe how the proposed project addresses that outcome.

- Reduced groundwater use
- Increased groundwater recharge
- Improved baseflows in rivers and streams
- Transition of land to less water intensive, regenerative uses while maintaining natural and working lands
- Creation and/or restoration of wildlife and pollinator habitat and/or migratory resources
- Protection of cultural resources
- Improved water quality
- Land use agreements to accomplish prioritized opportunities
- Quantified achievement of multiple benefits of the program
- Incorporated participation from multiple partners, collaborators, and funding sources
- Replicability and scalability
- Integrated benefits to disadvantaged communities and tribes
- Increased community outreach, involvement, and education
- Increased regional workforce development opportunities and support of local business
- Diversified economic opportunities

5. Work Plan

Applicants must provide a detailed work plan that specifies the tasks and subtasks that will be performed during the grant term.

The work plan will also include a schedule of target completion dates, cost estimates, and a list of deliverables to be provided as proof of project completion. The schedule should be of sufficient detail to allow assessment of the progress through the work plan at regular intervals. Cost estimates should be consistent with the budget. If awarded funding, this work plan will be incorporated into the Grant Agreement.

Task 1: [Task Name]

Subtask A:

Subtask B:

Subtask C:

Deliverables:

Timeline [start and end date]:

Total Requested:

Task 2: [Task Name]

Subtask A:

Subtask B:

Subtask C:

Deliverables:

Timeline [start and end date]:

Total Requested:

Task 3: [Task Name]

Subtask A:

Subtask B:

Subtask C:

Deliverables:

Timeline [start and end date]:

Total Requested:

Other Expenses:

Education:

Total Requested:

Training:

Total Requested:

Travel:

Total Requested:

Indirect Costs:

Total Requested:

6. Budget

Applicants must provide a budget broken down by cost type and by task. Cost estimates should be consistent with the work plan. All costs must be eligible. If awarded funding, this Budget will be incorporated into the Grant Agreement. Refer to the Department's website for an excel version of this spreadsheet.

7. Project Map(s)

The following maps must be included in the application:

- A location map that identifies the project relative to nearby cities and/or landmarks
- A site map that identifies the project location, extent, and areas of impact relative to property boundaries and relevant landscape features (e.g., stream corridors)
- A parcel map that depicts the APNs of the parcels impacted by the project.
- Additional maps that further describe or otherwise support the proposal may be included.

All maps must be of sufficient resolution to be legible if printed on an 8 ½" x 11" sheet of paper.

The applicant may submit geographic information system (GIS) data along with any maps.

8. Photos

Applicants must provide photos of the proposed project site sufficient to convey the before condition of the site in the application.

9. Environmental Documentation

The proposed project (select the appropriate answer):

- Is not a project under CEQA. Briefly specify why.
- Is exempt under CEQA. Provide the CEQA exemption number and specify how the project meets the terms of the exemption.
- Requires Negative Declaration, Mitigated Negative Declaration, or Environmental Impact Report. Specify the lead CEQA agency (the agency certifying the document) and the expected completion date.

Provide the documentation prepared in accordance with the Environmental Compliance sub-section of the solicitation (see page 26).

10. Authorizing Resolution from Governing Body

Applicants must submit a signed Resolution of Support adopted by the entity's governing body that evidences authority to submit the application and, if awarded funding, to enter into and perform under the terms of the Grant Agreement template ([Appendix C](#)).

The resolution must:

- Authorize the submittal of the grant application for a 2022 Multi-Benefit Land Repurposing Program grant.
- Certify that the Applicant understands the assurances and certification in the application,
- Authorize entrance into a grant agreement with the Department for the project and accept the template terms and conditions, if the project is awarded funding.
- Authorize a designated individual to, as agent, accept the award of grant funding and to execute tasks, such as signing documents, related to the application, grant agreement, reimbursement requests, if the project is awarded funding.

APPENDIX D: Best Practices for Disadvantaged Community Engagement

The Multibenefit Land Repurposing Program prioritizes the achievement of disadvantaged community benefits through the development and execution of all deliverables. For the purposes of this program, a disadvantaged community is defined as a community with a median household income less than 80 percent of the statewide average.

To meet this goal, the Department has outlined basic requirements for disadvantaged community engagement in the Guidelines. This Appendix provides a set of best practices grantees should also consider when engaging disadvantaged communities in their planning and project development efforts to meet the program requirements and meaningfully incorporate disadvantaged communities in their land repurposing efforts. These best practices should serve as a starting place for each grantee's work with disadvantaged communities and should be expanded upon to meet the needs of the disadvantaged communities each grantee works with.

Language Access

- Materials used to conduct outreach to disadvantaged communities should be translated to the most spoken language in the relevant disadvantaged community, and, where feasible, into the second and third most spoken languages in that community.
- Grantees should employ bi-lingual staff or hire bi-lingual subcontractors to facilitate engagement with disadvantaged communities.
- Grantees should provide interpretation services for the most spoken languages in the relevant disadvantaged communities at each meeting.
- Offer at least one meeting during each stage of a plan or project's development in the most spoken language of the relevant disadvantaged community.

Meeting Notifications

- All hearing, workshop and/or meeting times should be posted well in advance, but no less than 72 hours ahead of time.
- Meeting notices should be easy to find and shared via multiple formats (e.g., via door-to-door outreach, mailings, online, at physical locations frequented by disadvantaged community members, etc).
- Door-to-door outreach should be prioritized over online postings and mailings.
- All meeting materials, including agendas, reference documents, translated materials, and detailed information regarding participation should be shared at least 72 hours in advance of the hearing or meeting, and further in advance where feasible.
- All meeting materials, including agendas, reference documents, translated materials, and detailed information regarding participation should be provided to key community-based stakeholders for dissemination to interested residents well in advance of the hearing or meeting.
- Translated materials should be posted at the same time as all other materials.

In Person Meetings

- Provide children's activities (stickers, coloring books, etc.) or childcare to allow caregivers to attend.
- Host meetings at a location accessible via public transit and/or provide transportation to and from the meeting.
- Provide refreshments and/or food at the meeting if the meeting is held during regular meal times.
- Provide multiple options for participation (e.g., in-person or virtual, verbal, written, tactile, etc).
- Offer meetings during non-business hours to allow broad participation by members of the public.

Virtual Meetings

- For meetings conducted via webinar, offer a telephone call-in option for individuals who may not have access to reliable internet.
- In situations where multiple individuals from one household log-in or call-in using one line, allow each person on the line time to speak equal to that allowed for a single commenter calling in from their own line. This should be allowed without the household having to disconnect and reconnect to return to the queue.
- Offer meetings during non-business hours to allow broad participation by members of the public.

ATTACHMENT C

MLRP PLAN REQUIREMENTS AND MLRP PLAN REVIEW PACKET

Multibenefit Agricultural Land Repurposing Plan Requirements

Multibenefit Agricultural Land Repurposing Plans

Does a comprehensive multibenefit agricultural land repurposing plan already exist for the region and substantially meet the requirements below? Yes/No

Plan may be used in lieu of development of a new plan, at the discretion of the Department. Block grant recipients may also incorporate relevant portions of existing plans into their Multibenefit Agricultural Land Repurposing Plan as applicable.

Block grant recipients will lead the development of the Plan for their region, partnering directly with organizations in their region through sub-contracts or other agreements as needed throughout the process.

Plan must:

- Identify and prioritize land repurposing strategies and projects to address groundwater sustainability within their region
- Be consistent with the relevant Groundwater Sustainability Plan(s) for the region
- Be consistent with the MLRP program's goals and desired outcomes for plans (see below) as confirmed by DOC (DOC will coordinate with Agency Advisory Group)
- Prioritize projects that provide meaningful benefits to disadvantaged communities and socially disadvantaged farmers and ranchers
 - Include a description of all disadvantaged communities in the region and the extent to which the program will benefit those communities
 - Identify a clear process for engaging disadvantaged communities in project development and implementation.
- Be developed in coordination with the applicable groundwater sustainability agency, farmers and ranchers, local/state/federal agencies, local disadvantaged communities, tribes, non-governmental organizations, and environmental justice organizations

Plan should:

- Be consistent with the best available state, regional, and local data (water, climate, habitat, etc).

Goals

The primary goals of the Program are to:

Multibenefit Agricultural Land Repurposing Plan Requirements

- Support coordinated, regional and basin-scale efforts to achieve groundwater sustainability in critically overdrafted basins and in high and medium priority basins where a state emergency drought declaration has been declared
- Support long-term repurposing of lands least viable for agriculture and multibenefit opportunities that convert land to less intensive water uses while maintaining natural and working lands
- --Provide short- and medium-term drought relief
- --Support regional efforts to sustain land-based economies that are impacted by groundwater sustainability measures
- Reduce groundwater use
- --Create or restore wildlife habitat and wildlife connectivity, including seasonal wetland habitat to replenish aquifers
- Improve groundwater supply, including through groundwater recharge, improved baseflows in rivers and streams, and groundwater supply improvement for fish and wildlife habitat
- Support nature-based solutions to reduce the impacts of hazards on lives, property, and the economy from overdrafted groundwater basins
- Provide benefits to disadvantaged communities and socially disadvantaged farmers and ranchers
- Foster partnerships and collaboration among diverse entities to enable regional scale leadership to meet this program's goals
- --Develop scalable, transferable land repurposing models
- Support farmer, rancher, and farm worker leadership in multibenefit land repurposing strategies and project implementation
- --Provide flexible and efficient program administration so that grantees can lead expeditious and adaptive programs to meet their needs.

Outcomes

Desired outcomes from the Plan's development and implementation include:

- Identification and prioritization of agricultural land repurposing strategies and projects that can be implemented at scale within their region
- A quantifiable estimate of project benefits, such as reduction in groundwater demand, quantity of recharge, stream flow improvement, or habitat acreage/quantity

Multibenefit Agricultural Land Repurposing Plan Requirements

- Protection of long-term viability of agricultural economies through support for agricultural systems with flexible water demand and sustainable groundwater management
- Attainment of strong regional support for the Multibenefit Agricultural Land Repurposing Plan and identified projects through broad inclusion of stakeholders and partners
- Development and management of a broad collaborative structure and effective networks of partners and collaborators
- Coordination of agricultural land repurposing efforts across land ownerships
- Resource and habitat connectivity
- Identification of habitat restoration opportunities that are located adjacent to land with high habitat value and provide habitat for endangered plant or animal species
- Identification of adaptive management strategies to avoid adverse impacts on neighboring properties of repurposed lands
- Economic development planning to support regional land-based economies through sustainable groundwater management implementation
- Durable, long-term benefits that meet the program goals
- Short- and medium-term emergency groundwater demand reduction to address environmental or public health needs caused by drought
- Benefits to disadvantaged communities and socially disadvantaged farmers and ranchers
- Tribes' ownership, co-ownership, co-management of, and access to the land
- Support for local jobs, local communities, small businesses, and local economies.

Desired outcomes from the priority projects identified in each Plan should be consistent with the outcomes listed for Land Repurposing Projects below.

Multibenefit Agricultural Land Repurposing Plan Review Packet

This packet is intended to support block grantees and Department of Conservation (DOC) grant managers in the compilation and review of Multibenefit Agricultural Land Repurposing Plans (Repurposing Plans) developed using Multibenefit Land Repurposing Program (MLRP) funding.

Instructions for grantee: Please complete all sections of this packet **except** for those marked "DOC Grant Manager Review"/greyed out. Once you've completed all sections, submit this packet in Microsoft Word format, along with any supplemental documents required, to your grant manager for review.

When a completed packet is submitted, the grant manager will review the packet and either accept the plan as the final deliverable or return the packet to the grantee with a request for revisions and/or additional information.

Review Summary

Basic Information		
Repurposing Plan Name		
Grantee		
Plan Preparer (if applicable)		
Groundwater Sub-basins		
Senate and Assembly Districts	Senate:	Assembly:
DOC Grant Manager		

DOC Grant Manager Review	
Packet Complete:	Yes <input type="checkbox"/> No <input type="checkbox"/>
Repurposing Plan Accepted:	Yes <input type="checkbox"/> No (Revisions Required) <input type="checkbox"/>

Existing Repurposing Plans

Instructions for Grantee: Existing plans may be used in lieu of developing a new Repurposing Plan to meet this deliverable requirement, at the discretion of the Department. Block grant recipients may also incorporate relevant portions of existing plans into their Repurposing Plan, as applicable, to meet the requirements of the program.

Complete this section to help your grant manager determine the extent to which any existing plans or portions of plans will be relied on to meet the requirements for this deliverable.

1. Does a comprehensive Repurposing Plan that meets the requirements of the program already exist for the region? Yes No

If yes, provide the name of the plan and complete the remainder of this packet based on that plan’s contents: [Click or tap here to enter text.](#)

2. Will your plan rely on components of other plans to meet the MLRP plan requirements? Yes No

If yes, provide the following:

Plan name: [Click or tap here to enter text.](#)

Relevant Sections: [Click or tap here to enter text.](#)

Link to Plan: [Click or tap here to enter text.](#)

Briefly describe the components of the Repurposing Plan that each section above addresses: [Click or tap here to enter text.](#)

DOC Grant Manager Review

Will the Grantee be using all of another plan to meet the requirements of this deliverable? Yes No

If yes, review the remaining document based on the contents of that plan.

If no, will the Grantee be using a portion of another plan to meet the requirements of this deliverable? Yes No

If yes, has the grantee clearly identified which MLRP plan requirements those components address? Yes No

Reviewer comments: [Click or tap here to enter text.](#)

Packet Completeness Checklist

Instructions for grantee: Complete the below checklist for your Repurposing Plan. Grantees should provide all of the following for review unless a particular item is not relevant to the project.

ALL PACKETS SHOULD INCLUDE THE FOLLOWING:

DOC GM	Grantee	Item
<input type="checkbox"/>	<input type="checkbox"/>	Draft Repurposing Plan
<input type="checkbox"/>	<input type="checkbox"/>	Best Practices for Disadvantaged Community Engagement Form(s)
<input type="checkbox"/>	<input type="checkbox"/>	Supplemental Documents <i>(if applicable)</i>

DOC Grant Manager Review

Reviewer Comments: [Click or tap here to enter text.](#)

Basic Repurposing Plan Information

Instructions for Grantee: When completing this section, please refer to [Guidelines](#) pages 5-7 for additional details regarding MLRP plan requirements. (Requirements for Round 1 and 2 grantees are the same.)

Repurposing Plan Summary

Briefly describe the contents of your Repurposing Plan (1/2 page): [Click or tap here to enter text.](#)

Planning Team

Did you partner directly with organizations in your region to develop your Repurposing Plan? Yes No

If yes, list the organizations and entities you partnered with in the development of your Repurposing Plan, and describe how those organizations contributed to the plan’s development **or** provide a section reference for where this information is included in your plan: [Click or tap here to enter text.](#)

If no, provide a justification why: [Click or tap here to enter text.](#)

OPTIONAL:

Did you partner with other organizations or entities to develop your Repurposing Plan? Yes No

If yes, list any additional organizations or entities you partnered with in the development of your Repurposing Plan, and describe how those organizations contributed to the plan’s development **or** provide a section reference for where this information is included in your plan: [Click or tap here to enter text.](#)

Community Engagement

Was the Repurposing Plan developed in coordination with the following groups/communities:

- | | | |
|---|------------------------------|-----------------------------|
| The applicable groundwater sustainability agencies? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Farmers and ranchers? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Local/state/federal agencies? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Local disadvantaged communities? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Tribes? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Non-governmental organizations? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Environmental justice organizations? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

Describe how each organization/group/community was involved in the process **or** provide a section reference for where this information is included in your Repurposing Plan. (For disadvantaged community engagement, also complete the disadvantaged community engagement section below): [Click or tap here to enter text.](#)

Disadvantaged Community Engagement

Did you or a subgrantee utilize best practices for Disadvantaged Community Engagement when engaging communities in the development of your Repurposing Plan?

- Yes No

If yes:

Is the Best Practices checklist attached? Yes No

If the Best Practices checklist is not attached, describe how the disadvantaged community has been engaged in the Repurposing Plan’s development, or refer to the section of the plan that details the engagement process you used: [Click or tap here to enter text.](#)

If no:

Describe how each disadvantaged community has been engaged in the Repurposing Plan’s development, or refer to the section of the plan that details the engagement process you used: [Click or tap here to enter text.](#)

Were the recommendations/feedback provided by disadvantaged community members considered and included in a meaningful way in the plan?

- Yes No

If yes, describe how: [Click or tap here to enter text.](#)

Does the supporting documentation show disadvantaged community support for the Repurposing Plan?

- Yes No

Is supporting documentation attached?

- Yes No

DOC Grant Manager Review

Did the block grantee partner directly with organizations in their region to develop the plan? Yes No

Was the Repurposing Plan developed in coordination with the applicable groundwater sustainability agency, farmers and ranchers, local/state/federal agencies, local disadvantaged communities, tribes, non-governmental organizations, and environmental justice organizations? Yes No

The grantee/subgrantee's engagement of relevant disadvantaged communities was: Poor Fair Good Excellent

The grantee/subgrantee's consideration and inclusion of recommendations and feedback provided by disadvantaged community members in their plan was: Poor Fair Good Excellent

Reviewer Comments: Click or tap here to enter text.

Repurposing Plan Requirements

Instructions for Grantee: When completing this section, keep in mind that the combination of strategies and projects selected will be unique to your region and must be identified in coordination with the applicable groundwater sustainability agency, farmers and ranchers, local/state/federal agencies, local disadvantaged communities, tribes, non-governmental organizations, and environmental justice organizations.

Strategy and Project Types

Does the plan identify and prioritize land repurposing strategies and projects to address groundwater sustainability within your region? Yes No

If yes, check the strategies and projects prioritized within your Repurposing Plan (*check all that apply*) and briefly describe the priority level using the priority designations from your Repurposing Plan:

Strategies	Projects	Type	Priority
<input type="checkbox"/>	<input type="checkbox"/>	Habitat restoration	
<input type="checkbox"/>	<input type="checkbox"/>	Creation of multi-benefit recharge areas	
<input type="checkbox"/>	<input type="checkbox"/>	Restoring floodplains	
<input type="checkbox"/>	<input type="checkbox"/>	Transitioning irrigated land to dryland farming or non-irrigated rangeland	
<input type="checkbox"/>	<input type="checkbox"/>	Transitioning to less water intensive crops, including for native seed production	
<input type="checkbox"/>	<input type="checkbox"/>	Planting cover crops or conservation cover	
<input type="checkbox"/>	<input type="checkbox"/>	Reestablishment of tribal land uses	
<input type="checkbox"/>	<input type="checkbox"/>	Implementation of tribal cultural practices	
<input type="checkbox"/>	<input type="checkbox"/>	Facilitation of renewable energy projects that have an overall net GHG reduction	
<input type="checkbox"/>	<input type="checkbox"/>	Creation of parks or community recreation areas	
<input type="checkbox"/>	<input type="checkbox"/>	Incentive payments to landowners, farmers, and ranchers	
<input type="checkbox"/>	<input type="checkbox"/>	Land acquisitions to facilitate land repurposing and protect repurposed land uses	
<input type="checkbox"/>	<input type="checkbox"/>	Voluntary land transfers to tribes or qualified public entities to facilitate land repurposing and protect repurposed land uses	
<input type="checkbox"/>	<input type="checkbox"/>	Easement acquisitions, including conservation easement and flood easement acquisitions, to facilitate land repurposing and protect repurposed land uses	
<input type="checkbox"/>	<input type="checkbox"/>	Other: Click or tap here to enter text.	

Additional Information: [Click or tap here to enter text.](#)

Initials / Date

Consistency with the region’s Groundwater Sustainability Plan

Instructions for Grantee: When completing this section, keep in mind that not all groundwater sustainability plans (GSPs) address land repurposing. In those cases, land repurposing efforts should not conflict with strategies outlined in the GSP.

Is the project consistent with the relevant GSP? Yes No

If yes, provide the groundwater sustainability plan’s name, list the relevant sections of the GSP, and describe how the Repurposing Plan is consistent with those sections.: [Click or tap here to enter text.](#)

If the GSP does not address land repurposing, describe how the Repurposing Plan supports strategies that are outlined in the GSP/does not conflict with those strategies: [Click or tap here to enter text.](#)

DOC Grant Manager Review

Does the Repurposing Plan identify and prioritize land repurposing strategies and projects to address groundwater sustainability within the region? Yes No

If incentive payments to landowners, farmers, and ranchers is checked, are those payments linked to at least one other, non-acquisition project type? Yes No N/A

Only answer questions (a) and (b) if you checked “yes” above:

(a) Are those payments based on the conservation outcomes achieved and the duration of the benefit provided? Yes No N/A

(b) Did the grantee work with DOC on the development of those incentive payments? Yes No N/A

If an acquisition or land transfer box is checked, will those projects be linked to at least one non-acquisition project type? Yes No N/A

Is the Repurposing Plan consistent with the relevant GSP(s) for the region? Yes No

Reviewer Comments: [Click or tap here to enter text.](#)

Program Goals

Instructions for Grantee: Complete this section to determine if your Repurposing Plan is consistent with the program’s goals. Repurposing Plans do not need to explicitly address all of the program’s goals to be accepted, but rather must be generally consistent or not conflict with those goals.

Check the goals that the Repurposing Plan explicitly addresses:

DOC GM	Grantee	Goals
<input type="checkbox"/>	<input type="checkbox"/>	Supports coordinated, regional and basin-scale efforts to achieve groundwater sustainability in critically overdrafted basins and in high and medium priority basins where a state emergency drought declaration
<input type="checkbox"/>	<input type="checkbox"/>	Supports long-term repurposing of lands least viable for agriculture and multi-benefit opportunities that convert land to less intensive water uses while maintaining natural and working lands
<input type="checkbox"/>	<input type="checkbox"/>	Provides short- and medium-term drought relief
<input type="checkbox"/>	<input type="checkbox"/>	Provides benefits to disadvantaged communities and socially disadvantaged farmers and ranchers
<input type="checkbox"/>	<input type="checkbox"/>	Supports regional efforts to sustain land-based economies that are impacted by groundwater sustainability measures
<input type="checkbox"/>	<input type="checkbox"/>	Reduces groundwater use
<input type="checkbox"/>	<input type="checkbox"/>	Creates or restores wildlife habitat and wildlife connectivity, including seasonal wetland habitat to replenish aquifers
<input type="checkbox"/>	<input type="checkbox"/>	Improves groundwater supply, including through groundwater recharge, improved baseflows in rivers and streams, and groundwater supply improvement for fish and wildlife habitat
<input type="checkbox"/>	<input type="checkbox"/>	Supports nature-based solutions to reduce the impacts of hazards on lives, property, and the economy from overdrafted groundwater basins
<input type="checkbox"/>	<input type="checkbox"/>	Fosters partnerships and collaboration among diverse entities to enable regional scale leadership to meet this program’s goals
<input type="checkbox"/>	<input type="checkbox"/>	Develops scalable, transferable land repurposing models
<input type="checkbox"/>	<input type="checkbox"/>	Supports farmer, rancher, and farm worker leadership in multi-benefit land repurposing strategies and project implementation

For those goals that the Repurposing Plan does not explicitly address, describe how the Repurposing Plan is consistent or does not conflict with those goals: [Click or tap here to enter text.](#)

DOC Grant Manager Review		
Is the Repurposing Plan consistent with the program goals?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Reviewer Comments: Click or tap here to enter text.		

Repurposing Plan Outcomes

Instructions for Grantee: Complete this section to determine if development and anticipated implementation of your Repurposing Plan is consistent with the program’s identified outcomes for Repurposing Plan development and implementation. Development and implementation of your Repurposing Plan does not need to explicitly address all of the program’s desired outcomes to be approved, but rather should maximize the number of desired outcomes achieved to the greatest extent feasible.

Check the outcomes that development and implementation of the Repurposing Plan explicitly address:

Development	Implementation	Outcome
<input type="checkbox"/>	<input type="checkbox"/>	Identification and prioritization of agricultural land repurposing strategies and projects that can be implemented at scale within their region
<input type="checkbox"/>	<input type="checkbox"/>	A quantifiable estimate of project benefits, such as reduction in groundwater demand, quantity of recharge, stream flow improvement, or habitat acreage/quantity
<input type="checkbox"/>	<input type="checkbox"/>	Benefits to disadvantaged communities and socially disadvantaged farmers and ranchers
<input type="checkbox"/>	<input type="checkbox"/>	Protection of the long-term viability of agricultural economies through support for agricultural systems with flexible water demand and sustainable groundwater management
<input type="checkbox"/>	<input type="checkbox"/>	Attainment of strong regional support for the Multibenefit Agricultural Land Repurposing Plan and identified projects through broad inclusion of stakeholders and partners
<input type="checkbox"/>	<input type="checkbox"/>	Development and management of a broad collaborative structure and effective networks of partners and collaborators
<input type="checkbox"/>	<input type="checkbox"/>	Coordination of agricultural land repurposing efforts across land ownerships
<input type="checkbox"/>	<input type="checkbox"/>	Resource and habitat connectivity
<input type="checkbox"/>	<input type="checkbox"/>	Identification of habitat restoration opportunities that are located adjacent to land with high habitat value and provide habitat for endangered plant or animal species
<input type="checkbox"/>	<input type="checkbox"/>	Identification of adaptive management strategies to avoid adverse impacts on neighboring properties of repurposed lands
<input type="checkbox"/>	<input type="checkbox"/>	Economic development planning to support regional land-based economies through sustainable groundwater management implementation
<input type="checkbox"/>	<input type="checkbox"/>	Durable, long-term benefits that meet the program goals
<input type="checkbox"/>	<input type="checkbox"/>	Short- and medium-term emergency groundwater demand reduction to address environmental or public health needs caused by drought
<input type="checkbox"/>	<input type="checkbox"/>	Tribes’ ownership, co-ownership, co-management of, and access to the land
<input type="checkbox"/>	<input type="checkbox"/>	Support for local jobs, local communities, small businesses, and local economies

DOC Grant Manager Review

Did the development of the plan result in desired outcomes listed above?

Yes

No

Will implementation of the Repurposing Plan result in outcomes consistent with the desired outcomes identified for Repurposing Plans?

Yes

No

Overall, is the development and implementation of the Repurposing Plan consistent with the desired outcomes identified for the program?

Yes

No

Reviewer Comments: [Click or tap here to enter text.](#)

Outcomes for Projects Identified in the Repurposing Plan

Instructions for Grantee: Desired outcomes from the priority projects identified in each Repurposing Plan should be consistent with the outcomes listed for Land Repurposing projects. Complete this section to confirm that projects identified in your Repurposing Plan are consistent with the outcomes listed below. Individual projects do not need to explicitly address all of the below outcomes; however, the projects identified in the Repurposing Plan should maximize outcomes to the greatest extent feasible and prioritize those projects that create disadvantaged community benefits.

Check the outcomes addressed by projects identified in the Repurposing Plan:

	Outcome
<input type="checkbox"/>	Reduced groundwater use
<input type="checkbox"/>	Increased groundwater recharge
<input type="checkbox"/>	Improved baseflows in rivers and streams
<input type="checkbox"/>	Transition of land to less water intensive, regenerative uses while maintaining natural and working lands
<input type="checkbox"/>	Creation and/or restoration of wildlife and pollinator habitat and/or migratory species' resources
<input type="checkbox"/>	Protection of cultural resources
<input type="checkbox"/>	Improved water quality
<input type="checkbox"/>	Land use agreements to accomplish prioritized opportunities
<input type="checkbox"/>	Quantified achievement of multiple benefits of the program
<input type="checkbox"/>	Incorporated participation from multiple partners, collaborators, and funding sources
<input type="checkbox"/>	Replicability and scalability
<input type="checkbox"/>	Integrated benefits to disadvantaged communities and tribes
<input type="checkbox"/>	Increased community outreach, involvement, and education
<input type="checkbox"/>	Increased regional workforce development opportunities and support of local business
<input type="checkbox"/>	Diversified economic opportunities
<input type="checkbox"/>	Other: Click or tap here to enter text.

DOC Grant Manager Review

Are the projects identified in the Repurposing Plan consistent with the outcomes listed for land repurposing projects? Yes No

Reviewer Comments: [Click or tap here to enter text.](#)

Disadvantaged Community Benefits

Instructions for Grantees: Within your Repurposing Plan, you must prioritize projects that provide meaningful benefits disadvantaged communities, include a description of all disadvantaged communities in the region and the extent to which the program will benefit those communities, and identify a clear process for engaging disadvantaged communities in project development and implementation. Answer the following questions to assist your grant manager in determining whether your Repurposing Plan meets the following requirements.

Does your Repurposing Plan provide a description of all disadvantaged communities in the region and the extent to which the program will benefit those communities?
[] Yes [] No

Provide the section and page number(s) within your Repurposing Plan where this information is located: Click or tap here to enter text.

Does your Repurposing Plan identify a clear process for engaging disadvantaged communities in project development and implementation?
[] Yes [] No

Provide the section and page number(s) within your Repurposing Plan where this information is located: Click or tap here to enter text.

Does your Repurposing Plan prioritize projects that provide meaningful benefits to disadvantaged communities and socially disadvantaged farmers and ranchers?
[] Yes [] No

If yes, list the projects that are likely to provide benefits and the benefits to be provided by those projects to the relevant disadvantaged communities and/or provide the section(s) and page number(s) within your Repurposing Plan where this information is located: Click or tap here to enter text.

If yes, do those prioritized projects and the benefits they provide align with the benefits identified and prioritized by the disadvantaged communities and socially disadvantaged farmers and ranchers those projects impact?
[] Yes [] No

DOC Grant Manager Review

Did the grantee identify each disadvantaged community within their planning area?
[] Yes [] No

The grantee's description of each disadvantaged community was:
[] Poor [] Fair [] Good [] Excellent

Does the grantee's Repurposing Plan identify a clear process for engaging disadvantaged communities in project development and implementation?
[] Yes [] No

The grantee's process for engaging disadvantaged communities is:
[] Poor [] Fair [] Good [] Excellent

Does the Repurposing Plan prioritize meaningful benefit to the disadvantaged communities described?

Yes

No

Reviewer Comments: Click or tap here to enter text.

Additional Information

Best Available Data

Instructions for Grantees: Repurposing Plans should be consistent with the best available state, regional, and local data (e.g., water, climate, habitat, etc.). Please provide the following information about the data used in your Repurposing Plan:

- List each dataset
- Provide the date the data was released or updated
- Provide the date the data was collected
- Indicate whether the data meets data acquisition and data quality standards:

Copy and paste the below template as needed to include additional datasets.

Dataset 1: [Click or tap here to enter text.](#)

Date data was released/updated: [Click or tap here to enter text.](#)

Date data was collected: [Click or tap here to enter text.](#)

Does the data meet data acquisition and quality standards: [Click or tap here to enter text.](#)

Dataset 2: [Click or tap here to enter text.](#)

Date data was released/updated: [Click or tap here to enter text.](#)

Date data was collected: [Click or tap here to enter text.](#)

Does the data meet data acquisition and quality standards: [Click or tap here to enter text.](#)

Dataset ...: [Click or tap here to enter text.](#)

Date data was released/updated: [Click or tap here to enter text.](#)

Date data was collected: [Click or tap here to enter text.](#)

Does the data meet data acquisition and quality standards: [Click or tap here to enter text.](#)

How did you identify these datasets? [Click or tap here to enter text.](#)

Was there any data that was not readily available? If so, how did you go about obtaining this data or addressing this gap in your Repurposing Plan? [Click or tap here to enter text.](#)

DOC Grant Manager Review

Is the Repurposing Plan consistent with the best available data relevant to the Repurposing Plan?

Yes

No

Reviewer comments: [Click or tap here to enter text.](#)

MLRP Implementation Funding Priorities

Instructions for Grantees: While not required within the Repurposing Plans, inclusion of the following topics within your plan will expedite review of priority projects for approval of MLRP implementation funding. Please complete the following sections with this in mind.

Agricultural Viability

Does the Repurposing Plan prioritize projects to be conducted on lands that are least viable for irrigated agriculture?

Yes No

Briefly describe the methodology used to make this determination: [Click or tap here to enter text.](#)

Resource Connectivity

Does the Repurposing Plan prioritize projects that contribute to resource connectivity (e.g., connectivity of habitat, agricultural landscapes, renewable energy centers, etc.)?

Yes No

If yes, describe: [Click or tap here to enter text.](#)

DOC Grant Manager Review		
Does the Repurposing Plan prioritize projects conducted on lands least viable for agriculture?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Does the Repurposing Plan prioritize projects that will contribute to resource connectivity?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Reviewer comments: Click or tap here to enter text.		

ATTACHMENT D
PROFESSIONAL SERVICES AGREEMENT

EAST TURLOCK SUBBASIN GROUNDWATER SUSTAINABILITY AGENCY
PROFESSIONAL SERVICES AGREEMENT

THIS PROFESSIONAL SERVICES AGREEMENT (this “Agreement”) is entered into as of INSERT DATE, by and between EAST TURLOCK SUBBASIN GROUNDWATER SUSTAINABILITY AGENCY, a California joint powers authority (“ETSGSA”), and INSERT CONSULTANT NAME (“Consultant”). ETSGSA and Consultant are sometimes collectively referred to herein as the “Parties” or singularly by their individual names or as a “Party”.

RECITALS

A. WHEREAS, on September 16, 2014, California’s Governor signed into law Senate Bills 1168 and 1319 and Assembly Bill 1739, known collectively as the Sustainable Groundwater Management Act (“SGMA”), which went into effect on January 1, 2015; and

B. WHEREAS, ETSGSA is a joint powers authority that elected to become a GSA for SGMA purposes in the eastern portion of the Turlock Subbasin (DWR 5-022.03) (“Subbasin”); and

C. WHEREAS, ETSGSA and the West Turlock Subbasin GSA (“WTSGSA”) jointly prepared a Groundwater Sustainability Plan (“GSP”) for the entire Subbasin, which was submitted to DWR on January 28, 2022; and

D. WHEREAS, ETSGSA is responsible for GSP implementation within its boundaries, including implementing projects and management actions, conducting stakeholder engagement, and coordinating annual reports and five-year updates to the joint GSP with the WTSGSA as part of the joint Technical Advisory Committee (“TAC”) and other actions in support of achieving groundwater sustainability in the Subbasin through the 2042 planning horizon; and

E. WHEREAS, the Consultant submitted a “Cost Estimate” (the “Cost Estimate”) to assist ETSGSA with implementation of the Multibenefit Land Repurposing Plan Block Grant, which is attached hereto and incorporated herein as Attachment "A"; and

F. WHEREAS, ETSGSA seeks to retain Consultant to provide the services described in the Cost Estimate; and

G. WHEREAS, ETSGSA and Consultant desire to set forth, in writing, the terms and conditions of their contractual relationship.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

1. Incorporation of Recitals. The above Recitals are deemed true and correct and are incorporated herein by this reference.

2. Term and Application of Contract. This Agreement will become effective on the date of the last signature of both Parties (“Effective Date”) and shall continue thereafter for a period of one (1) year (the “Term”), unless mutually agreed in writing to extend the term or if earlier terminated as provided in Section 13 below.

3. Services. Consultant agrees to provide the services described more particularly in Attachment "A", and any subsequently agreed-upon services if in writing signed by both Parties (the “Services”). Consultant shall determine the method, detail and means of performing the Services within the Budget constraints as identified in Section 7 below. ETSGSA may not control, direct or supervise any of Consultant’s employees or subconsultants in the performance of the Services.

4. Qualifications. Consultant represents that Consultant, its principals, employees, and agents, have the qualifications and skills necessary to perform the Services under this Agreement in a competent, professional manner, without the advice or direction of ETSGSA. Consultant, its principals, employees, and agents, have the experience and training to enable Consultant to satisfy the requirements of this Agreement.

5. Standard of Care. Consultant shall perform all Services in accordance with a level of care and skill ordinarily exercised by other members of the profession with specialized experience in performing technical evaluations and reports to comply with SGMA or similar projects (the “Standard of Care”). If ETSGSA determines, in its sole discretion, that any of Consultant’s work product does not meet the Standard of Care, Consultant shall revise and resubmit the work product to ETSGSA at no additional cost.

6. Status of Consultant. Consultant enters into this Agreement as, and shall continue to be, an independent consultant. Under no circumstances shall Consultant look to ETSGSA as Consultant’s employer, or as a partner, agent, or principal. Consultant shall not be entitled to any benefits provided to ETSGSA’s employees, including workers’ compensation, disability insurance, vacation, or sick pay. Consultant owns all instruments and tools that will be used to complete the Services under this Agreement. Consultant, prior to the commencement of services, shall provide ETSGSA with documentation of Consultant’s tax identification number(s). No deductions shall be made from the payments made by ETSGSA to Consultant, including, but not limited to, withholding or other employment taxes, social security, state and federal unemployment contributions, or state or federal income tax or disability insurance contributions. Consultant hereby agrees to indemnify, defend and hold ETSGSA free and harmless from any and all liabilities, fees, interest, penalties or taxes arising out of Consultant’s failure to withhold and pay over to the appropriate taxing authorities such employment-related taxes.

7. Compensation and Payment. As consideration for the performance of the Services, Consultant will be compensated for the Services in accordance with the schedule contained in the Contractor/Consultant Work Authorization ("CWA") attached hereto as in Attachment "A" (the “Budget”). Consultant agrees that the Budget will not be exceeded without the ETSGSA Board of Director’s (“Board”) prior authorization. Consultant shall prepare and submit a Budget Change

Request for ETSGSA Board approval for Services exceeding the scope of the Budget prior to proceeding with those Services.

(a) Invoices. Consultant shall submit complete and accurate time records for the Services rendered during the previous month to ETSGSA on a monthly basis by the seventh (7th) day of each month. The time record shall include the date, the length of time (in fifteen (15) minute increments), a description of the Services provided, Consultant's employee or consultant who performed the Services, and his or her billing rate. Compensation shall be disbursed only on properly completed records in accordance with the terms of this Agreement.

(b) Expenses. Consultant shall be reimbursed for mileage at the standard IRS rate. Notwithstanding anything in the Proposal, unless Consultant obtains the prior written consent of ETSGSA's Board, Consultant shall not be reimbursed for expenses incurred in connection with providing the Services hereunder, including, but not limited to, all internet activity expenses, connectivity expenses, hardware expenses, travel and entertainment expenses, and any other amounts expended by Consultant in order to perform its duties under this Agreement. Should ETSGSA approve payment for any such expenses described above, they shall be at the actual cost of said expenses.

8. Insurance. Consultant shall, at Consultant's sole cost and expense, procure and maintain, at all times while this Agreement is effective, from a company or companies lawfully authorized to do business in the jurisdiction in which the subject property, project, and/or work is located or to be performed, such insurance as will protect Consultant from any and all claims which may arise out of or as a result of Consultant's Services under this Agreement for which Consultant may be legally liable including, but not limited to, the following:

(a) Workers' Compensation Coverage. At all times under this Agreement, Consultant agrees to obtain and have in effect coverage for claims under workers' compensation, disability benefit and other similar employee benefit acts in compliance with the laws of the State of California.

(b) Commercial General Liability Coverage. At all times under this Agreement, Consultant agrees to obtain and have in effect Commercial General Liability coverage for claims of liability arising from or as a result of personal and bodily injury, including death and property damage, suffered in connection with the Services set forth under this Agreement, provided in an amount not less than \$1,000,000.00 combined single limit each occurrence and \$2,000,000.00 in aggregate, and including contractual liability coverage for ETSGSA's indemnity requirements set forth herein. Commercial General Liability coverage amounts may be greater than the foregoing minimum amounts.

(c) Professional Liability or Errors and Omissions Liability. At all times under this Agreement, Consultant agrees to obtain and have in effect Professional Liability or Errors and Omissions Liability coverage with respect to all professional Services performed under this Agreement in an amount not less than \$1,000,000.00 per claim and \$1,000,000.00 in aggregate, of which coverage amounts may be greater than the foregoing minimum amounts. Additionally, Consultant agrees to maintain this required coverage for

a period of no less than two (2) years after substantial completion of professional Services set forth under this Agreement.

(d) Certificate(s) of Insurance. Consultant shall provide and present to ETSGSA certificates of insurance evidencing coverage required above prior to the commencement of the Services set forth under this Agreement. Each certificate shall provide that the coverage afforded shall not be cancelled or ordered reduced by the Consultant, except with at least thirty (30) days' prior written notice to ETSGSA. Should this occur, Consultant shall procure and furnish to ETSGSA prior to such effective date new certificates conforming to the above coverage requirements. Consultant shall not have the right to receive any payment under this Agreement until all insurance certificates are received by ETSGSA.

(e) Endorsements and Additional Insured Endorsements. At the time of providing ETSGSA with all necessary certificates of insurance, Consultant shall provide ETSGSA with all necessary policy endorsements that satisfy the insurance requirements set forth in this Agreement. Consultant shall also provide ETSGSA with all necessary endorsements and/or documents establishing and naming ETSGSA and its directors, officers, agents, employees, and representatives as additional insureds to the insurance policy(ies) held by Consultant.

(f) Miscellaneous. Such insurance procured pursuant to this Agreement by Consultant shall insure, on an occurrence basis, against all liability of the Consultant including, but not limited to, its employees, agents, representatives, subconsultants, and/or any other individual and/or entity affiliated with the Consultant, arising out of or in connection with the Services provided under this Agreement.

9. Subconsultants. Consultant must obtain ETSGSA's prior written consent of any subconsultant which Consultant proposes to use under this Agreement. ETSGSA may withhold its consent in its sole discretion. In the event ETSGSA consents to Consultant's use of a subconsultant, Consultant shall maintain oversight, management, and responsibility for any and all subconsultant work. All subconsultants shall comply with all applicable insurance provisions of Section 8 of this Agreement. ETSGSA retains the right to independently retain the selected subconsultant(s) without surcharge. All subconsultants shall have specialized experience, skills, knowledge, and abilities to perform the tasks they are performing. Consultant shall provide copies of each subconsultant's (and relevant subconsultant employee's) license information upon requesting ETSGSA's written consent of said subconsultant.

10. Excused Delay Of Performance. Neither Party is responsible for any delays in Services caused by activities or factors beyond either Party's reasonable control, including, but not limited to, unforeseen events and/or circumstances beyond the reasonable control of either Party, or acts of God. Moreover, Consultant shall not be held responsible for the Client's failure to furnish timely information and/or approval or disapproval of Consultant's Services. When such delays, circumstances, activities, and/or events are beyond the reasonable control of either Party, the Parties agree that they will not hold each other responsible for damages, and neither Party shall be deemed to be in default of this Agreement.

11. Indemnification. Each Party shall defend, indemnify and hold the other Party, its officers, directors, members, employees and agents harmless from and against any and all liability, loss, expense, attorneys' fees or claims for injury or damages arising out of its own performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, attorneys' fees or claims for injury or damages are caused by or result from the negligent acts or omissions of itself, its officers, directors, members, employees or agents. This Section 10 shall survive the expiration or earlier termination of this Agreement.

12. Assignment. Neither this Agreement nor any duties or obligations under this Agreement may be assigned by Consultant without the prior written consent of ETSGSA's Board.

13. Termination.

(a) Termination Without Cause. This Agreement may be terminated at any time and by either Party, without cause, on not less than sixty (60) days' prior written notice to the other Party. After notice of termination, Consultant shall wind up the Services by the end of the notice period as stated in the written notice. In the event of termination, ETSGSA agrees to pay for the value of the Services performed as of the date of termination. Upon termination under this Section 13(a), neither Party has any rights or remedies against the other Party. This Section 13(a) shall survive termination of the Agreement.

(b) Termination on Occurrence of Stated Events. This Agreement will terminate automatically on the occurrence of any of the following events:

- (i) Bankruptcy or insolvency of either Party;
- (ii) Assignment of this Agreement by Consultant without the consent of the other Party; or
- (iii) Expiration of the term of this Agreement.

(c) Termination for Default. If either Party defaults in the performance of this Agreement or breaches any of its provisions or representations, the non-breaching party may terminate this Agreement by giving written notification of the breach and request that it be cured within one (1) week. If the breach is not so cured, in the non-breaching party's sole discretion, this Agreement will terminate fifteen (15) days after the date of the written notification requesting the cure.

14. Notices. All notices and other communications required under this Agreement shall be in writing and shall be deemed to have been duly given (i) on the date of service, if served personally on the person to whom notice is to be given, (ii) on the date of receipt, if sent by e-mail to the person to whom notice is to be given at the e-mail address set forth below, or (iii) on the third day after mailing, if mailed to the party to whom notice is to be given by first-class mail, registered or certified, postage prepaid, addressed as follows:

To ETSGSA: East Turlock Subbasin GSA
731 East Yosemite Avenue, Suite B#318
Merced, CA 95340

Telephone: (209) 589-0689
E-mail: mtietze@formationenv.com

To Consultant: **ENTER CONSULTANT ADDRESS**

A Party or other designated recipient may change its address by notifying the Parties and other designated recipients of its new address in accordance with the procedures set forth in this Section 14.

15. Documents, Materials, And Prepared Information.

(a) Work Product. All materials prepared or developed by Consultant in the performance or completion of the Services, including without limitation documents, calculations, maps, sketches, notes, reports, data, models, and samples, if any, and any and all copyrightable material contained therein (collectively, "Work Product"), shall be deemed to be owned by ETSGSA, and Consultant hereby assigns to ETSGSA, or its designee, all Consultant's right, title and interest throughout the world in and to the Work Product. Notwithstanding anything to the contrary herein, this provision shall not include any of the Consultant's pre-existing inventions, analytical processes, software, original works of Consultant's authorship, derivative works, compositions, ideas, processes, techniques, developments, marketing collateral, data, concepts, know-how, improvements or trade secrets.

(b) Delivery of Work Product. The Work Product shall, together with materials furnished to Consultant by ETSGSA hereunder, be delivered to ETSGSA or its designee upon request and in any event upon expiration or termination of this Agreement. Consultant agrees to execute all documents and to take all steps requested of Consultant that ETSGSA deems necessary or desirable to complete and perfect ETSGSA's property rights in the copyrightable materials. All documents and other materials relating to this Agreement shall be available for inspection by ETSGSA or its designee.

(c) Confidentiality. Unless otherwise authorized by the Proposal for the Services or federal, state, or local law, Consultant agrees that it shall hold confidential and not disclose, use, release, or disseminate, whether orally or in writing, any documents, materials, or information prepared by Consultant in performing the Services for ETSGSA and/or received from ETSGSA to any third party persons or entities without (1) providing written notice of the third party request to ETSGSA, including, but not limited to, the nature, extent, and subject of the request; (2) providing ETSGSA a reasonable opportunity to review and analyze the third party request; and (3) allowing ETSGSA the opportunity to prepare a response and/or objection to the third party request.

16. Conflicts Of Interest. Consultant shall not retain or engage in any other employment or activities that are inconsistent, incompatible, in conflict with, or inimical to Consultant's duties as outlined within the Services.

17. Compliance with Laws. ETSGSA and Consultant agree to comply with all applicable statutes and regulations, both state and federal, applicable to the operation and administration of this Agreement and the Services.

18. Entire Agreement. This Agreement supersedes any and all agreements, either oral or written, between the Parties with respect to the rendering of the Services by Consultant for ETSGSA and contains all of the representations, covenants and agreements between the Parties with respect to the rendering of the Services. Each Party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any Party, or anyone acting on behalf of any Party, which are not contained in this Agreement, and that no other agreement, statement or promise not contained in this Agreement will be valid and binding. Any modification or amendment to this Agreement will be effective only if it is in a writing signed by both Parties.

19. Attorneys' Fees. If any legal action arises pursuant to this Agreement, the prevailing party will be entitled to reasonable attorneys' fees and costs, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which that party may be entitled.

20. Governing Law; Venue. This Agreement and all documents provided for herein and the rights and obligations of the Parties hereto shall be governed in all respects, including validity, interpretation, and effect, by the laws of the State of California. Venue shall be in either Merced or Stanislaus County Superior Court, or the United States District Court for the Eastern District of California.

21. Partial Invalidity. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will continue in full force and effect without being impaired or invalidated in any way.

22. Successors. The terms, covenants, and conditions of this Agreement shall be binding upon and shall inure to the benefit of the heirs, executors, administrators, and assignees of the respective Parties.

23. Authority. Each Party to this Agreement warrants to each other that he or she is fully authorized and competent to enter into this Agreement in the capacity indicated by his or her signature and agrees to be bound by this Agreement.

24. Counterparts. This Agreement may be signed by the Parties in different counterparts, which together shall constitute one agreement, even though all Parties may not have signed the same counterpart.

25. Waiver. A waiver of any breach of this Agreement by any Party to this Agreement shall not constitute a continuing waiver, or of any subsequent breach of the same, or of any breach of another provision of this Agreement.

26. Further Acts. Each Party agrees to do all acts and things and to make, execute and deliver such written instruments as shall be reasonably necessary to carry out the terms and provisions of this Agreement and to complete the transactions contemplated herein.

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of the last date signed below.

“ETSGSA”

EAST TURLOCK SUBBASIN
GROUNDWATER SUSTAINABILITY
AGENCY, a California joint powers authority

“CONSULTANT”

ENTER CONSULTANT NAME

By: _____
Ward Burroughs, Chair

By: _____

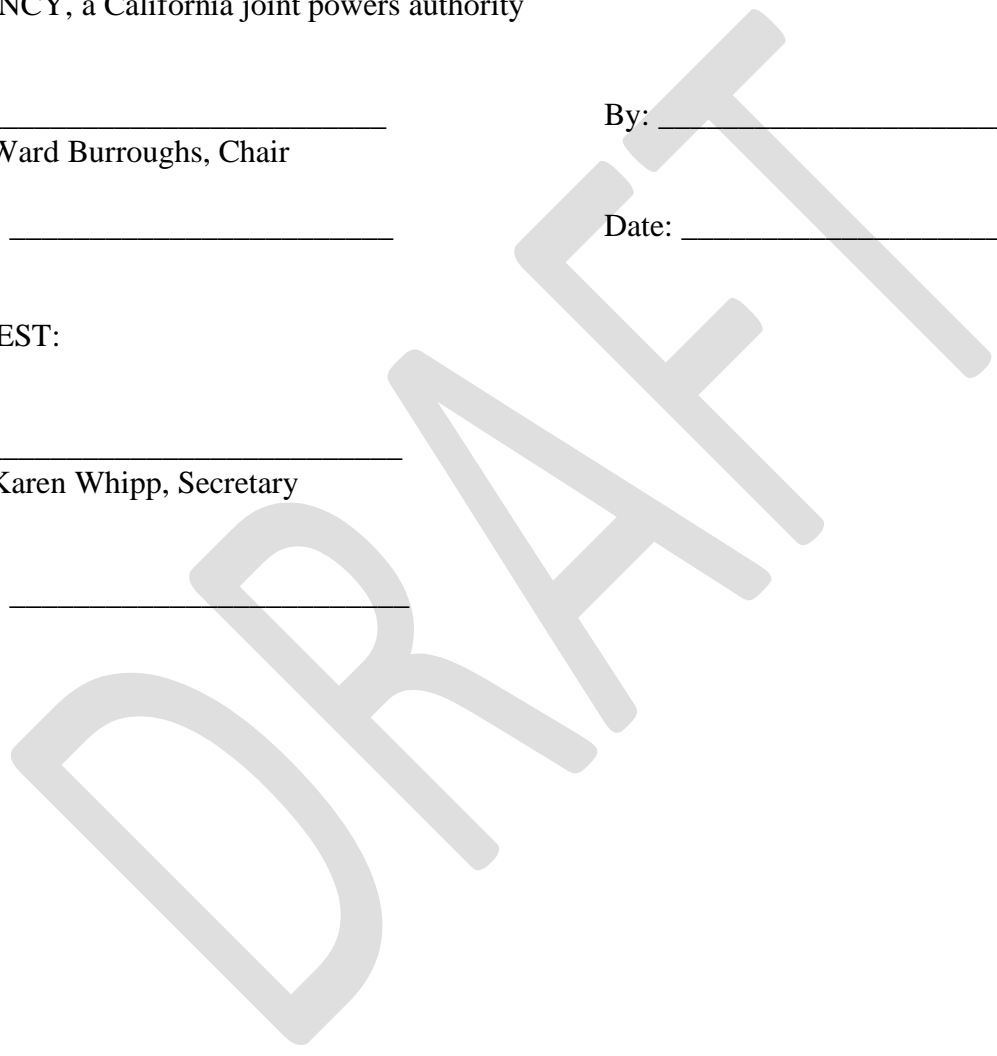
Date: _____

Date: _____

ATTEST:

By: _____
Karen Whipp, Secretary

Date: _____



ATTACHMENT "A"

Contractor/Consultant Work Authorization and Cost Estimate

DRAFT

ATTACHMENT E
CONSULTANT WORK AUTHORIZATION

EAST TURLOCK SUBBASIN GROUNDWATER SUSTAINABILITY AGENCY
JOINT POWERS AUTHORITY



CONTRACTOR/CONSULTANT WORK AUTHORIZATION
CWA No. INSERT NO. HERE

Contractor/Consultant:

INSERT CONSULTANT INFORMATION HERE

Description of Work:

INSERT CONSULTANT NAME HERE will provide consulting services to support East Turlock Subbasin Groundwater Sustainability Agency ("ETSGSA") to implement the first phase of the Multibenefit Land Repurposing Program ("MLRP") Block Grant during Fiscal Year 2023/2024. The work will be completed per the proposal included in Attachment "A".

Approved Budget:

The approved not-to-exceed budget for the scope of work is **INSERT BUDGET TOTAL HERE**, as detailed below in Table 1 and the attached proposal (Attachment 1).

TABLE 1 – MLRP IMPLEMENTATION BUDGET ESTIMATE, FISCAL YEAR 2023/2024

Invoices submitted for reimbursement under this CWA must comply with the requirements outlined in Attachment "B".

**EAST TURLOCK SUBBASIN GROUNDWATER SUSTAINABILITY AGENCY
JOINT POWERS AUTHORITY**



Schedule:

INSERT SCHEDULE HERE

Terms:

The work will be conducted subject to the Professional Services Agreement ("PSA") between EMRCD and ETSGSA, dated January 25, 2023 and attached hereto as Attachment "C".

In addition, it is the intent of the parties that certain requirements contained in Grant Agreement DOC6 3023-4003 between ETSGSA and the California Department of Conservation ("DOC"), dated November 1, 2023 and attached hereto as Attachment "D" will flow down to the Contractor/Consultant. In addition to the terms contained in the PSA, Contractor/Consultant agrees to comply with the following provisions of Attachment "D", including, but not limited to:

- Indemnification as detailed in Section 6 on page 16. Specifically, Contractor/Consultant agrees to indemnify, defend, and hold harmless ETSGSA and the State of California, and their officers, agents, and employees from any and all claims and losses accruing or resulting to any and all Contractor/Consultant, partners, subcontractors, suppliers, laborers, and any other person, firm, or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of the PSA and this CWA, and from any and all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by Contractor/Consultant in the performance of this CWA.
- Non-Discrimination Clause as detailed in Section 9 on page 17.
- Insurance Requirements as detailed in Section 8 on pages 19-20.
 - Regarding additional insureds, Contractor/Consultant agrees to list ETSGSA and its officers and agents and the State of California, its officers, agents, and employees as additional insureds, but only with respect to work performed for ETSGSA under the PSA and this CWA.
- Drug-Free Workplace Certification as detailed in Section 11 on page 21.

Any documentation required in the provisions of Attachment "D" referenced above must be submitted to ETSGSA prior to execution of this CWA.

ATTACHMENTS

Attachment "A" – Scope of Work Proposal

Attachment "B" – Contractor/Consultant and Partner Invoice Submittal Requirements

Attachment "C" – Professional Services Agreement

Attachment "D" – Grant Agreement between ETSGSA and the Department of Conservation

**EAST TURLOCK SUBBASIN GROUNDWATER SUSTAINABILITY AGENCY
JOINT POWERS AUTHORITY**



Approval and Acceptance

CONTRACTOR/CONSULTANT

EAST TURLOCK SUBBASIN GSA

Name: _____

Name: _____

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

DRAFT

ATTACHMENT A
SCOPE OF WORK PROPOSAL

ATTACHMENT B

CONTRACTOR/CONSULTANT AND PARTNER INVOICE SUBITTAL REQUIREMENTS

**EAST TURLOCK SUBBASIN GROUNDWATER SUSTAINABILITY AGENCY
JOINT POWERS AUTHORITY**



**STANDARD OPERATING PROCEDURE AND WORKFLOW
PROCESSING AND PAYMENT OF CONTRACTOR/CONSULTANT AND PARTNER INVOICES
MULTI-BENEFIT LAND REPURPOSING BLOCK GRANT PROGRAM**

1.0 SCOPE AND APPLICABILITY

This Standard Operating Procedure (SOP) describes the protocol and workflow sequence for processing invoices by contractors/consultants and partners performing work for the East Turlock Subbasin Groundwater Sustainability Agency (ETSGSA) under the California Department of Conservation (DOC) Multibenefit Land Repurposing Program (MLRP) Block Grant. This procedure has been put in place to ensure that invoices are received and processed by ETSGSA staff, and approved by the ETSGSA Board to allow for timely payment for services rendered and assurance that funds are available for payment.

2.0 PROCEDURES

2.1 CONTRACTOR/CONSULTANT AND PARTNER INVOICE SUBMITTAL REQUIREMENTS

Contracts for Consultant/Contractor or Partner services under the MLRP Block Grant Program shall be subject to the following invoicing and payment terms:

- A. Invoices shall be sent to ETSGSA's Board Secretary and MLRP Program Manager by email.
- B. Invoices shall be issued monthly not later than the seventh (7th) day of the month following the period in which the invoiced expenses were incurred. This is necessary in order for the invoice to be processed for inclusion in that month's Composite Invoice to the DOC, which will be issued by the 10th day of the month, or by the first following business day if the 10th falls on a weekend or holiday.
- C. Invoices shall break down expenses in accordance with the tasks listed in the approved Consultant/Contractor Work Authorization, and all charges shall be in accordance with the rate sheet attached thereto. Labor charges shall be presented as line item takeoffs, including the number of hours charged, name and charge category of the individual, and total charges. Supporting documentation shall be attached (e.g., timesheets, activity logs, expense reports, receipts).
- D. Each invoice shall include a cover letter on official letterhead, signed by an authorized signatory, certifying that the expenditures are for actual expenses for tasks performed under the MLRP Block Grant. The letter shall include a summary detailing services performed, tasks completed, and the deliverables provided for which payment is requested. A summary of the budget status shall also be included.
- E. Expenses for travel directly related to services performed under the MLRP Block Grant Program will be reimbursed at cost. Travel expenses are subject to State of California reimbursement rates in effect during the term as outlined below and in the Grant Agreement:
 - a. Accommodation-related travel costs at the maximum reimbursement rates based on county as shown at: <https://hrmanual.calhr.ca.gov/Home/ManualItem/1/2203>, with no option for approval of an "excess lodging rate."
 - b. Rental car costs or personal vehicle mileage for travel directly related to services performed under the MLRP Block Grant Program will be reimbursed at the relevant

rental car or Reimbursement Rate Per Mile for Personal Vehicle as show at:
<https://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx> .

- c. No other travel-related costs will be reimbursed.
- F. Consultant/Contractor or Partner shall maintain and provide detailed travel records and supporting documentation (e.g., expense claims, invoices, receipts for lodging, transportation, and meals, date, and purpose of travel, and, in case of travel by automobile, the number of miles driven).

2.2 ETSGSA INVOICE PROCESSING AND PAYMENT PROCUDURES

- A. Invoices will be processed as follows by ETSGSA staff:
 - a. Invoices will be reviewed for compliance with these requirements. Acceptable invoices will be approved by ETSGSA's MLRP Program Manager and Secretary and included in that month's Composite Invoice.
 - b. Unacceptable invoices will be returned to the Contractor/Consultant or Partner for revision and resubmittal.
 - c. Invoices that require revision or that are not received by the 7th day of the month may be deferred for inclusion in the next month's Composite Invoice if they cannot be processed in time.
- B. Approved Contractor/Consultant and Partner invoices will be submitted to the ETSGSA Board for approval of payment. Upon approval by the ETSGSA Board, a check in the approved amount will be drafted for signature by the approved Board members as required by the ETSGSA check payment policy. The check will be post-dated 60 calendar days after the date of the Composite Invoice in which the Consultant/Contractor or Partner invoice is included. If there is no regularly-scheduled Board meeting within 45 calendar days of submittal of the final signed Composite Invoice, a Special Board Meeting will be scheduled to facilitate timely approval and payment.
- C. Checks for payment of approved invoices will be released when ETSGSA is paid by DOC for the Composite Invoice in which the Consultant/Contractor or Partner invoice is included, not to exceed 60 days from the date of the Composite Invoice.
- D. Payment of approved Contractor/Consultant, Partner or Staff invoices will occur within 5 days of receiving reimbursement from DOC for Composite Invoice in which they are included, and not more than 60 days after the date of the Composite Invoice.
 - a. Payment will be made from MLRP funds, if sufficient funds are available.
 - b. If sufficient MLRP funds are not available at the time of payment, payment will be made from any remaining balances in the MLRP account, and failing that from the Prudent Reserve, General Fund or Loan Proceed accounts at ETSGSA staff discretion.
 - c. If payment is made from a non-MLRP account, any funds transferred from that account will be restored as soon as reimbursement payment for the Composite Invoice is received from the DOC.

2.3 ETSGSA COMPOSITE INVOICE PROCESSING PROCEDURES

- A. A composite invoice, including all approved Staff, Consultant/Contactor and Partner labor, subcontractor expenses and Other Direct Costs will be compiled by ETSGSA staff in a format acceptable to DOC, and submitted to the DOC Grant Manager and Program Manager for reimbursement by the 10th of the month (or the first subsequent business day if the 10th falls on a weekend or holiday).
 - a. A Draft, unsigned Composite Invoice will be submitted to the DOC Grant Manager for review.
 - b. A Final signed Composite Invoice will be submitted to the DOC Grant Manager following confirmation that the composite invoice and supporting documentation is acceptable. This will generally occur within two business days after the draft invoice is submitted.
- B. A monthly MLRP Financial Status Report will be provided by staff to the Board, presenting the following information:
 - a. Authorized MLRP budget by task;
 - b. Prior amount invoiced by task;
 - c. Current amount invoiced;
 - d. Current budget amount remaining; and
 - e. A summary detailing services performed, tasks completed, and the deliverables provided.

ATTACHMENT C
PROFESSIONAL SERVICES AGREEMENT

ATTACHMENT D

GRANT AGREEMENT BETWEEN ETSGSA AND THE DEPARTMENT OF CONSERVATION