



MEMORANDUM
AGRICULTURAL COMMISSIONER &
SEALER OF WEIGHTS AND MEASURES
County of Placer

TO: Honorable Board of Supervisors DATE: September 28, 2021
FROM: Josh Huntsinger, Agricultural Commissioner & Sealer
By: Kerri Timmer, Regional Forest Health Coordinator
SUBJECT: French Meadows Forest Restoration Project – Placer County Water Agency Use of Funds and Reimbursement Agreement for Sierra Nevada Conservancy Middle Fork American River Watershed Restoration Grant

ACTIONS REQUESTED

1. Approve and authorize Agricultural Commissioner/Sealer to execute the Use of Funds and Reimbursement Agreement with Placer County Water Agency establishing a relationship wherein the Placer County Office of the Agricultural Commissioner/Sealer manages implementation of the Sierra Nevada Conservancy Middle Fork American River Watershed Restoration Project Grant activities on behalf of Placer County Water Agency under the County's U.S. Forest Service Master Stewardship Agreement.
2. Approve a FY 2021-22 Budget Amendment #AM-00553 for CC10018 - Community and Agency Support.

BACKGROUND

The United States Department of Agriculture, acting through the United States Forest Service (USFS), has previously issued a Decision Notice, dated as of December 10, 2018, approving the French Meadows Forest Restoration Project (FMP) in the Tahoe National Forest (TNF). As described in the Decision Notice, the FMP was developed through a collaboration involving multiple organizations including Placer County Water Agency (PCWA), the County, and the USFS, and the Parties intend that this collaboration will continue through project implementation.

In addition, the County holds a Master Stewardship Agreement (MSA) with the USFS/Tahoe National Forest, dated March 16, 2018, which legally allows the County to perform work on the described federal lands of the Project, including the procurement and implementation of forest management work in conjunction with the Tahoe National Forest.

The 494 acres proposed for treatment under PCWA's Middle Fork American River Watershed Restoration Project Grant #1337, awarded by the Sierra Nevada Conservancy (SNC) on July 15, 2021, are included within the Decision Notice of Record. As such, PCWA desires the County to manage the implementation of the proposed forest treatments under the terms and conditions stated within the Use of Funds and Reimbursement Agreement and related SNC Grant Agreement #1337. Under this agreement, the County will be reimbursed by PCWA with the eligible SNC Grant Funds in an amount up to \$1,000,000 from September 28, 2021, to December 31, 2024, or the completion of the project work, whichever comes first.

In order to move forward with the Middle Fork American River Watershed Restoration Project activities, staff recommends that your Board: 1.) approve and authorize the Agricultural Commissioner/Sealer to execute the Use of Funds and Reimbursement Agreement with PCWA (a copy of the Agreement and the related SNC Exhibit are attached); and 2.) approve Budget Amendment No. 00553.

ENVIRONMENTAL IMPACT

Two Notices of Exemption (NOE) were filed for the FMP Project: 1) The Project is consistent with CEQA Guidelines Section 15308 (Class 8 CEQA Categorical Exemption: Actions by Regulatory Agencies for Protection of the Environment) because it is an action authorized by the Placer County Grading Ordinance that will help assure the maintenance, restoration, enhancement, or protection of the environment, and the regulatory process involves procedures for protection of the environment. This exemption was filed on December 21, 2018; and 2) The Project is consistent with Senate Bill (SB) 901. SB 901 provides that until January 1, 2023, CEQA would not apply to prescribed fire, thinning, or fuel reduction projects undertaken on federal lands to reduce the risk of high-severity wildlife that have been reviewed under the National Environmental Policy Act (NEPA). This exemption was filed on January 24, 2019. The NEPA Decision Notice for the French Meadows Restoration Project was signed by the TNF Forest Supervisor on December 12, 2018.

FISCAL IMPACT

A FY 2021-22 Budget Amendment #AM-00553 to increase appropriations by \$1,000,000 in the CC10018 - Community and Agency Support budget, offset by a corresponding increase in revenue, is included for consideration and approval. Forest health and wildfire fuel reduction services are charged to PCWA at full cost recovery in accordance with the agreement and have no fiscal impact on the County.

ATTACHMENTS

Resolution with Exhibit 1

Before the Board of Supervisors County of Placer, State of California

In the matter of:

A Resolution authorizing the Agricultural Commissioner/Sealer to sign Use of Funds and Reimbursement Agreement with Placer County Water Agency in the amount of \$1,000,000.00 for calendar years 2021 through 2024.

Resolution No.: _____

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held on September 28, 2021, by the following vote:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chair, Board of Supervisors

Attest:

Clerk of said Board

WHEREAS, Placer County Water Agency (PCWA) has been granted a sum of not more than one million dollars (\$1,000,000), through the Immediate Action Wildfire and Forest Resilience competitive grant funding opportunity from the Sierra Nevada Conservancy (SNC) Forest Health Grant Program in 2021; and

WHEREAS, PCWA seeks to invest these grant funds for use on the Middle Fork American River Watershed Restoration Project (Project), a 494 acre forest treatment project within the larger French Meadows Forest Restoration Project (FMP), during the 2021 to 2024 period as mandated by the terms of the SNC Grant Agreement (Attachment 1); and

WHEREAS, the Parties recognize that the United States Department of Agriculture, acting through the United States Forest Service (USFS), has previously issued a Decision Notice, dated as of December 10, 2018, approving the French Meadows Forest Restoration Project in the Tahoe National Forest. Goals for the FMP include promoting forest resilience to stressors such as wildfire, insect and disease outbreaks, and climate change; reducing the risk of uncharacteristic, high-severity wildfire; protecting and restoring habitat for fish and wildlife; and safeguarding water supply and resources. The project design of the FMP is grounded in ecologically based forest management to increase forest stand resilience while maintaining mature forest characteristics. As described in the Decision Notice, the FMP was developed through a collaboration involving multiple organizations including PCWA, the County, and the USFS, and the Parties intend that this collaboration will continue through project implementation, as reflected in this Use of Funds and Reimbursement Agreement. The Parties recognize that the proposed acres designed by this grant for the Project are included within the Decision Notice of record; and

WHEREAS, PCWA recognizes that the County has the ability to perform the work meeting all federal, state and local laws related to the procurement and implementation of forest management in conjunction with the Tahoe National Forest, with which they hold a Master Stewardship Agreement dated March 16, 2018, which legally allows for the performance of work on the described federal lands of the Project; and

WHEREAS, PCWA desires the County to manage the implementation of the proposed 494 acres of forest treatments on the terms and conditions stated herein and intends to reimburse the County with the eligible SNC Grant Funds in an amount up to one million dollars (\$1,000,000) for calendar years 2021 through 2024.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Placer, State of California, that the Board authorizes the Agricultural Commissioner/Sealer to sign PCWA Use of Funds and Reimbursement Agreement, attached as Exhibit 1.

BE IT FURTHER RESOLVED that this Resolution shall be effective immediately.

Exhibit 1 – PCWA Use of Funds and Reimbursement Agreement

**USE OF FUNDS AND REIMBURSEMENT AGREEMENT
Middle Fork American River Watershed Restoration Project**

This Use of Funds and Reimbursement Agreement made and entered into this _____ day of _____, 2021, by and between the PLACER COUNTY WATER AGENCY (“PCWA”), a public water agency and the COUNTY OF PLACER (“County”), a political subdivision of the State of California, collectively referred to as “Parties.” The Parties intend to be bound and mutually agree as follows:

W I T N E S E T H:

WHEREAS, PCWA has been granted a sum of not more than one million dollars (\$1,000,000), through the Immediate Action Wildfire and Forest Resilience competitive grant funding opportunity from the Sierra Nevada Conservancy (SNC) Forest Health Grant Program in 2021; and

WHEREAS, PCWA seeks to invest these grant funds for use on the Middle Fork American River Watershed Restoration Project (Project), a 494 acre forest treatment project within the larger French Meadows Forest Restoration Project (FMP), during the 2021 to 2024 period as mandated by the terms of the SNC Grant Agreement (Attachment 1); and

WHEREAS, the Parties recognize that the United States Department of Agriculture, acting through the United States Forest Service (USFS), has previously issued a Decision Notice, dated as of December 10, 2018, approving the French Meadows Forest Restoration Project in the Tahoe National Forest. Goals for the FMP include promoting forest resilience to stressors such as wildfire, insect and disease outbreaks, and climate change; reducing the risk of uncharacteristic, high-severity wildfire; protecting and restoring habitat for fish and wildlife; and safeguarding water supply and resources. The project design of the FMP is grounded in ecologically based forest management to increase forest stand resilience while maintaining mature forest characteristics. As described in the Decision Notice, the FMP was developed through a collaboration involving multiple organizations including PCWA, the County, and the USFS, and the Parties intend that this collaboration will continue through project implementation, as reflected in this Use of Funds and Reimbursement Agreement. The Parties recognize that the proposed acres designed by this grant for the Project are included within the Decision Notice of record; and

WHEREAS, PCWA recognizes that the County has the ability to perform the work meeting all federal, state and local laws related to the procurement and implementation of forest management in conjunction with the Tahoe National Forest, with which they hold a Master Stewardship Agreement dated March 16, 2018, which legally allows for the performance of work on the described federal lands of the Project; and

WHEREAS, PCWA desires the County to manage the implementation of the proposed 494 acres of forest treatments on the terms and conditions stated herein and intends to reimburse the County with the eligible SNC Grant Funds in an amount up to one million dollars (\$1,000,000) for calendar years 2021 through 2024.

NOW, THEREFORE, it is hereby agreed by and between the parties hereto as follows:

1. The Recitals listed above are incorporated into this Agreement.

2. The County shall take on the role of Project Manager for the implementation of the Project as further described in the SNC Grant Agreement, providing qualified personnel or contractors to implement identified tasks including but not limited to: managing the vendor bidding, procurement, contracting, performance, invoicing, reporting, and payment processes; overseeing and approving vendors' work in the field; coordinating with the Forest Service and other agencies and organizations on implementation of the project work; and providing information and updates to the French Meadows Partnership at quarterly meetings and/or as otherwise requested.
3. The County shall invoice PCWA monthly for eligible Project expenses that qualify for use of the Grant Funds exclusively for the Project. The County shall provide all necessary reporting requirements on the Project to PCWA by the dates described in the Scope of Work in Exhibit A of the SNC Grant Agreement, in a format reasonably requested by PCWA, including an accounting of the use of the Grant Fund expenditures.
4. PCWA shall use the Project invoices received by the County for submittal to the SNC for the award of Grant Funds to PCWA.
5. Upon receiving the Grant Funds from the SNC, PCWA shall make payment to the County in the amount of Grant Funds received from the SNC.
6. The Parties recognize that should the SNC only approve and award a portion of the Project expenses submitted for Grant funding, PCWA shall reimburse the County for the amount received by the SNC, and the County shall secure reimbursement for the remainder from other French Meadows Project revenues.
7. The County shall publicly recognize that the implementation of the Project was funded in part by SNC Grant Funds granted to PCWA.
8. The County shall formally include the Project in the County's budget no later than December 31, 2021.
9. The County shall comply with all laws, rules and regulations applicable to the Project and use of the Grant Funds as described in the SNC Grant Agreement, and shall cooperate with PCWA and SNC to provide any additional documentation or information as may be required
10. The County shall keep detailed accounting records in accordance with generally accepted accounting principles and as may be otherwise reasonably requested by PCWA. PCWA shall have the right to inspect said records at any reasonable time.
11. All notices to either party that may be required or authorized by this Agreement shall be in writing and either deposited in the United States Mail, postage prepaid or personally delivered. The notice shall be effective upon the date of personal delivery or date of mailing. Notices regarding this Agreement shall be sent or delivered to the County or PCWA at:

County:

Placer County Department of Agriculture, 11477 E Ave., Auburn, CA 95603
Attn: Regional Forest Health Coordinator

PCWA:

144 Ferguson Road, P.O. Box 6570, Auburn, CA 95604
Attn: Director of Resource Management

Either party may amend its address for notice by notifying the other party in writing.

12. County shall save, keep, hold harmless, defend, and indemnify PCWA from all damages, costs, or expenses in law or equity that may at any time arise or otherwise occur because of damage to property or personal injury received by reason of or in the course of performing work which may be occasioned by any willful or negligent act or omission of County, any of County's employees, agents, representatives, contractors and/or subcontractors. County shall be responsible for any liability imposed by law and for death, injury, or damage to property of any person including, but not limited to, workmen, subcontractors, and the public, resulting from any cause whatsoever during the progress of the work or at any time before or after its completion and final acceptance.

If any judgment is rendered against PCWA for any injury, death or damage caused by County as a result of work performed or completed, pursuant to this Agreement, Grantee shall, at its own expense, satisfy and discharge any judgment.

As used above, the term PCWA means the Placer County Water Agency, its officers, agents, employees, and volunteers.

13. The County shall maintain at all times during the performance of this Agreement insurance coverage or self-insurance in the amounts of not less than One Million Dollars (\$1,000,000) to cover all of its operations, including, but not limited to not less than One Million Dollars (\$1,000,000) general liability, One Million Dollars (\$1,000,000) automobile Liability and One Million Dollars (\$1,000,000) workers' compensation. The County may meet the requirements of this Section through a program of self-insurance.
14. This Agreement shall inure to the benefit of, and bind the parties hereto, and their successors and assigns, including any and all entities to whom the property and facilities herein referred to may be transferred by reason of incorporation, annexation, unification, consolidation or for any other reason.
15. If any provision of this Agreement, as applicable to either party, or to any other person or circumstance, is for any reason held to be invalid, it should not affect the validity of any other provision of this Agreement. The waiver by either party hereto, of any breach, term, covenant or condition contained herein shall not constitute a waiver of any subsequent term, covenant or condition contained herein.
16. This is an integrated Agreement and contains all of the terms, conditions, understandings and promises of the parties. The terms of this Agreement may not be modified except upon the mutual written consent of the parties.

Attachment 1

GRANT AGREEMENT State of California – Sierra Nevada Conservancy

Grantee Name: Placer County Water Agency
Project Title: Middle Fork American River Watershed Restoration Project
Agreement Number: 1337
Authority: California Budget Act of 2020 (SB 85 (2021), Section 16)
Program: Immediate Action Wildfire and Forest Resilience

SCOPE OF AGREEMENT

Pursuant to Division 23.3 of the California Public Resources Code, the Sierra Nevada Conservancy hereby grants to **Placer County Water Agency** (“Grantee”) a sum not to exceed **One Million** dollars (**\$ 1,000,000**), subject to the terms and conditions of this Grant Agreement. Grantee shall use these funds to implement the Project identified in Exhibit A to this Agreement (Exhibit A), which is incorporated herein by reference and attached hereto. Exhibit A sets forth: (1) Project Scope and Activities, (2) Project Tasks and Timeline, (3) Project Budget, (4) Project Deliverables, and (5) Project Reporting Requirements.

Grantee shall also implement this project consistent with the provisions of the Sierra Nevada Conservancy Wildfire and Forest Resilience Directed Grant Program 2021 Immediate Action Grant Guidelines, which are incorporated herein by reference and are available at: https://sierranevada.ca.gov/wp-content/uploads/sites/326/2021/04/WildfireForestResilience_Guidelines_Apr2021-FINAL.pdf

TERMS AND CONDITIONS OF GRANT

Special Provisions

- A. No costs may be incurred for on-the-ground project implementation until SNC has confirmed to Grantee, in writing, that SNC has received confirmation of an agreement or authorization from the landowner(s) to allow Grantee ten years of access to the project site for project implementation and maintenance.

General Provisions

- A. Definitions

1. "Agreement" means this Grant Agreement and all exhibits incorporated in this Agreement by reference.
2. "Deliverables" means the items specified in Exhibit A, Project Deliverables.
3. "Effective Date" means the effective date of this Agreement, which is the date that this Agreement is signed by the Executive Officer, or designee, of the SNC.
4. "Grant Funds" mean the money provided by the Sierra Nevada Conservancy to the Grantee under this Agreement.
5. "Grant Guidelines" means the Sierra Nevada Conservancy Wildfire and Forest Resilience Directed Grant Program 2021 Immediate Action Grant Guidelines available at: https://sierranevada.ca.gov/wp-content/uploads/sites/326/2021/04/WildfireForestResilience_Guidelines_Apr2021-FINAL.pdf
6. "Grantee" means the entity identified as the Grantee on page 1 of this Agreement.
7. "Project" means the Project described in Exhibit A.
8. "Project Budget" means the Grantee's approved expenses for completion of the Project as described in Exhibit A, Project Budget.
9. "Project Completion Date" means the date by which all project implementation work must be complete, as specified under Key Deadlines on page 1 of this Agreement. Please note that this may be a later date than the anticipated project completion set forth in Exhibit A.
10. "Project Tasks and Timeline" means the Grantee's intended schedule for completing the Project as set forth in Exhibit A, Project Tasks and Timeline.
11. "SNC" means the Sierra Nevada Conservancy, an agency of the State of California.
12. "State" means the State of California.

B. Term of Agreement

This Agreement runs from the Effective Date through the Agreement Expiration date as identified under Key Deadlines on page 1 of this Agreement, unless terminated or amended as provided in this Agreement.

C. Project Implementation

1. Grantee shall complete the Project in accordance with the Project Scope and Activities, Project Tasks and Timeline, and Project Budget set forth in Exhibit A, by the Project Completion Date.
2. Grantee shall submit all Deliverables and reports specified in Exhibit A in accordance with the deadlines set forth in Exhibit A. SNC may either delay disbursement of or withhold Grant Funds if Grantee fails to submit required deliverables or reports by the deadlines specified in Exhibit A. Progress reports must be submitted using the Progress Report Template Form, which is available from the SNC Project Lead. Final reports must use the Final Report Template Form, which is available from the SNC Project Lead.
3. Grantee shall furnish any and all additional funds that may be necessary to complete the Project.
4. Work done under this Agreement may be subject to the prevailing wage and other related requirements of the California Labor Code, Division 2, Part 7, Chapter 1, sections 1720-1861. If required by law to do so, Grantee shall pay prevailing wage to all persons employed in the performance of any part of the Project and otherwise comply with all associated requirements and obligations. Grantee shall review applicable statutory provisions and the regulations adopted under the provisions, and the information available on the Department of Industrial Relations web site: <http://www.dir.ca.gov/public-works/publicworks.html> to determine its responsibilities.
5. Grantee shall comply with the California Environmental Quality Act (CEQA) (Public Resources Code, Section 21000, et seq. and Title 14, Division 6, Chapter 3 of the California Code of Regulations, Section 15000 et seq.) and all other local, State, and federal environmental laws. A copy of certified CEQA documents must be provided to SNC before implementing any activities that could directly impact the environment.

D. Publicity and Acknowledgment

1. Unless otherwise agreed upon in writing between the parties, Grantee shall acknowledge SNC support of the Project in any publications, studies, or reports that are made possible by or derived in whole or in part from this Project, and any news articles, brochures, seminars, or other promotional materials or media through which it publicizes the Project. Grantee shall acknowledge SNC's support in the following manner, where feasible: "Funding for this project has been provided by the Sierra Nevada Conservancy, an agency of the State of California."
2. Grantee shall install one or more signs on the Project site, or other location as appropriate, identifying the Project, displaying SNC's logo, and acknowledging SNC assistance. Grantee shall use the acknowledgement language as it appears in paragraph 1, above. Prior to placing signage, Grantee shall submit a sign plan, for

SNC review and approval, that describes the number, design, location, and wording of the required signage. SNC will withhold final disbursement until the signage is installed in accordance with the approved sign plan.

E. Use of Land and Facilities

1. During Project implementation, Grantee shall maintain a written agreement with the owner of the Project site sufficient to enable the Grantee to complete the Project in accordance with this Agreement.
2. Grantee shall ensure that the Project site is maintained, operated, and used consistent with the Project purposes for a minimum period of 10 years from the Effective Date of this Agreement. Grantee shall submit evidence to SNC demonstrating that Grantee has obtained rights to comply with the requirements of this subparagraph. If the Project site is sold or otherwise transferred, Grantee shall notify SNC and shall attempt to obtain an agreement with the new landowner enabling Grantee to comply with its obligations under this subparagraph.
3. The Grantee shall not use or allow the use of the Project for mitigation without the written permission of the SNC.

F. Site Inspection and Monitoring

1. During Project implementation, Grantee shall provide SNC with access to the Project site upon Grantee's confirmed receipt of SNC's request for access.
2. Following completion of the Project, for the duration of the Agreement, SNC has the right to inspect the Project site to ascertain compliance with this Agreement.

G. Use and Format of Deliverables

1. All material, data, information, and written, graphic or other work produced, developed, or acquired with Grant Funds, as set forth in Exhibit A, Project Deliverables is subject to the unqualified and unconditional right of SNC to use, reproduce, publish, display, and make derivative use of all such work, or any part of it, free of charge and in any manner and for any purpose; and to authorize others to do so. If any of the work is subject to copyright, trademark, service mark, or patent, SNC is hereby granted and shall have a perpetual, royalty-free, nonexclusive and irrevocable license to use, reproduce, publish, use in the creation of derivative works, and display and perform the work, or any part of it, and to grant to any third party a comparable and coextensive sublicense. Grantee shall include in any contract with a third party for work under this Agreement terms that preserve the rights, interests, and obligations created by this section, and that identify SNC as a third-party beneficiary of those provisions. Grantee shall not utilize the work produced under this Agreement for any profit-making venture, or sell or grant rights to a third party for that purpose.

2. Grantee shall submit all electronic data collected and created under this Agreement to SNC. A condition of final payment under this Agreement includes delivery of all related data in the format requested. SNC reserves the right to conduct technical review of interim or final Project deliverables prior to making reimbursement or final payments.
3. Grantee shall submit all data required by this Agreement in one or more of the following formats, as applicable:
 - a. Tabular data: Excel spreadsheets, Access Databases, or Comma, Space, Value (CSV) are acceptable for all tabular data that does not include spatial references associated with a latitude/longitude, mapped boundary, or imagery/raster/data used in remote sensing.
 - b. Spatial data: [ESRI](#)-useable format, meaning the data must have a spatial reference (coordinate system-geographic or projected, and a spatial extent) and include metadata, at minimum in accordance with Biogeographic Information and Observation System (BIOS) metadata standards (<https://wildlife.ca.gov/Data/BIOS/Metadata>) or one of the metadata styles referenced by ESRI (<http://desktop.arcgis.com/en/desktop/latest/manage-data/metadata/metadata-standards-and-styles.htm>). Grantee acknowledges that SNC will enter spatial data into BIOS, where applicable.

H. Adjustment of Funds Among Budget Items

1. Except as otherwise provided herein, the Grantee shall expend Grant Funds in accordance with the Project Budget as described in Exhibit A. Grantee may exceed the total dollars of a category in the Project Budget by up to 10 percent provided that: 1) there is a corresponding decrease of funds in another category, 2) Grantee informs SNC of the categories to be increased and decreased, 3) Grantee reflects the adjusted amounts in all subsequent requests for disbursement and in reports required by Exhibit A, 4) the overall budget remains unchanged, and 5) the adjustment does not adversely affect Project completion. Any cumulative increase in a category or transfer between categories of more than 10 percent from the original budget in the amount of a category must be approved in advance in writing by SNC. Funds may not be transferred to increase total dollars in the Administrative Costs indirect budget category.

I. Payment Process and Documentation

1. All costs to be covered by Grant Funds must be eligible costs, as specified in the Eligible Costs section on page 7 of the Grant Guidelines.
2. SNC will disburse Grant Funds to Grantee for eligible costs of the Project incurred by Grantee to date on a reimbursement basis, less 10 percent, upon Grantee's submission of a Request for Payment and upon Grantee's satisfactory

progress toward completion of the Project. SNC will disburse the cumulative 10 percent retention as provided in the Project Completion section of this Agreement. SNC may, in its sole discretion, waive the 10 percent retention.

3. Eligible costs of the Project are limited to expenses necessary to the Project, when documented by appropriate receipts. Hourly rates billed to SNC and specified in the Project Budget shall be equal to the actual compensation paid by Grantee to employees, which may include employee benefits. SNC will reimburse travel and related expenses at actual costs not to exceed the rates provided in Title 2, Division 1, Chapter 3, Subchapter 1, Article 2 of the California Code of Regulations (CCR), except that reimbursement may be in excess of these rates upon documentation that these rates are not reasonably available to Grantee. Reimbursement for the cost of operating a private vehicle shall not, under any circumstance, exceed the current rate specified by the State of California for unrepresented State employees as of the date the cost is incurred. SNC will reimburse Grantee for other necessary expenses if those expenses are reasonable in nature and amount, taking into account the nature of the Project, its location, and other relevant factors.
4. Grantee shall submit all requests for payments using a completed Request for Payment Form, which is available from the SNC Project Lead.
5. The Request for Payment form must be accompanied by: a) an itemized list of all expenditures according to the categories specified in the Project Budget, and b) supporting documentation that clearly identifies the expenditure(s) in relation to the categories specified in the Project Budget. Requests for Payment may not be submitted more often than monthly.
6. Any Request for Payment that is submitted without the required itemization and documentation will not be authorized for payment. If the payment request package is incomplete, inadequate, or inaccurate, SNC will dispute the invoice for reasonable cause and hold all or a portion of the payment request until all required information is received or corrected. Any penalties imposed on the Grantee by a contractor, or other consequence because of delays in payment or other breach of the Agreement between the Grantee and the contractor, are the responsibility of the Grantee and are not reimbursable under this Agreement.
7. SNC is not obligated to pay for any costs incurred by Grantee prior to the Effective Date of this Agreement.
8. SNC is not obligated to pay any Request for Payment unless the Grantee is in compliance with all deadlines for submission of status reports required by Exhibit A.

J. Advances of Grant Funds

1. If SNC determines, in its sole discretion, that compelling need warrants payment of Grant Funds in advance, SNC may pay Grantee up to three (3) advance payments of Grant Funds, provided that SNC will not authorize an advance to a State agency or a joint powers authority created by an agreement to which the State is a party.
2. No advance payment will exceed an amount equal to 30 percent of the total Grant Funds awarded by this Agreement. After the first advance, SNC will not provide a subsequent advance unless Grantee has expended the entire amount of the prior advance(s) and is in compliance with all requirements of this Agreement.
3. SNC will only consider a request for advance funds that is submitted on a completed Advance Request Form, which is available from the SNC project Lead.
4. Grantee shall deposit advanced Grant Funds in a separate interest-bearing account. Grantee shall use all advanced Grant Funds and all interest earned on the Grant Funds solely for the Project.
5. To document expenditure of advanced Grant Funds, Grantee shall, no later than 90 days after each withdrawal of advanced funds, submit to SNC a completed Request for Payment for the amount withdrawn, containing all information required by the Payment Process and Documentation section of this Agreement.
6. SNC will use the following process for purposes of providing a 10 percent retention for advanced funds. After providing the first advance of Grant Funds, SNC will not provide a second advance until Grantee has expended the entire amount of advanced funds, plus non-SNC funds in an amount equal to 10 percent of the advance amount. After providing the second advance of Grant Funds, SNC will not provide a third advance until the Grantee has expended the entire amount of advanced funds, plus non-SNC funds in an amount equal to 10 percent of the total amount of funds advanced to date. After providing a third advance, SNC will not disburse any additional Grant Funds until Grantee has completed the Project and complied with the Project Completion section of this Agreement. If Grantee requests only one or two advance payments, SNC will determine how to provide for the 10 percent retention for the advanced amounts.
7. Within 30 days after completion of the Project or the Project Completion Date, whichever is sooner, Grantee shall return to SNC any advanced Grant Funds plus any interest earned that has not been expended.

K. Project Completion

1. Within 60 days of the completion of the Project, or by the deadline specified on the signature page for submittal of the Payment Request for Final Expenditures, whichever is sooner, Grantee shall submit all of the following:
 - a. All deliverables as specified in Exhibit A.
 - b. A Request for Payment for final expenditures, with all required supporting documentation.
 - c. A Progress Report addressing the duration of time since the last submitted Progress Report (up to 6 months).
 - d. A Final Report including reporting on performance measures.
 - e. An Equipment Closeout form, if applicable. All equipment purchased using grant funds will be identified as part of the project closeout process, and SNC will make a determination on the disposition of the purchased equipment.
 - f. Any other documentation or submittals required by Exhibit A.
 - g. Evidence that a sign or signs have been installed consistent with Section D. Publicity and Acknowledgement, above.
 - h. Photographs documenting completion of the project.
2. Following the receipt of the items specified in paragraph 1., above, SNC staff, in coordination with the Grantee, may conduct a site visit to ascertain compliance with this Agreement.
3. Following receipt of the items specified in paragraph 1., above and completion of any site visit mentioned in paragraph 2., above, SNC will reconcile the Project's financial reporting and prepare a Retention Request and Project Closeout Request Form (Project Closeout Form). The Project Closeout Form must be reviewed and signed by the Grantee and returned by the date indicated by SNC staff in order to receive any retained funds. Release of retention is contingent upon SNC's determination that Grantee has satisfactorily completed the Project.
4. SNC shall return the approved Project Closeout Form to the Grantee and the Project shall be deemed completed as of the date SNC signed the Project Closeout Form.

L. Agreement Termination/Failure to Perform

1. Prior to the completion of the Project, SNC may suspend or terminate this Agreement by providing Grantee with seven (7) days advance written notice.

2. If SNC suspends or terminates this Agreement prior to the Project Completion Date, Grantee shall immediately stop all work and take all reasonable measures to prevent further costs to the SNC hereunder. SNC shall be responsible for any reasonable and non-cancelable obligations incurred by the Grantee under this Agreement prior to the date of the notice to suspend or terminate, but only up to the undisbursed balance of the Grant Funds.
3. If Grantee fails to complete the Project in accordance with the terms of this Agreement, Grantee shall be liable for immediate repayment to the SNC of all amounts disbursed by the SNC under this Agreement, plus accrued interest. Interest shall be calculated at the rate(s) earned by the State's Pooled Money Investment Account from the date of disbursement to the date of repayment, compounded monthly. The SNC may, in its sole discretion, consider extenuating circumstances and may waive Grantee's obligation to repay, in whole or in part. This paragraph shall not be deemed to limit any other remedies the SNC may have for Grantee's failure to complete the Project in accordance with the terms of this Agreement.

M. Records Retention

1. The Grantee shall keep separate and complete financial records relating to this Agreement, including evidence sufficient to reflect the receipt, deposit, and disbursement of all funds related to the Project.
2. Grantee shall maintain the financial records in sufficient detail to provide an audit trail that will permit tracing transactions from support documentation to the accounting records to the financial reports and billings.
3. The financial records required to be retained include all books of original entry, source documents supporting accounting transactions, the general ledger, subsidiary ledgers, personnel and payroll records, canceled checks, and related documents and records. Source documents include copies of all awards, applications, and required financial and narrative reports. Personnel and payroll records shall include the time and attendance reports for all individuals who are compensated or reimbursed under the Grant, whether they are employed full-time or part-time. Time-and-effort reports are also required for consultants and contractors.
4. Grantee shall require its contractors and consultants to maintain adequate supporting documentation in sufficient detail to provide an audit trail that will permit tracing transactions from the invoices to the financial statement to the accounting records to the supporting documentation.
5. Grantee shall use applicable Generally Accepted Accounting Principles published by the American Institute of Certified Public Accountants.

6. The financial records required to be maintained by this Agreement shall be retained for a minimum of three (3) years following the final disbursement by SNC and the final year to which the particular records pertain.
7. All records associated with the maintenance and operation period described in Section E. Use of Land and Facilities, above, shall be retained through expiration of this Agreement. Examples of such records include, but are not limited to, site monitoring reports, photographs, invoices for contracted work, payroll records for staff work associated with maintenance of the site, volunteer time logs, and Project logs identifying the type and frequency of maintenance treatments.

N. Audit Requirements

1. SNC may review, obtain, and copy all records required to be retained by this Agreement and all other records relating to Grantee's performance under this Agreement. Grantee shall provide SNC or its agents with any relevant information requested and shall permit SNC or its agents access to the Grantee's premises upon reasonable notice, during normal business hours, to interview employees and inspect and copy books, records, accounts, and other material that may be relevant to a matter under investigation, for the purpose of determining compliance with this Agreement and any applicable laws and regulations.
2. At any time, the SNC may disallow all or part of the cost of any activity or action which it determines to be out of compliance with the terms and conditions of this Agreement.
3. This Agreement, the Project, and records required to be retained by this Agreement are subject to examination and audit by the State of California, including but not limited to the Secretary of the Resources Agency, the Department of Finance, and the State Auditor during the records retention period specified in Section M.6. Records Retention, above.

O. Assignment

Except as expressly provided by written agreement between the SNC and the Grantee, this Agreement is not assignable by the Grantee either in whole or in part.

P. No Agency Agreement

In entering into and carrying out this Agreement, the Grantee, its officers, directors, employees, agents, and representatives, is each acting in an independent capacity and not as a partner, member, director, officer, agent, employee, or representative of SNC or the State.

Q. Liability

1. Grantee shall indemnify, protect and hold harmless SNC, the State, and their respective members directors, officers, agents, and employees (each an "Indemnified Party"), from and against any and all claims, demands, damages, liabilities, losses, costs (including attorneys' fees) and expenses (collectively, "Claims") arising out of, connected with or incident to this Agreement except that Grantee shall have no obligation to indemnify or hold harmless an Indemnified Party for Claims caused by the negligent or wrongful act of that Indemnified Party.
2. If Grantee is a public entity, Grantee waives any right to contribution and indemnity from the SNC and/or the State of California arising under Government Code Sections 895.2 and 895.6 in connection with this Agreement.
3. Grantee waives any and all rights to any express or implied indemnity or right of contribution from an Indemnified Party for any liability arising out of, connected with, or incident to this Agreement, except such liability as results from the negligent or wrongful act of an Indemnified Party.
4. Enforcement of the terms of this Agreement by SNC shall be at the discretion of SNC, and any forbearance by SNC to exercise its rights under this Agreement shall not be deemed or construed to be a waiver of such term or of any subsequent breach of the same or any other term of this Agreement or any of the rights of SNC under it.

R. Nondiscrimination

1. During the performance of this Agreement, Grantee and its contractors shall not unlawfully discriminate against, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition, genetic information, gender, gender identity, gender expression, marital status, age, sexual orientation, military and veteran status, or because of use of family-care leave, medical-care leave, or pregnancy-disability leave (Government Code section 12940). Grantee and its contractors also shall not unlawfully deny a request for, or take unlawful action against, any individual because of the exercise of rights related to family-care leave (Government Code sections 12945.1 and 12945.2). Grantee and its contractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination, harassment, and unlawful acts.
2. Consistent with Government Code section 11135, Grantee shall ensure that no one, on the basis of race, national origin, ethnic group identification, religion, age, sex, sexual orientation, color, genetic information, or disability, is unlawfully denied full and equal access to the benefits of, or is unlawfully subjected to discrimination under, the work funded by SNC under this Agreement.

3. Pursuant to Government Code section 12990, the Grantee and its contractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12900 et seq.) and the applicable regulations (California Code of Regulations Title 2, section 7285.0 et seq.). The regulations of the Fair Employment and Housing Commission regarding Contractor Nondiscrimination and Compliance (Chapter 5 of Division 4 of Title 2 of the California Code of Regulations) are incorporated into this Agreement by this reference.
4. Grantee and its contractors shall give written notice of their obligations under this non-discrimination clause to labor organizations with which they have a collective bargaining or other agreement and shall post in conspicuous places available to employees and applicants for employment, notice setting forth the provisions of this section. Grantee shall also include the non-discrimination provisions of this Agreement in all contracts related to the Project.

S. Drug-Free Workplace Certification

By signing this Agreement, Grantee certifies that it will comply with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code §8350 et seq.) and will provide a drug-free workplace.

T. Certification of No Air or Water Pollution Violation

By signing this Agreement, Grantee shall not be and certifies that it is not: (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 a 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.

U. Computer Software

By signing this Agreement, Grantee certifies that it has instituted and will employ systems and controls appropriate to ensure that, in the performance of this Agreement, grant funds will not be used for the acquisition, operation, or maintenance of computer software in violation of copyright laws.

V. Unionizing

By signing this Agreement, Grantee certifies that no Grant Funds will be used to assist, promote, or deter union organizing. If Grantee makes expenditures to assist, promote, or deter union organizing, Grantee shall maintain records sufficient to show that no State funds were used for those expenditures. Grantee shall provide those records to the Attorney General upon request, as provided in Government Code section 16645.2.

W. Severability

If any provision of this Agreement or the application thereof is held invalid, that invalidity shall not affect other provisions or applications of this Agreement that can be given effect without the invalid provision or application, and to this end, the provisions of this Agreement are severable.

X. Waiver

No term or provision hereof will be considered waived by either party, and no breach is excused or consented to by either party, unless such waiver or consent is in writing and signed on behalf of the party against whom the waiver is asserted. No express or implied consent by either party to, waiver of, or failure of a party to enforce its rights with respect to a breach by the other party shall constitute consent to, or waiver of, any subsequent or other breach by the other party.

Y. Time of the Essence

Time is of the essence with respect to the Project Completion Date. With respect to all other dates set forth therein, Grantee shall use best efforts to accomplish the tasks by the specified dates.

Z. Entire Agreement and Amendment

This Agreement, including the attached exhibits, constitutes the entire Agreement between the parties hereto relating to the Project. No amendment to this Agreement will be valid unless made in writing and signed by Grantee and SNC. Any request by the Grantee for amendments must be in writing stating the amendment request and reason for the request.

AA. Locus

This Grant is governed by and shall be interpreted in accordance with the laws of the State of California. SNC and Grantee hereby agree that any action arising out of this Grant Agreement shall be filed and maintained in the Superior Court in and for the County of Placer, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Grant Agreement.

BB. Non-Availability of Funds

Disbursement of Grant Funds to Grantee under this Grant Agreement is contingent upon the availability of funds appropriated through the State Budget Process. If SNC funding for the Immediate Action Wildfire and Forest Resilience Grant Program for any fiscal year is reduced or deleted, SNC shall have the option to either terminate this Agreement with no liability occurring to SNC or, if possible and

desirable, to offer an Agreement amendment to Grantee to reflect the reduced amount available for the project.

Sierra Nevada Conservancy
Immediate Action Wildfire and Forest Resilience
Grant Program

EXHIBIT A

Grantee: Placer County Water Agency

Project Title: Middle Fork American River Watershed Restoration Project

Agreement Number: 1337

Funding Authority: California Budget Act of 2020 (SB 85 (2021), Section 16)

PROJECT SCOPE / DESCRIPTION

Through participation in the French Meadows Partnership, Placer County Water Agency (PCWA) is partnering with Placer County and the American River Ranger District (ARRD) to implement the Middle Fork American River Watershed Restoration Project (Project) in Placer County. This Project will implement at least 494 acres of forest treatments on land managed by the ARRD adjacent to French Meadows Reservoir and in the upper Middle Fork American River watershed above it. The Project will help protect critical water infrastructure and reduce the risk of catastrophic wildfire in the watershed.

This Project will restore 494 acres of forest within the greater French Meadows Restoration Project area to an ecological condition that can support naturally occurring fires, while enhancing the region's water supply and habitat for sensitive species by improving forest structure. There are three steps to the treatment plan for this acreage: 1) using guidance for General Technical Report 220, trees between 10 and 30 inches diameter at breast height (DBH) will be removed (to landings) to increase tree spacing and promote heterogeneity; the project will focus on removing trees in the 10 to 24 inch range. Trees suitable for saw logs will be processed at the landings for loading and hauling under separate contract. Slash will be burned at the landings or chipped and used for biomass energy. 2) Once the above treatment is completed, approximately 432 of the 494 acres will receive additional mechanical thinning of trees between 4 and 10 inches DBH through mastication or chipping. 3) Approximately 330 acres in this area will receive further mastication of brush and small trees under 4 inches. It is estimated that total treatment will cost about \$4,100 per acre (\$2 million), of which this Sierra Nevada Conservancy (SNC) grant will cover half the cost. The other half of the cost will derive from net timber revenues and other funding contributions by the partners, estimated as \$400,000 from timber sales, \$300,000 from the Middle Fork Project Financing Authority (a joint Placer County/PCWA entity), and \$300,000 from Tahoe National Forest.

This Project is a continuation of the ongoing 28,000-acre French Meadows Restoration Project. The French Meadows Project is one of the cornerstones of the Tahoe-Central Sierra Initiative and the Sierra Nevada Watershed Improvement Program. The use of a Partnership approach to expand the capacity of the Forest Service to restore the National Forest at a landscape level has provided a model of successfully increasing pace and scale of forest restoration and has secured many millions of dollars of leveraged funding. The Project’s focus on improving the upper headwaters of the Middle Fork American River is an effort to protect vital water and power infrastructure of Placer County and PCWA, including French Meadows Reservoir and the Middle Fork Project. These assets provide water for Placer County and Folsom Lake. The water and power provided by the Middle Fork American River and the Middle Fork projects benefit downstream users far beyond the Sierra Nevada.

PROJECT TASKS AND TIMELINE

Detailed Project Tasks	Approximate Project Timeline	Budget Category
Task 1: Six-Month Progress Reports 1.1 Progress Report 1 1.2 Progress Report 2 1.3 Progress Report 3	February 1, 2022 August 1, 2022 February 1, 2023	A
Task 2: Project Signage 2.1: Draft sign design 2.2: Submit to SNC for review 2.3: Install sign(s)	Before Project Completion	A
Task 3: Project Management	August 2021 – November 2022	A
Task 4: Solicit and Hire Contractors	August – September 2021	A
Task 5: Forest Treatments	August 2021 – November 2022	B, C, D
Anticipated Completion Date*	December 31, 2022	
Request For Payment Of Final Expenditures Final Report Performance Measures Report	60 days from Project Completion or no later than the <i>Key Deadline: Payment Request for Final Expenditures</i> identified on page 1 of the Agreement	

*This is the date, based on Grantee’s anticipated timeline, by which Grantee estimates it will complete the project. This date might be significantly earlier than the Project Completion Date and can change as project implementation proceeds.

PROJECT BUDGET

Project Budget Categories	SNC Funding
A. Project Management, Reporting, Signage	Paid by Grantee
B. Mechanical thinning and mastication on at least 494 acres to meet prescription	\$1,000,000
C. Administrative Costs	\$0
TOTAL	\$1,000,000

PROJECT DELIVERABLES**

Deliverable	Format	Date Due
Reports: every 6 months	SNC Report Forms	February 1, 2022, then every 6 months until Project Completion
Project signage	Picture / Location Map	Upon Project Completion
Completed thinning and mastication per prescriptions on at least 494 acres	GIS Shape Files	Upon Project Completion
Request For Payment Of Final Expenditures	SNC Request for Payment Form	60 days from Project Completion or no later than the <i>Key Deadline: Payment Request for Final Expenditures</i> identified on page 1 of the Agreement
Final Report & Performance Measures Report	SNC Final Report Form	

** Deliverable is the term for the quantifiable items or documentation of completed activities that will be provided during and upon the completion of a Project. A deliverable could be a report, a document, or any product that results from a Project.

PROJECT REPORTING REQUIREMENTS

Progress and Final Report(s):

The Grantee shall provide six-month progress reports and a final report as specified in the Project Schedule. Six-month progress reports shall reflect work completed in the previous six months, and final reports shall reflect work completed during the entire Grant period. A progress report shall also be submitted for the time period immediately preceding the submission of the final report. The templates and instructions for

completing these reports can be found on the Sierra Nevada Conservancy (SNC) Web site in the following location:

<https://sierranevada.ca.gov/funding/snc-grants/manage-your-grant/>.

Performance Measures Reporting:

Performance Measures are used to track progress toward Project goals and desired outcomes. They provide a means of reliably measuring and reporting the outcomes and effectiveness of a Project and how it contributes to the SNC's achievement of its programmatic goals.

The Grantee shall report on Performance Measures as part of the Final Report. The Grantee shall consider the following four quantitative Performance Measures and report on the ones that are applicable to this Project. Additional information, including details on specific Performance Measures, can be found on the SNC Web site in the following location: <https://sierranevada.ca.gov/funding/snc-grants/manage-your-grant/performance-measures/>

1. Resources Leveraged in the Sierra Nevada:
The purpose of this Performance Measure is to measure the additional resources generated as a result of SNC investment. The total value is based on matching funds provided by external sources, number of volunteer hours donated, and the value of major in-kind contributions made to a Project.
2. Number and Diversity of People Reached:
The purpose of this Performance Measure is to measure progress on information-sharing and education efforts, and the inclusiveness of other Project efforts, such as plan development.
3. Number and Type of Jobs Created:
The purpose of this Performance Measure is to measure economic benefits to the Sierra Nevada Region by tracking the full-time-equivalent jobs created by SNC-funded activities.
4. Number and Value of New, Improved, or Preserved Economic Activities:
The purpose of this Performance Measure is to provide the types, quantities, and, where appropriate, estimated dollar values of new, improved or preserved economic activities, products and services. This PM relates to SNC's goals to develop tourism and recreational opportunities, aid in the preservation of working landscapes, and assist the regional economy.

In addition, the Grantee shall report on Project-specific Performance Measures that will help describe Project outcomes in a measurable way. The specific Performance Measures and the associated targets for this Project include the following:

5. Acres of Land Improved or Restored

The purpose of this Performance Measure is to track efforts to improve natural resource conditions, such as site productivity and wildlife habitat, through site improvement or restoration activities and reduce the risk of natural disasters, such as catastrophic wildfire, flood, avalanche, etc. Wherever possible, acres should be categorized by importance or priority rating, such as acres of critical habitat, or acres in moderate, high, and very high fire hazard areas as delineated by CAL FIRE's Fire Hazard Severity Zoning Map.

