

STAFF

Jennifer Spaletta - General Counsel
Roger Masuda - Special Counsel
Shasta Burns - Deputy Secretary
Daniel de Graaf - District Engineer
Robert Granberg – Interim General Manager

BOARD OF DIRECTORS

President - Joe Valente
Vice President – Jason Colombini
Secretary - David Simpson
Treasurer - Charles Starr II
Director - Marden Wilber

**NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT
NOTICE OF MEETING AND PUBLIC HEARING AND AGENDA FOR
REGULAR MEETING OF THE BOARD OF DIRECTORS**

**Monday, September 25, 2023
2:00 p.m.
Lodi Grape Festival Grounds- Barrel Room
413 E. Lockeford St, Lodi CA 95240
Also Available via Zoom**

Join Zoom Meeting

<https://us02web.zoom.us/j/87883217427>

Meeting ID: 878 8321 7427

One tap mobile

+16699006833,,87883217427# US (San Jose)

Dial by your location

+1 669 900 6833 US (San Jose)

Meeting ID: 878 8321 7427

The agenda and all noted documentation may be viewed and downloaded at www.nsjgroundwater.org . Requests to receive the agenda and documentation by e-mail may be submitted in writing to the Secretary of the Board. The NSJWCD printed agendas are posted at the District’s location of business at: 498 E. Kettleman Lane, Lodi. The District’s mailing address is: PO Box E, Victor CA 95253.

NOTICE: Members of the public may address the Board of Directors concerning any agenda item during the Board’s consideration of that item. The public may address non-agenda items at the end of the regular meeting. No action will be taken on those items; however, the Board may agendaize items for future consideration.

1. Call to Order - Roll Call - Acceptance of Agenda

2. Correspondence/Announcements

3. Action Items

Any and all of **the following agenda items are subject to action** being taken by the Board of Directors by motion, resolution or ordinance.

Action items may be added to the agenda upon determination by a majority vote of the Board that an emergency exists, as defined by state law, or by a 2/3 vote of the Board that (1) there is a need to take immediate action; and (2) that the need for action came to the District’s attention after the agenda was posted.

A. CONSENT CALENDAR

1. Approval of the Minutes for the Regular Scheduled Board Meeting on August 28, 2023 (*attachment 1*).

B. FINANCIAL

1. Receive and Approve September 2023 NSJWCD Monthly Treasurer's Report and Summary of Accounts and Transfers (*attachment 2*) **pages 9-10**
2. Approve Payment of Bills (*attachment 3*) **pages 11-13**
3. ACWA Fall Conference Registration (*attachment 4*) **page 14**
4. Resolution 2023-11 Approving Warrant Agreement with Farmers and Merchants Bank for Line of Credit (*attachment 5*) **pages 15-30**

C. CONTRACTS

1. General Manager Employment Contract (*attachment 6*) **page 28**
2. Recharge Project Lease Agreements (*attachment 7*) **page 29**

D. SYSTEM AND PROJECTS

1. Engineer's Report and Operations Plan (*attachment 8*) **meeting handout**
2. North System
 - i. Reynolds Recharge Update
 - ii. Progressive Design-Build Procurement Update
3. South System
 - i. South System Phase II Update
 1. Arnaudo Contract Change Orders
 - a. South System Second Pump
 - b. Extend Pipe North to Next Standpipe and Adjust Time Schedule (*attachments 9*) **pages 31-41**
 - c. Sierra Controls SCADA/Meters Contract (*attachment 10*) **pages 42-45**
 - ii. South System Phase III Design Plan (*attachment 11*) **no attach**
 - iii. Update on Stockton East Exchange Deliveries
 4. Cal-Fed/Woodbridge
 5. Tracy Lake ID

E. Grant Activity

1. Consero report (*attachment 12*) **pages 46- 51**
2. Resolution 2023-12 Regarding South System Phase IV/ Watersmart Grant (*attachment 13*) **pages 52-53**
3. Resolution 2023-13 Regarding Local Project Sponsor Agreement for IRWM Grant for South System Phase III Project (*attachment 14*) **pages 54-67**

F. Strategic Plan Activity

1. Newsletter – Fall 2023
2. Website Update

G. Groundwater Charge

- H. Sustainable Groundwater Management Act/ GWA Activity
- I. SJC Mokelumne River Application Update
- J. Bay Delta Flow Program Update/Voluntary Agreements
- K. Landowner communications
- L. Board Planning Calendar

4. Director and Staff Reports

- A. Directors Reports
- B. Committee Reports
- C. Other

5. Public Comment on Items Not on the Agenda

Interested persons in the audience are welcome to introduce any topic within the jurisdiction of the NSJWCD Board. The time allowed for each speaker for comments made by the public is limited to 3 minutes. Matters presented under this agenda item may be discussed, but no action can be taken by the Board at this meeting except as follows:

- Briefly respond to statements made or questions raised.
- Ask a question for clarification.
- Provide a reference to staff or other resources for factual information.
- Request staff to report back at a subsequent meeting.
- An individual Board member or the Board itself may have the matter placed on a future agenda.

6. Closed Session – 5 items

Closed Session pursuant to Section 54956.9(a) Existing Litigation
CONFERENCE WITH LEGAL COUNSEL – *Woodbridge Irrigation District v. East Bay Municipal Utility District*, Sacramento County Superior Court Case No. 34-2018-00232142-CU-CO-GDS

Closed Session pursuant to Section 54956.9(a) Anticipated Litigation – one case

Closed Session pursuant to Section 54956.8 Real Property Negotiations – North System Easements – Negotiators General Counsel Jennifer Spaletta District Engineer Daniel deGraaf

Closed Session pursuant to Section 54956.8 Real Property Negotiations – Recharge Parcels North and South System – Negotiators General Counsel Jennifer Spaletta District Engineer Daniel deGraaf

Closed Session pursuant to Section 54957(b) – General Manager Recruitment

Return to Open Session

All reportable actions taken in closed session will be announced in open session following the closed session and will be duly noted in the official minutes of the meeting.

7. Motion to Adjourn

Next Regular Meeting October 30, 2022 from 2:00 PM- 4:00 PM

Lodi Grape Festival Grounds- Barrel Room

413 E. Lockeford St, Lodi CA 95240

Also Available via Zoom

Action may be taken on any item

*Agendas and Minutes may also be found at [http:// www.NSJGroundwater.org](http://www.NSJGroundwater.org)
Note: If you need disability-related modification or accommodation in order to participate in this meeting, please contact North San Joaquin Water Conservation District Staff at (209) 712-1693 at least 48 hours prior to the start of the meeting*

NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS

Lodi Grape Festival Grounds – Barrel Room
413 E. Lockeford Street, Lodi CA
Zoom - Teleconference Meeting

Monday, August 28, 2023

REGULAR MEETING MINUTES

**CONDUCTED BY TELECONFERENCE IN COMPLIANCE WITH GOVERNOR NEWSOM'S
EXECUTIVE ORDER RELAXING BROWN ACT REQUIREMENTS DUE TO COVID-19**

- 1. Call to Order - Roll Call - Acceptance of Agenda** - The meeting was called to order by President Valente at 2:03 pm. A motion for the acceptance of the Agenda, made by Secretary Simpson, second by Director Wilber. Motion passed unanimously 4/0/0.

President Joe Valente - Area 3
Vice President Jason Colombini - Area 2
Secretary David Simpson – Area 1
Treasurer Charles Starr – Area 4 -Absent
Director Marden Wilber – Area 5

General Counsel Jennifer Spaletta
Special Counsel Roger Masuda - Absent
Daniel de Graaf – District Engineer
Deputy Secretary Shasta Burns

- 2. Correspondence/Announcements-** Nothing at this time

- 3. Action Items** Note: Votes recorded as: For/Against/Abstention (name)

A. CONSENT CALENDAR

1. Approval of the Minutes of the Special Board Meeting on July 31, 2023 and the Regular Scheduled Board meeting on July 31, 2023- A motion to approve the Special Meeting held on July 31, 2023 and the Regular Scheduled Board Meeting Minutes on July 31, 2023, made by Director Wilber, second by Vice President Colombini. Motion passed 4/0/0

B. Financial Matters

1. Receive and File August 2023 NSJWCD Monthly Treasurer's Report and Summary of Accounts and Transfers presented to the board. Perla from Butterfield + Company prepared financial statements for Board action. A motion to approve August 2023 NSJWCD Monthly Treasurer's Report with a warrant written from the County Groundwater Fund Account in the amount of \$500,000.00, by Director Wilber, second by Vice President Colombini. Motion passed 4/0/0
2. Approve Payment of Bills- A motion to approve payment of bills recommendation listed on page 13-14 in the board meeting packet- Summary of Bills made by Vice President Colombini, second by Secretary Simpson. Motion passed 4/0/0

C. Contracts

1. General Manager Recruitment- Proposed Contract. General Counsel reviewed any questions. A motion to approve General manager contract as amended made by Vice President Colombini, second by Secretary Simpson. Motion passed 4/0/0

D. System and Projects

1. Engineer's Report – Engineer deGraaf gave an overview of where the district stands on each project – Report was presented at the start of the board meeting and is available upon request.

2. North System -

i. North System Phase IA Contract Award – A motion to approve award contract to apparent low bidder, Avid Water, for a contract in the amount of \$157,029.24 made by Secretary Simpson, second by Director Wilber. Motion passed 4/0/0

ii. North System Groundwater Monitoring Wells Contract Award- Bob Granberg reviewed Monitoring Wells Contract Award, and information. A motion to approve Contracting with Cascade Drilling for the installation for the 3 groundwater monitoring wells with approval of General Counsel and a change order from HydroFocus for professional services Vice president Colombini, second by Director Wilber. Motion passed 4/0/0.

iii. North System Phase 1B Design Review- informational item only. Project will be going out to bid in the next month.

iv. North System Pump Station/intake Progressive Design Build Request for Qualifications – Bob Granberg reviewed finalizing solicitation process. Design Build RFQ Draft is included in the board meeting packet. A motion to proceed with Draft Design Build RFQ presented in the board meeting packet made by Director Wilber, second by Vice President Colombini. Motion passed 4/0/0

v. North System Improvement District Concept Memo – General Counsel reviewed Concept memo that has been presented to the board in prior months and discussion along with the North System Master Plan Discussion below.

vi. North System Master Plan Discussion – Discussion above. No action taken at this time.

vii. Reynolds Recharge Update – District Engineer gave an update on the project. Estimated amount of 300 acre-feet have been applied to date. The project needs to dry down a bit, and will be back up and operating soon.

3. South System

i. South System

1. Change Orders for South System Second Pump and Additional Pipe to Next Standpipe- Daniel de Graaf reviewed memo in the board meeting packet, Change Orders for Arnaudo Construction, and additional pipe for the system. Additional change order will be brought back to the board for additional pipe.

Second Pump Change Order will be brought back to the board from Arnaudo Construction at the September board meeting.

2. Sierra Controls SCADA/Meters Contract - Daniel de Graaf presented Sierra Controls proposal. Direction to have Daniel de Graaf talk with Sierra Controls about getting other projects running and will table until September Board Meeting.

ii. South System Improvements Phase II Design Plan – Daniel de Graaf presented South System Improvements Phase II Design plan.

4. Cal-Fed/Woodbridge – Update at the September Board Meeting and getting ready for Cal-Fed Recharge for the year.
5. Tracy Lake ID – Emails from landowners saying they do not want additional water in the lake this year, due to water levels at this time.
6. Discuss Temporary Application to Appropriate Flood Flows in November 2023- General Counsel reported that the application for Appropriation of Flood Flows has been submitted. General Counsel is working with DWR to facilitate the application.

E. Grant Activity

1. Consero report – Bob Granberg presented grant activity report for Consero in the board meeting packet.

2. South System Phase IV/WaterSmart Grant Project Description- General Counsel reviewed Drought Response Program grant and its deadline. Direction for approval to prepare submittal application for BOR Drought Resiliency Grant and provide direction on project description.

F. Strategic Plan Activity

1. Master Plan/Drought Contingency Plan Outline – General Counsel reviewed the need for a Drought Contingency Plan Outline and presented a draft of executive summary for what needs to happen.

G. Groundwater Charge

1. Landowner appeals Memo - Review of memo in the board meeting packet along with handout listing all APN's that have been appealed to date.

2. Refund Request for 2023-23 Fiscal Year – A motion to approve refunds to the two landowners listed in board meeting memo made by Vice President Colombini, second by Secretary Simpson. Motion passed 4/0/0

H. Sustainable Groundwater Management Act/GWA Activity – General Counsel reviewed the water accounting framework workshops attended and meetings will continue. The district will continue its efforts on public outreach.

I. SJC Mokelumne River Application Update – Vice President Colombini has been attending meetings. Matt Zidar will be retiring, and responsibilities are being delegated. Hired a consulting team to finalize descriptions and file CEQA. A tour will be held in North San Joaquin Water Conservation District and Stockton East Water District.

J. Bay Delta Flow Program Update/Voluntary Agreements – No update at this time.

K. Landowner Communications – No update at this time

L. Board Planning Calendar- No update at this time

4. Director and Staff Reports

A. Director’s Report – No report at this time.

B. General Counsel Spaletta – No report at this time.

C. District Manager/Engineer – No report at this time.

D. Consero Solutions – No report at this time.

E. Committee Reports – No report at this time.

F. Other – No additional reports at this time.

5. Public Comment – No comments at this time.

6. Closed Session – The Board entered closed session at 3:58 PM, came out of closed session at **4:30 PM** and returned to Open Session. President Valente reported there was no reportable action in Closed Session.

7. Adjournment - Motion to adjourn the NSJWCD Regular Meeting on August 28, 2023 made by Vice President Colombini, second by Secretary Simpson. Motion passed 4/0/0. Meeting adjourned at 4:31 PM.

The next regular scheduled Board Meeting September 25, 2022, from 2:00 PM - 4:00 PM. Location and method TBA due to COVID-19 Executive Order.

The above minutes of the North San Joaquin Water Conservation District Board of Directors Meeting of August 28, 2023.

Respectfully submitted:

Shasta Burns, Deputy Secretary

North San Joaquin Water Conservation District
 Treasurer's Report
 September 2023 – Monthly Summary of Accounts
 As of September 25, 2023

The chart below is a summary of account information including account balances and transactions since the last scheduled Board meeting (August 2023). The attached reports are prepared by Butterfield + Co., CPAs, Inc. for the month of September 2023. Additional attachments that follow include accounts payable, recommendations for bill payments and transfers as noted herein.

NSJWCD Accounts Summary - September 25, 2023	Beginning Balance as of 08/28/23 with approved transfers	Void Ck amount	Transfers after last meeting	Payments after last meeting	Revenue Received after last meeting	Current Balance September 20, 2023	Proposed bills to be paid today	Proposed transfers to reimburse F&M Checking	Ending balance September 25, 2023
F&M Checking	296,063.44	1,836.00	-	(557.81)	-	297,341.63	(155,206.35)	(1,984.92)	140,150.36
County Groundwater Fund	292,716.91		-	(3,143.15)	-	289,573.76	-	-	289,573.76
County Account Fund	232,260.65				5,300.54	237,561.19	-	-	237,561.19
ID#3	134,561.31				5.71	134,567.02	-	-	134,567.02
Tracy Lake Assessment Bond	439.95				0.02	439.97	-	-	439.97
Tracy Lake O&M	4,785.18			(97.86)	-	4,687.32	-	-	4,687.32
Totals	\$ 960,827.44	\$ 1,836.00	\$ -	\$ (3,798.82)	\$ 5,306.27	\$ 964,170.89	\$ (155,206.35)	\$ (1,984.92)	\$ 806,979.62



	Payments after last meeting	Classes	Proposed bills to be paid today
	(162.63)	General Exp	(27,424.74)
AT&T	(287.88)	Dream Project	(583.50)
Adobe	(66.80)	Groundwater Mgmt	(9,874.18)
El Pazcifico Mexican & Grill	(11.99)	Handel Lateral	(786.00)
Dropox	(28.51)	N. System Phase 1	(31,520.37)
PG&E	(97.86)	Operations Fund	(26,657.46)
PG&E	(3,143.15)	Planning Fund	(8,591.25)
County service charges	-	Recharge Lakso Proj	(1,893.50)
	-	Recharge Reynolds	(6,800.00)
	-	Recharge Tecklenburg	(25,968.17)
	-	South System 2	(3,530.25)
	-	South System 3	(5,921.93)
	-	South System 4	(5,580.00)
	-	TLID#1	(75.00)
Total	\$ (3,798.82)	Total	\$ (155,206.35)

1. SEE ATTACHMENT 1 - ACCOUNTS PAYABLE REPORT.

2. AUGUST PAYMENT RECOMMENDATIONS - SEE TABLE BELOW:

5G Land Management	\$ 6,800.00	September Invoice
Butterfield & Co.	6,069.25	August Invoice
Coloring Book	752.82	July-August Invoices
Consero Solutions	5,893.75	August Services
de Graaf Engineering, Inc.	35,049.61	August Services
Grandberg & Associates	8,835.00	August Services
Hydrofocus	20,192.16	August invoice
Joe Peterson	300.00	October Rent
Keith Colgan	375.00	July-Sept Services
Lodi News-Sentinel	1,389.18	September Invoice
Pacific Southwest Irrigation	8,463.38	July Invoice
PG&E	8,425.71	August Invoice
Quartaroli & Associates, inc.	12,450.00	September Invoice
RGMK	233.75	August Invoice
Richard Rodriguez Farms	6,243.75	September Invoices
Shasta Burns	2,659.49	September Invoice
Spaletta Law PC	19,240.00	August Services
Streamline	2,988.00	Website 09/01/23-09/01/24
Tolson, Poore & Zamora	225.00	August Services
Weber, Ghio & Associates	8,620.50	August Services
Total payments recommended	\$ 155,206.35	

3. REMAINING ACCOUNTS PAYABLE - \$90,236.73

- a. \$31,885.50 – Retention due to Arnaudo Construction, Inc.
- b. \$58,351.23 – Balance due to Pacific Southwest Irrigation.

4. OTHER:

- Check #10320 dated 08/28/2023 for \$1,836 was voided, Henderson Hatfield returned the duplicate payment.

North San Joaquin Water Conservation District Unpaid Bills by Vendor

All Transactions

Type	Date	Num	Source Name	Memo	Account	Class	Open Balance
5G Land Management							
Bill	09/11/2023	1047	5G Land Managem...	Mowing, discing, furrowing and pull...	6210 · Reynolds Recharge Project	Capital Outlay:Recharge Reynolds Project	6,800.00
Total 5G Land Management							6,800.00
Arnaudo Construction, Inc.							
Bill	05/31/2023	App N...	Arnaudo Constructi...	Progress Billing	6115.6 · Pump Station	Capital Outlay:South System Phase 2	31,885.50
Total Arnaudo Construction, Inc.							31,885.50
Butterfield & Co.							
Bill	08/31/2023	106006	Butterfield & Co.	Accounting	6180.1 · Accounting	-G&A	6,069.25
Total Butterfield & Co.							6,069.25
Coloring Book							
Bill	07/28/2023	29054	Coloring Book	Board Mtg	6145 · Meeting Supplies	-G&A	217.42
Bill	08/28/2023	29086	Coloring Book	Board Mtg	6145 · Meeting Supplies	-G&A	535.40
Total Coloring Book							752.82
Consero Solutions							
Bill	08/31/2023	1924	Consero Solutions	Community Engagement	6180.34 · Grant Development	-Planning Fund	5,443.75
Bill	08/31/2023	1924	Consero Solutions	Community Engagement	6180.38 · Public Outreach	-Planning Fund	450.00
Total Consero Solutions							5,893.75
de Graaf Engineering, Inc.							
Bill	09/15/2023	1090	de Graaf Engineerin...	General Eng	6180.42 · General Engineering	-G&A	2,997.68
Bill	09/15/2023	1090	de Graaf Engineerin...	Wide Revenue Source	6180.45 · GW Charge	-Groundwater Management	2,700.00
Bill	09/15/2023	1090	de Graaf Engineerin...	Dream	6180.43 · Grant Administration	Capital Outlay:Dream Project Pipeline	486.00
Bill	09/15/2023	1090	de Graaf Engineerin...	South System Handel Lateral	6180.42 · General Engineering	Capital Outlay:Handel Lateral	216.00
Bill	09/15/2023	1090	de Graaf Engineerin...	SS Phase II	6180.42 · General Engineering	Capital Outlay:South System Phase 2	1,914.00
Bill	09/15/2023	1090	de Graaf Engineerin...	SS Phase III	6180.42 · General Engineering	Capital Outlay:South System Phase 3	3,461.93
Bill	09/15/2023	1090	de Graaf Engineerin...	Tecklenburg	6180.42 · General Engineering	Capital Outlay:Recharge Tecklenburg Basin	810.00
Bill	09/15/2023	1090	de Graaf Engineerin...	SS Phase IV	6180.42 · General Engineering	Capital Outlay:South System Phase 4	5,580.00
Bill	09/15/2023	1090	de Graaf Engineerin...	South System	6180.42 · General Engineering	.Operations Fund:South System O&M	11,988.00
Bill	09/15/2023	1090	de Graaf Engineerin...	NS Phase I	6180.42 · General Engineering	Capital Outlay:North System Phase 1	3,636.00
Bill	09/15/2023	1090	de Graaf Engineerin...	Water Rights	6180.49 · Water Rights	-G&A	1,260.00
Total de Graaf Engineering, Inc.							35,049.61
Granberg & Associates							
Bill	09/07/2023	13	Granberg & Associa...	General	6180.7 · Project Management	-G&A	2,137.50
Bill	09/07/2023	13	Granberg & Associa...	SS Phase II	6180.7 · Project Management	Capital Outlay:South System Phase 2	570.00
Bill	09/07/2023	13	Granberg & Associa...	North System	6180.7 · Project Management	Capital Outlay:North System Phase 1	4,560.00
Bill	09/07/2023	13	Granberg & Associa...	USDA Grant	6180.7 · Project Management	Capital Outlay:Handel Lateral	570.00
Bill	09/07/2023	13	Granberg & Associa...	IRWM Ph 3	6180.7 · Project Management	Capital Outlay:South System Phase 3	997.50
Total Granberg & Associates							8,835.00
HydroFocus, Inc							
Bill	08/30/2023	20192...	HydroFocus, Inc	Hydrologist	6180.5 · Hydrologist	Capital Outlay:North System Phase 1	15,947.37
Bill	08/30/2023	20192...	HydroFocus, Inc	Hydrologist	6180.5 · Hydrologist	Capital Outlay:Recharge Tecklenburg Basin	4,244.79
Total HydroFocus, Inc							20,192.16
Joe Peterson							
Bill	09/15/2023	Rent-...	Joe Peterson	October Rent	6200 · Rent	-G&A	300.00
Total Joe Peterson							300.00

North San Joaquin Water Conservation District
Unpaid Bills by Vendor
 All Transactions

Type	Date	Num	Source Name	Memo	Account	Class	Open Balance
Keith Colgan							
Bill	09/06/2023	3rd Q...	Keith Colgan	July-Sept 2023	6240 · Website & Webmaster	-G&A	375.00
Total Keith Colgan							375.00
Lodi News-Sentinel							
Bill	09/12/2023	246181	Lodi News-Sentinel	Notice for Temp. Permit	6100 · Advertising	-Groundwater Management	1,389.18
Total Lodi News-Sentinel							1,389.18
Pacific Southwest Irrigation							
Bill	07/11/2013	254748	Pacific Southwest Ir...	Installation Valve on Pipeline	6115.5 · Pipeline	Capital Outlay:Recharge Tecklenburg Basin	6,813.38
Bill	07/11/2013	254743	Pacific Southwest Ir...	Remove fence on pond area	6115.5 · Pipeline	Capital Outlay:Recharge Tecklenburg Basin	1,650.00
Bill	04/19/2023	82291...	Pacific Southwest Ir...	Parts & service labor	6115.5 · Pipeline	Capital Outlay:North System Phase 1	58,351.23
Total Pacific Southwest Irrigation							66,814.61
PG&E							
Bill	08/24/2023	Augus...	PG&E	August Invoice	6235.1 · Gas & Electricity	.Operations Fund:South System O&M	8,425.71
Total PG&E							8,425.71
Quartaroli & Associates, Inc.							
Bill	09/06/2023	5413	Quartaroli & Associ...	Survey	6180.37 · Land Surveying & Planning	Capital Outlay:Recharge Tecklenburg Basin	12,450.00
Total Quartaroli & Associates, Inc.							12,450.00
RGMK							
Bill	08/31/2023	131803	RGMK	Prof Services	6180.36 · HR Consultant	Capital Outlay:South System Phase 2	233.75
Total RGMK							233.75
Richard Rodriguez Farms							
Bill	09/11/2023	4993	Richard Rodriguez ...	Labor	6148 · Miller GroundWater Recharge Pro	.Operations Fund:Recharge Project O&M	1,650.00
Bill	09/14/2023	09142...	Richard Rodriguez ...	Labor	6210 · Reynolds Recharge Project	.Operations Fund:Recharge Project O&M	4,218.75
Bill	09/14/2023	09142...	Richard Rodriguez ...	Labor	6225 · Teklenburg Recharge Project	.Operations Fund:Recharge Project O&M	375.00
Total Richard Rodriguez Farms							6,243.75
Shasta Burns							
Bill	09/15/2023	206	Shasta Burns	September Invoice	6180.8 · Secretary	-G&A	2,275.00
Bill	09/15/2023	206-M...	Shasta Burns	September Invoice	6228 · Travel	-G&A	384.49
Total Shasta Burns							2,659.49
Spaletta Law PC							
Bill	09/15/2023	12240	Spaletta Law PC	September Invoice	6180.63 · General Expense	-G&A	4,225.00
Bill	09/15/2023	12237	Spaletta Law PC	September Invoice	6180.63 · General Expense	-Groundwater Management	5,135.00
Bill	09/15/2023	12242	Spaletta Law PC	September Invoice	6180.62 · Dream / PDA Project	Capital Outlay:Dream Project Pipeline	97.50
Bill	09/15/2023	12247	Spaletta Law PC	September Invoice	6180.63 · General Expense	-Planning Fund	162.50
Bill	09/15/2023	12245	Spaletta Law PC	September Invoice	6180.64 · Grant Application Expense	-Planning Fund	1,950.00
Bill	09/15/2023	12244	Spaletta Law PC	September Invoice	6180.69 · Water Rights	-G&A	3,510.00
Bill	09/15/2023	12243	Spaletta Law PC	September Invoice	6180.63 · General Expense	-Groundwater Management	650.00
Bill	09/15/2023	12246	Spaletta Law PC	September Invoice	6180.68 · Strategic Planning & Policies	-Planning Fund	325.00
Bill	09/15/2023	12241	Spaletta Law PC	September Invoice	6180.69 · Water Rights	-Planning Fund	260.00
Bill	09/15/2023	12238	Spaletta Law PC	September Invoice	6180.63 · General Expense	Capital Outlay:South System Phase 2	812.50
Bill	09/15/2023	12239	Spaletta Law PC	September Invoice	6180.63 · General Expense	Capital Outlay:North System Phase 1	650.00
Bill	09/15/2023	12238	Spaletta Law PC	September Invoice	6180.63 · General Expense	Capital Outlay:South System Phase 3	1,462.50
Total Spaletta Law PC							19,240.00

North San Joaquin Water Conservation District
Unpaid Bills by Vendor
 All Transactions

Type	Date	Num	Source Name	Memo	Account	Class	Open Balance
Streamline							
Bill	09/01/2023	F3DC...	Streamline	Website Migration	6240 · Website & Webmaster	-G&A	2,988.00
Total Streamline							2,988.00
Tolson, Poore & Zamora, Inc.							
Bill	08/31/2023	Augus...	Tolson, Poore & Za...	August Services	6180.1 · Accounting	TLID #1	75.00
Bill	08/31/2023	Augus...	Tolson, Poore & Za...	August Services	6180.1 · Accounting	-G&A	150.00
Total Tolson, Poore & Zamora, Inc.							225.00
Weber, Ghio & Associates, Inc.							
Bill	09/11/2023	12247	Weber, Ghio & Ass...	Permitting & Easements	6180.42 · General Engineering	Capital Outlay:Recharge Lakso Project	1,893.50
Bill	09/11/2023	12248	Weber, Ghio & Ass...	Design Plans	6180.42 · General Engineering	Capital Outlay:North System Phase 1	6,727.00
Total Weber, Ghio & Associates, Inc.							8,620.50
TOTAL							245,443.08

From: Jennifer Spaletta, General Counsel

RECOMMENDATION: Approve Registration and Travel Expenses for New General Manager to attend Fall ACWA Conference

DISCUSSION:

The District is a member of the Association of Water Agencies (ACWA). ACWA holds two major conferences per year (Spring and Fall) where board members and key staff and consultants for California water agencies gather for education and networking. The Fall 2023 ACWA conference is in Indian Wells, CA November 28-30. I recommend that Steve Schwabauer, the new General Manager, attend the conference to make connections with other water districts and take part in the networking and educational opportunities. It is helpful to register early for the best prices.

Registration cost \$815

Hotel \$230/night for 2-3 nights

Airfare

Meals and Misc. Travel costs

FISCAL IMPACT: Approximately \$3,000. The approved 23-24 Budget includes \$5000 for Training Expenses, none of which has been expended to date.

From: Jennifer Spaletta, General Counsel

RECOMMENDED ACTION: Authorize Negotiation of Agreement with F&M Bank for Line of Credit

BACKGROUND: The District collects approximately \$2.5 million annually in groundwater charge revenue, paid in January and June. The District is also building projects pursuant to grant agreements that are paid on a reimbursement basis. The District is incurring costs for groundwater recharge project investments to be funded by the groundwater charge revenue, and project costs to be reimbursed by the grants. In order to have sufficient funds to timely pay expenses for these projects as they are incurred, the District needs a line of credit. The District issued a Request for Proposal for terms for a line of credit on 9/1/23 to three financial institutions. One recipient did not respond. One recipient responded and indicated that they could not lend money to the district. The third recipient, F&M Bank, responded with proposed terms as follows:

Borrower:	North San Joaquin Water Conservation District
Type:	Revolving Line of Credit
Commitment Amount:	\$1,500,000
Loan Purpose:	To finance capital outlay projects to modernize infrastructure and build groundwater recharge capacity pending collection of landowner assessments and State & Federal grants.
Loan Fee:	0.10% of the loan amount (estimate \$1,500).
Line Expiration & Maturity:	The subject line of credit availability will have a 2-year maturity with all outstanding warrants to be paid off within forty-eight (48) months from issuance.
Interest Rate:	The interest rate will be based upon the F&M Bank Base Rate minus one percent (B-1.00%). If the rate were to be set today it would be 7.50% . The interest rate shall be fixed for the term of each warrant purchased under this commitment until the warrant is either paid in full or matures.
Repayment:	Registered Warrants will be retired in sequential order as Landowner Assessments and/or FEMA, State of California Subvention Funds, or other funds come available. Interest shall accrue on 365/360 basis. Warrants shall mature 4 years from the date of issuance
Collateral:	Warrants issued by the District with Farmers and Merchants Bank (FMB) and/or registered with the County of San Joaquin payable to FMB.

Other Charges: All third party and out-of-pocket fees including title, legal, appraisal, environmental surveys, etc. are to be paid by borrower

Note: **Legal Documentation and Review Fees may be applicable.**

Guarantor(s): N/A

Prepayment Penalty: Not Applicable

RECOMMENDATION:

1. Sign proposed terms and authorize staff to work with F&M on an agreement to effectuate the line of credit. Bring agreement back to board for final approval by Resolution at October board meeting.

FISCAL IMPACT: Once approved, \$1,500 fee plus interest on borrowed funds.

F&M BANK

North San Joaquin Water Conservation District

Date: 9/14/2023

**Presented
By**

Daniel Meza, SVP

CONFIDENTIAL

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F&M BANK

EXPRESSION OF INTEREST LETTER

9/14/2023

North San Joaquin Water
Conservation District

948 E. Kettleman Lane
Lodi, CA 95240

Dear Jennifer Spaletta,

Since 1916 F&M Bank has helped make banking easy for our clients. As a locally owned and operated community focused financial institution, we have a proud history of providing innovative products and services delivered with the highest possible level of customer service. We are very pleased to have the opportunity to provide this Expression of Interest letter and to show how F&M Bank can make banking easy for North San Joaquin Water Conservation District.

F&M Bank has assembled a team of professionals led by Kent Steinwert, President, CEO and Chairman, to support your banking needs. This team will go out of their way to marshal the resources of F&M Bank to ensure North San Joaquin Water Conservation District receives service beyond your expectations.

What follows is a proposal for the banking needs of North San Joaquin Water Conservation District. This proposal comes with our commitment to provide personalized service delivered by a relationship team, as well as direct access to F&M Bank's Senior Management at 121 West Pine St., Lodi, CA 95240.

Again, we appreciate this opportunity and look forward to becoming your bank.

Sincerely,



Daniel Meza
Senior Vice President
Lodi Market Manager

CREDIT PROPOSAL

CREDIT FACILITIES: Revolving Line of Credit

Borrower:	North San Joaquin Water Conservation District
Type:	Revolving Line of Credit
Commitment Amount:	\$1,500,000
Loan Purpose:	To finance capital outlay projects to modernize infrastructure and build groundwater recharge capacity pending collection of landowner assessments and State & Federal grants.
Loan Fee:	0.10% of the loan amount (estimate \$1,500).
Line Expiration & Maturity:	The subject line of credit availability will have a 2-year maturity with all outstanding warrants to be paid off within forty-eight (48) months from issuance.
Interest Rate:	The interest rate will be based upon the F&M Bank Base Rate minus one percent (B-1.00%). If the rate were to be set today it would be 7.50% . The interest rate shall be fixed for the term of each warrant purchased under this commitment until the warrant is either paid in full or matures.
Repayment:	Registered Warrants will be retired in sequential order as Landowner Assessments and/or FEMA, State of California Subvention Funds, or other funds come available. Interest shall accrue on 365/360 basis. Warrants shall mature 4 years from the date of issuance
Collateral:	Warrants issued by the District with Farmers and Merchants Bank (FMB) and/or registered with the County of San Joaquin payable to FMB.

Other Charges: All third party and out-of-pocket fees including title, legal, appraisal, environmental surveys, etc. are to be paid by borrower

Note: **Legal Documentation and Review Fees may be applicable.**

Guarantor(s): N/A

Prepayment Penalty: Not Applicable

OTHER CONDITIONS

Other Conditions:

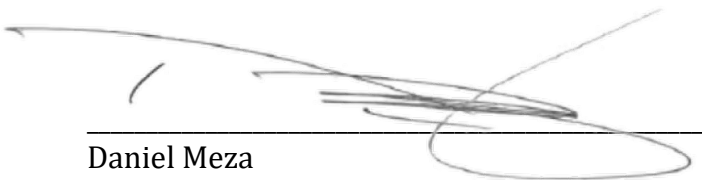
1. At all times that any Warrants or Replacement Warrants or the loan commitment remains outstanding, the District agrees that it will not issue any other warrants of any kind (including demand warrants and time warrants), registered or otherwise, to any other person or entity without the prior written consent of F&M Bank.
2. During all times any warrants issued to F&M Bank pursuant to this Agreement remain outstanding, the District agrees to continue levying an annual assessment on the landowners within the boundary of the District that generates an amount equal to or greater than the amount of its current annual assessment, which is currently **\$2.3 million** per year.
3. During all times any warrants issued to F&M Bank pursuant to this Agreement remain outstanding, the District agrees to provide to F&M Bank a copy of the District's annual audit prepared by the District's accountant within 150 days of the fiscal year end. The financial report shall show, among other things, the amount held in the District's general fund
4. The District shall provide to F&M Bank a certified copy of a resolution of the Board of Trustees of the District approving this Agreement and authorizing its execution by a designated officer or trustee of the District. In addition, the District shall provide F&M Bank with a current letter or other confirmation satisfactory to F&M Bank that the District is exempt from Federal and State income taxes.
5. Borrower agrees to maintain a meaningful deposit relationship with Bank at time of documentation of the Warrant Purchase Line of Credit.
6. Additional conditions may apply

As stated herein, this proposal is for discussion purposes only and **does not constitute a commitment**. Any future commitment of credit is subject to the Bank's receipt of the borrower's application, financial information, credit history and such other information that may be requested by the Bank. Ultimately, credit commitments may require approval from the Bank's Board of Directors. If any credit is subsequently committed by the Bank, you would be required to execute documentation that is in a form and in substance satisfactory to the Bank. Subsequent documentation may include terms and conditions that are different from or in addition to those that are stated in this letter. For example, these terms may include various warranties, representations and covenants regarding financial conditions. Any pre-closing conditions stated in the loan documents would have to be met prior to funding.

This proposal will expire on **9/30/2023**.

If these terms are acceptable to you and you wish for lender to proceed with underwriting, after receipt of an application, and seeking formal approval of the proposed loan, please sign and return this Expression of Interest.

Thank you for the opportunity to present our credit proposal. Upon acceptance, please sign and return the original to the undersigned.



Daniel Meza
Senior Vice President

Acceptance:

By: Joe Valente, Board President **Date**

By: Dave Simpson, Board Secretary **Date**

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TREASURY SOLUTIONS

F&M Bank provides treasury solutions to help improve cash flow, streamline payables, manage liquidity, and reduce unnecessary risk exposure.

At F&M Bank you will have access to a dedicated Treasury Relationship Manager who can structure the most appropriate treasury solution to fit your specific needs—we understand that it's not a one-size-fits-all approach.

We're here for your company for the long term. Since 1916, we've had an established track record of helping clients. Whether your company is just starting out or at a stage of maturity, we're focused on meeting your business' financial needs.

RECEIVABLES SOLUTIONS

At F&M Bank, your Treasury Relationship Manager can help evaluate how you do business with your customers in order to help define the best means for collecting receivables. Then, your Treasury Relationship Manager will suggest cost effective solutions that can free up time, money, and resources. Receivables solutions include:

- **Remote Deposit¹**
 - Accelerate cash flow
 - Reduce errors in accounting
- **Lockbox²**
 - Provides an efficient way of processing high volumes of customer payments
 - Accelerate your receivables processing
- **Merchant Card Services³**
 - F&M Bank partners with Elavon to deliver an industry-leading merchant card processing solution
 - Accept payment cards wherever you do business with wireless payment processing
 - Help grow your business with PC and Terminal-based POS solutions
- **Automated Clearing House (ACH)^{4,5}**
 - Ensure timely receipt of payments
 - Eliminate administrative time and expense associated with processing paper-based receivables

INFORMATION REPORTING SOLUTIONS

Know where your money stands at all times, no matter where you are located. Information reporting tools provide a full view of your financial situation. Your F&M Bank Treasury Relationship Manager will evaluate the nature of your information reporting needs to assist in identifying the best solutions for your company. Reporting solutions include:

- **Treasury Management Online⁶**
 - View real-time account activity; up to 6 months of transaction history
 - Locate and print images of paid checks, deposit tickets, deposited items, and more
 - Transfer funds between F&M Bank accounts or schedule future transfers

- Place real-time stop payments the minute they need to happen
- Download information into QuickBooks®, Microsoft Excel® spreadsheets, and other money management software
- Customize Treasury Management Online banking hours with Time Protect
- **Account Reconciliation⁴**
 - Improve audit control over funds disbursement
 - Download data files daily or monthly
 - Ideal for businesses issuing a large number of checks

PAYABLES SOLUTIONS

Your Treasury Relationship Manager will evaluate your operations and work with you to find cost effective solutions that can help streamline accounts payable, reallocate resources, and reduce errors. Payables solutions include:

- **Automated Clearing House (ACH)^{4,5}**
 - Pay vendors, direct deposit employee payroll, and pay taxes with ease
 - View additional “addenda” information through F&M Bank’s Electronic Data Interchange (EDI) reporting capability
 - Reduce errors in accounting
- **Wire Transfers Online⁴**
 - Initiate domestic and international (USD) wire transfers
 - Move funds on the same day, easily and safely
 - Schedule one-time transfers or create recurring templates for future use
- **Business Debit Card⁷**
 - Can be issued to a non-signer on the account
 - Limits are customizable per card
 - Use your debit card anywhere Visa® Debit cards are accepted
- **Corporate Credit Card^{3,8}**
 - Credit card services are provided through UMB Financial Corporation
 - No annual fee (non-rewards card)
 - Rewards program available (with annual fee)
 - Comprehensive itemized statements

DEPOSIT SOLUTIONS

F&M Bank offers a wide range of interest and non-interest bearing, FDIC-insured accounts. Our deposit account options can help improve your treasury processes, satisfy your daily business operations, and meet your financial transaction needs.

- **Account Types:**
 - Business Account Analysis
 - Zero Balance Account (ZBA)
 - Sweep Account
 - Money Market Account
 - Certificate of Deposit
 - Business Savings Account

FRAUD PROTECTION SOLUTIONS⁹

Proactively protect your business from becoming a victim of fraudulent activity with fraud protection security. Your F&M Bank Treasury Relationship Manager will assess your business' fraud prevention needs. This can add peace of mind by having systems in place if fraud-related issues should arise. Fraud protection solutions include:

- **Positive Pay⁴**
 - Compares the checks presented for payment to those in your issued check file
 - Catch fraudulent activity before the money leaves your account
 - Decision exception items online in real time
- **ACH Positive Pay⁴**
 - Compares the ACH transactions presented for payment to the companies you authorize
 - Sends alerts when an exception occurs
 - You decide whether or not to approve the transaction
- **ACH Blocks and Filters**
 - Flags and returns transactions that you have not authorized
 - Blocks all ACH debits or credits from selected accounts
 - Filters ACH debits or credits from those companies you designate

Please inquire with your Treasury Relationship Manager regarding current fees or cost and information on other conditions or requirements that apply to the above products. The above information is accurate as of 8/1/2018 and is subject to change without notice.

¹ Internet access and scanner are required. ² Use of U.S. Post Office Box is required. ³ Third party provider and is not an affiliate or subsidiary of F&M Bank. ⁴ Must be set up with Treasury Management Online. ⁵ Required to comply with NACHA Operating Rules for ACH Originator(s). Approval for use may be subject to underwriting criteria. ⁶ Internet access is required and fees to other third parties may apply for use of QuickBooks® and Microsoft Excel® spreadsheets. ⁷ Application and qualification required. Third party fees may apply for use of Point of Sale (POS), Non-F&M Bank ATMs, and for use of Pulse®, Cirrus®, or Visa® networks. ⁸ Application and qualification required. ⁹ These products are designed to enhance your security program to help mitigate fraud risk. However, we cannot guarantee 100% fraud protection.

F&M BANK RELATIONSHIP TEAM

NAME	TITLE	EMAIL	PHONE
Alyssa Machado	Assistant Vice President Relationship Manager	ammachado@fmbonline.com	209-367-2498
Daniel Meza	Senior Vice President & Lodi Market Manager	dmeza@fmbonline.com	209-367-2349
Debi Llata	Vice President Treasury Relationship Manager	dldata@fmbonline.com	916-394-3239
Mickie Nuss	Regional Senior Vice President of Wholesale Banking	mnuss@fmbonline.com	209-367-2444
Kent Steinwert	President, Chief Executive Officer & Chairman of the Board		209-367-2448

From: Jennifer Spaletta, General Counsel

RECOMMENDED ACTION: Approve Final General Manager Employment Contract

BACKGROUND: The Board reviewed and approved the draft General Manager Employment Contract at the August meeting. Thereafter, we discovered that the contract was unclear about severance pay in the event of termination without cause. It is common practice for executives who work for public agencies controlled by political bodies to have a 6-month severance provision in the event of termination without cause. For example, if the general manager is carrying out the policies of this board correctly, and then there is a political change in the board and the new board fires the manager for carrying out those policies, then the six months of severance pay applies. This helps protect the agency from disruptive changes in policy and management due to political whim. The following clarified provision 8.1 is in the revised final contract:

8.1 **Termination by Employer.** This Agreement and Executive's employment at Employer may be terminated by Employer at any time with or without cause as defined below, by a majority of the membership of the Board and by delivery to Executive of a written notice of such termination (the "Termination Notice"). The Termination Notice will state the effective date of such termination and whether such termination is for "Cause," as defined in Section 8.1(a), or without Cause pursuant to Section 8.1(b). Unless the Termination Notice states that the termination is for Cause and states the Cause with reasonable particularity, the termination will be deemed to be without Cause pursuant to Section 8.1(b). In the event an arbitrator appointed pursuant to Section 10 of this Agreement determines that a purported termination for Cause was in fact without Cause, the termination will nonetheless be effective.

8.1(a) **Termination by Employer for Cause.** Termination for "Cause" will be defined to include, but not be limited to, the following:

8.1(a)(i) The commission by Executive of an act of misconduct including, but not limited to, the violation of any law, rule, policy, code of conduct, regulation, or cease and desist order applicable to Executive or Employer, or an act which constitutes a conflict of interest with Employer, or a breach of fiduciary duty owed by Executive to Employer;

8.1(a)(ii) Executive's breach of this Agreement, dishonesty, insubordination or failure to follow a directive of the Board, habitual absence from work, or failure to perform duties or negligence in the performance of duties, provided that if termination is contemplated because of dissatisfaction with the manner or quality of Executive's work performance, Executive will be informed in writing of the nature of the dissatisfaction and will be given no less than 30 days to rectify, in accordance with the Board's requirements, the performance issues so identified;

8.1(a)(iii) Executive's becoming incapacitated or disabled as defined in Section 8.4 below; or,

8.1(a)(iv) Any criminal conviction of Executive, whether by verdict, plea of guilty, or plea of nolo contendere, other than for a minor traffic violation, whether or not in connection with Executive's employment at the Employer.

In the event of termination for Cause under the Section 8.1(a), Executive will be entitled to payment of compensation and benefits that had accrued to the date of termination.

8.1(b) **Termination by Employer Without Cause.** Should Employer terminate this Agreement and Executive's employment at Employer without Cause, Executive will be entitled to payment of compensation and benefits that had accrued to the date of termination plus an additional six months after the date of termination.

FISCAL IMPACT: In the event of termination without cause, District liable for six months of salary and benefits.

From: Jennifer Spaletta, General Counsel
Robert Granberg, Interim GM

RECOMMENDATION: Direct Staff Regarding Renewal or Changes to Reynolds and Miller Recharge Lease Agreements

BACKGROUND: The District entered into Lease Agreements for direct groundwater recharge projects in 2023 that auto-renew unless the District provides notice to terminate. The District needs to decide whether to provide notice to terminate, renew, or request modification of the agreements.

Reynolds Recharge Lease

- a. Property: Direct recharge to a currently abandoned vineyard by controlled flooding with ditches, furrows and berms to 80 acres at the corner of Acampo and Woodbridge Roads and being served from a temporary river intake and pump station located adjacent to the existing North System Pump Station.
- b. Rent: \$11,600 for initial term. Property tax amount thereafter (which will be less because it will not include the district groundwater charge that was incorrectly levied on these parcels).
- c. Other costs:
 - i. \$126,000 spent to date to install pump and generator. These costs are capital and were necessary to get water running at the North System. Not all allocable to the Reynolds project.
 - ii. \$217,000 pipeline and modifications to get water to Reynolds property.
 - iii. Approximately \$25,000 in ground work to prepare property to take water and maintain ditches/furrows.
 - iv. Approximately \$12,000 per month to rent generator and pump including fuel.
 - v. Watermaster services to operate project – about \$6,000 per month
 - vi. Engineering and Legal, Project Management costs.
- d. Term: Initial term 3/1/23 to 12/31/23. Auto renewal annually for up to 5 years unless either party provides notice by November 30th.
- e. Recharge: From June 1, 2023 to present, delivered approximately 385 af to property for recharge.

2. Miller Recharge Lease

- a. Property: 8 acres on Fox Road off east ditch of South System, currently bare ground bermed for recharge by controlled ponding in cells.
- b. Rent: \$1,600 per year.
- c. Other costs: \$13,500 spent to date to install pump and generator. Additional cost per month to rent generator and pump plus fuel cost.
- d. Term: Initial term 5/1/23-4/1/24. Auto-renewal annually for 5 years unless either party provides notice to terminate by March 30th.

- e. Recharge: From May 2023 to present, applied approximately 8 af of water for recharge to property. Stopped recharge and pump rental in July to avoid mosquito issues due to slow infiltration rates.

DISCUSSION:

1. Reynolds: Revisit renewal at October board meeting. Negotiate with landowner regarding removal of vines and trellis and conversion of part of property to recharge basin for a term of not less than 10 years.
2. Miller: Revisit renewal at February board meeting. Experiment operating project using Miller's irrigation pump or a small District-purchased electric pump and modified recharge cells with possible ground ripping between October and February.

FISCAL IMPACT:

Continued rent obligations and operational costs unless leases are terminated.

BOARD MEETING STAFF REPORT

Agenda Item 3-i-1-a – South System Pump Addition**September 25, 2023**

Recommended Action: Direct Arnaudo Construction to prepare a revised Change Order including electrical costs and costs for a third pump, each with individual flow meters.

Background: Arnaudo Construction has constructed phase 1 and 2 of the South System Improvements including the new pump station, the Tretheway and Brandt control structure, and the mainline improvements. The first pump installed in the pump station has a 10 Cubic Feet per Second (CFS) capacity. The District needs to increase the capacity of the pump station by adding a second 10 CFS pump that matches the existing pump as well as a third pump with a 20 CFS capacity to increase the total capacity to 40 CFS. The District has asked Arnaudo Construction to prepare a change order to install a second and third pump.

The existing pump station utilizes a single flow meter on the mainline of the system. There are two concerns with the function of the existing flow meter including the limitations of the meter location as well as the inability to see individual pump flows with a multi-pump system. The existing location of the flow meter is far away from the pump station, nearly maxing out the distance a reliable signal can reach, requiring multiple junctions that require maintenance, and reducing the reliability of the meter. Second, with multiple pumps, it would be preferable to have individual meters on individual pumps so each pump can be individually monitored and adjusted with the automation to match desired flow rates at the most efficient set point.

With the addition of a second and third pump, Arnaudo Construction was asked to prepare a change order that compared installing a second pump that utilized the existing flow meter and installed an exact copy of the existing pump as well as a second option that would include reconstructing the existing pump discharge piping and include a new flow meter for each individual pump.

The attached change order provides the costs for the two options described above. Arnaudo will provide a revised change order that includes electrical costs as well as the costs for a third pump once we provide them with direction to include individual flow meters or to utilize the existing flow meter. Sierra Controls will provide proposal to install automation and control equipment for the pump following a final decision on the flow meters.



PROPOSAL

Date: September 22, 2023
Project: South System
Owner: North San Joaquin Water Conservation District

Estimator: Randy Holtberg
Phone: (209) 817-4646
DIR No. 1000025395
License No. 903970

No.	Description	Quantity	Units	Unit Price	Total
OPTION 1					
1	Mobilization & 75 HP Pump to Match Existing	1	LS	\$ 126,000.00	\$ 126,000.00
2	Discharge Piping & Fittings to Match Existing	1	LS	\$ 96,000.00	\$ 96,000.00
3	Electical (BY OTHERS)				EXCLUDED
				Sub-Total	\$ 222,000.00
OPTION 2					
1	Mobilization & 75 HP Pump to Match Existing	1	LS	\$ 126,000.00	\$ 126,000.00
2	Irrigation Style Discharge with Mag Meter	1	LS	\$ 55,000.00	\$ 55,000.00
3	Replace Ex Discharge with Mag Meter Setup	1	LS	\$ 62,000.00	\$ 62,000.00
4	Electical (BY OTHERS)				EXCLUDED
				Sub-Total	\$ 243,000.00

BOARD MEETING STAFF REPORT

Agenda Item 3-i-1-b – South System Phase II Additional Pipe

September 25, 2023

Recommended Action: Approve Change Order PCO 006a in the amount of Three Hundred Eighty Four Thousand Dollars (\$384,000.00) for installation of two elbows and an additional 960 Linear Feet of Pipe.

Background: Arnaudo Construction has been working on completing Phase II of the South System Improvements. During construction it was identified that there is a shift in the alignment on the North side of Harney Lane that requires the installation of two 45 degree elbows. Also, during the construction of the temporary tie-in to begin operation, an issue concerning access to construct the tie-in was identified. Arnaudo construction has requested that a change order be approved to increase the length of the project such that the end of construction will be adjacent to an existing stand pipe.

There are two upstream options that were identified as possible connection locations, the first being approximately 340 Linear Feet upstream and a second that is approximately 960 Linear Feet upstream. Both options include installation of the two 45 degree elbows.



**PROPOSED CHANGE ORDER
NO. 06a**

SUBJECT: Additonal Pipe - Option 1

DATE: 09/14/23

PROJECT: NSJWCD South System Improvements Phase II

JOB NO: 23005

TO: de Graaf Engineering
PO Box 87
Ripon, CA 95366

FROM: Randy Holtberg

ATTN: Daniel de Graaf

DESCRIPTION

Install 340 LF additional 48" RCP with 2 EA 45 degree elbows, per Memorandum dated 9/6/23

ITEM	DESCRIPTION	QTY	UM	UNIT	TOTAL
1	Additional Pipe & Bends	340	LF	\$460.00	\$156,400.00

TOTAL AMOUNT \$156,400.00

APPROVAL

BY: _____

BY: _____
Randy Holtberg

DATE: _____

DATE: _____



Memorandum

To Arnaudo Construction

From Daniel de Graaf, P.E. – NSJWCD District Engineer

Subject Change Order Request – South System Pipeline

Date 09/06/2023

Background

North San Joaquin Water Conservation District is requesting a proposed change order for the South System Phase II project to install additional pipe to provide an access point (existing standpipe) to complete the connection point. The following summarizes the components that should be included in the proposed change order:

Option 1:

- Include two (2) 45-degree bends to realign the pipeline with the existing pipeline.
- Include installation of an additional +/-340 linear feet of 48" RGRCP

Option 2:

- Include two (2) 45-degree bends to realign the pipeline with the existing pipeline.
- Include installation of an additional +/-960 linear feet of 48" RGRCP



Memorandum

To Arnaudo Construction

From Daniel de Graaf, P.E. – NSJWCD District Engineer

Subject Change Order Request – South System Pipeline

Date 09/06/2023

Background

North San Joaquin Water Conservation District is requesting a proposed change order for the South System Phase II project to install additional pipe to provide an access point (existing standpipe) to complete the connection point. The following summarizes the components that should be included in the proposed change order:

Option 1:

- Include two (2) 45-degree bends to realign the pipeline with the existing pipeline.
- Include installation of an additional +/-340 linear feet of 48" RGRCP

Option 2:

- Include two (2) 45-degree bends to realign the pipeline with the existing pipeline.
- Include installation of an additional +/-960 linear feet of 48" RGRCP

BOARD MEETING STAFF REPORT

Agenda Item 3-i-1-c – DREAM Air Vents

September 25, 2023

Recommended Action: Approve Change Order PCO 08 in the amount of Thirty Three Thousand, Eight Hundred Sixty Four Dollars, and Sixteen Cents, (\$33,864.16) for installation of new air vent laterals.

Background: The DREAM project pipeline includes 22 air vents. During operation of the system, several of the air vents have had issues including leaks and damage due to their protective vaults being pushed down from traffic during wet weather. The leaks and damage to the air vents have caused several shutdowns of the system for repairs during operation.

We have requested a Change Order from Arnaudo Construction to remove the air vents from the existing boxes, install HDPE laterals that will protect them from movement, and installation of the air vents in adjacent tree rows, fence lines or along utility poles. The air vents will be installed with isolation valves that will allow for maintenance to the valves during operation without the need for shutting down the system.



PROPOSED CHANGE ORDER NO. 08

SUBJECT: Air Vents **DATE:** 09/22/23
PROJECT: DREAM Pipeline Project **JOB NO:** 20022
TO: North San Joaquin Water Conservation District **FROM:** Randy Holtberg
PO Box E
Victor, CA 95253 **ATTN:**

DESCRIPTION

See attached

ITEM	DESCRIPTION	QTY	UM	UNIT	TOTAL
1	Air Vents	1	LS	\$33,864.16	\$33,864.16
2	Mark-Up	-	%	\$33,864.16	\$0.00

TOTAL AMOUNT	\$33,864.16
---------------------	--------------------

APPROVAL

BY: _____

BY: _____
Randy Holtberg

DATE: _____

DATE: _____



8372 S. Jack Tone Rd.
Stockton, CA 95215
(209) 460-0450

Quote

Date 9/20/2023
 Estimate # **90027**
 Project
 Representative CA
 Terms Net 30 Days
 Due Date 10/20/2023

Name / Address:

Arnaudo Construction, Inc.
P.O. Box 390
Tracy, CA 95378

Ship To:

Arnaudo Construction, Inc.
27770 S. Chrisman Rd.
Tracy, CA 95304

Description	Quantity
Air vent extentions to existing pipe line (21 pcs)	
3" Full Port Ball Valve - Banjo	22
3" x 4" PVC TOE Nipple Schedule 80	22
3" SDR11 90 Deg elbow HDPE	66
3" SDR11 MIPT SST X HDPE Adaptor	44
3" X 40' SDR 11 HDPE Pipe	880
White Seal - Pint #87735	4
1" x 520' - Teflon Tape	24
	1
\$ 32895.74	

Thank you for giving us the opportunity to serve you. We appreciate your business and the confidence you have placed in us. Please call us if we can be of further assistance.

Read Terms & Conditions

Date: _____

Signature: _____



Subtotal \$32,895.74

Sales Tax (7.75%) \$968.42

Total **\$33,864.16**

BOARD MEETING STAFF REPORT

Agenda Item 3-i-1-c – Sierra Controls SCADA/Meters Contract

September 25, 2023

Action Requested: Board approval of proposal from Sierra Controls for the amount of Three Hundred Seventy Six Thousand, One Hundred Ten Dollars and Seventy Two Cents **(\$376,110.72)**.

Background: Sierra Controls has developed and constructed the SCADA system that serves as the hub for the Districts automation and controls of their facilities including the South System, Cal-Fed and Tracy Lake pump stations as well as the automation and control at the Tretheway and Brandt Box. As part of the South System Phase II Improvements, the District has asked Sierra Controls to prepare a proposal for automation and control at the two new control structures that were constructed.

The attached proposal includes complete SCADA systems, solar powered, battery operated actuators and flow measurements devices at three locations. The proposed equipment will connect seamlessly with the existing SCADA system and will provide much needed control and measurement capabilities in the South System mainline. The recommended action is for the board to approve the proposal and direct staff to work with Sierra controls to develop a schedule for installation of the equipment that is compatible with the District's operations.



PROPOSAL

Sierra Controls, LLC

5470 Louie Lane Ste. 104
 Reno, NV 89511
 (775) 236-3350

Quote / Project #: 22-6908

Date: 8/11/2023

Project Manager: Jeremy Veach

Est. Start Date: TBD

To: North San Joaquin Water Conservation District

Attention: Daniel De Graaf

Project: South System Improvements

Sierra Controls LLC (SC) is pleased to provide this proposal for North San Joaquin Water Conservation District in support of the South System Improvements.

Two new sites operating 3 new gates for future expansion. RTU hardware & flow instrumentation to be installed by SC.

Item #	Description	Quantity	Unit Price	Est. Tax	Line Total
Item 1	Handel Lateral Junction Box Gate Controller RTU	1	\$ 29,060.00	\$ 1,264.09	\$ 30,324.09

Pricing Includes:

- (1) NEMA 4 36x30x10
- (1) PANEL A36P30
- (1) PLC I SCADAPACK 474 W/ 2AO I 11-30VDC I I SCHNEIDER ELECTRIC I TBUP474-UA50-BB00S
- (1) OIT I 15.6" SMART HMI I 24VDC I I MAPLE SYSTEMS I CMT3162X I I
- (1) MPPT CHARGE CONTROLLER 12/24V
- (1) HMI HINGED COVER
- (1) ETHERNET SWITCH MANAGED
- (1) RADIO VIPER SC 140-5018-502
- (1) ANTENNA YAGI 148-174 MHZ ANT15
- (1) LIGHTNING PROTECT IS-B50LN-C2
- (1) SWITCH PUSHBUTTON 800T-A2D1 1N
- (1) SWITCH HOA 800T-J2B 3 POS 2N0-
- (1) SWITCH HOA 800T-J91A 3 POS 1NO
- (2) SOLAR PANEL 260W UBIQUITI(s)
- (1) ENCLOSURE 16X12X6 NEMA 12
- (1) PANEL A16P12
- (1) DC/DC 24 to 12VDC 5 Amp
- (4) BATTERY 12V 104AH SunExtender(s)
- (2) ENCLOSURE 14X14X14 NEMA 3R GAY(s)
- (1) MODBUS GATEWAY W/ ISOLATION

Pricing also Includes:

Manufacturing, Electrical Testing



Item 2	Pixley Discharge Box Gate Controller RTU	1	\$ 29,620.00	\$ 1,288.44	\$ 30,908.44
	Pricing Includes: (1) NEMA 4 36x30x10 (1) PANEL A36P30 (1) PLC SCADAPACK 474 W/ 2AO 11-30VDC SCHNEIDER ELECTRIC TBUP474-UA50-BB00S (1) OIT 15.6" SMART HMI 24VDC MAPLE SYSTEMS CMT3162X (1) MPPT CHARGE CONTROLLER 12/24V (1) HMI HINGED COVER (1) ETHERNET SWITCH MANAGED (1) RADIO VIPER SC 140-5018-502 (1) ANTENNA YAGI 148-174 MHZ ANT15 (1) LIGHTNING PROTECT IS-B50LN-C2 (1) SWITCH PUSHBUTTON 800T-A2D1 1N (2) SWITCH HOA 800T-J2B 3 POS 2NO-(s) (2) SWITCH HOA 800T-J91A 3 POS 1NO(s) (2) SOLAR PANEL 260W UBIQUITI(s) (1) ENCLOSURE 16X12X6 NEMA 12 (1) PANEL A16P12 (1) DC/DC 24 to 12VDC 5 Amp (4) BATTERY 12V 104AH SunExtender(s) (2) ENCLOSURE 14X14X14 NEMA 3R GAY(s) (1) MODBUS GATEWAY W/ ISOLATION Pricing also Includes: Manufacturing, Electrical Testing				
Item 3	Flow Instrumentation	1	\$ 65,845.00	\$ 2,864.11	\$ 68,709.11
	Pricing Includes: (3) SonTek-IQ Pipe 9-15VDC(s) (1) Pipe Ring Assembly for 16-in to 24-in ID Pipes (1) Pipe Ring Assembly for 36-in to 48-in ID Pipes (3) Communications Cable(s) (3) Flow Display 9-15VDC 5"x5"x1(s)				
Item 4	Gate Actuators	1	\$ 86,405.00	\$ 3,758.47	\$ 90,163.47
	Pricing Includes: (3) IQD10 24VDC IB5 Gear 6:1 Ratio FA14 Flange Mounting Pad (s)				
Item 5	Professional Services & Integration	1	\$ 55,475.00	\$ 2,089.81	\$ 57,564.81
	Pricing Includes: Project Management, Engineering & Design, Radio Programming, PLC Programming, OIT Programming, HMI Development, Alarm Configuration, Report Development, Manuals, As Builts, Training				
Item 6	Installation & Commissioning	1	\$ 63,745.00	\$ -	\$ 63,745.00
	Pricing Includes: Travel, Installation, Start Up				
Item 7	One Time Lossless Data Software Modules	1	\$ 1,470.00	\$ 63.80	\$ 1,533.80
	Pricing Includes: HMI Development				



Item 8	Contingency	1	\$ 33,162.00	\$ -	\$ 33,162.00
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Pricing Includes:

This contingency is to mitigate risks in the construction phase. Use of this contingency will require client approval prior to work being performed. This is estimated at 10% of the project cost.

Project Total:

Price	Est. Tax	Total Price
\$ 364,782.00	\$ 11,328.72	\$ 376,110.72

Notes & Disclaimers:

Power: Engineering Design of RTU based upon 120v power either existing or provided by others, U.N.O. All other power to be provided by others as required by project.

Conduit & Wire: All conduit, wire pulls and wire labeling to be provided and installed by others. Existing wiring to be in good working order or be replaced by others.

Existing Conditions: Proposal is based upon the presumption that all existing programs, hardware, and controls are complete and functional. Additional programming, hardware or adjustments required by SC to fix / modify existing programming or PCIS / SCADA SYSTEM outside of the scope of this agreement to be billed on a T&M basis.

Additional T&M Work: This proposal represents the complete scope of work to be performed by SC. Any additional requirements, specifications or construction details outside of this proposal are not included and will be billed on a T&M basis as mutually agreed upon by all parties.

Solar Power Systems: Sierra Controls designs its solar systems to typically last 3 to 4 days without recharging. SC shall not be responsible for conditions beyond our control that may lead to a reduction in the intended performance of the solar system or the length of time the batteries will last without charging. Please consult your project manager to ensure that the design fits your site specific needs or consider alternative options for

Warranty: All equipment manufactured by SC to be under a Limited (1) Year Warranty based upon SC Standard Warranty Terms & Conditions beginning at the time of installation or delivery to client. (Whichever comes first) unless noted otherwise. Warranty is void where no Remote Access is provide or available. Additional Terms & Conditions apply. SC will provide complete warranty terms and conditions upon request. Extended warranties available upon request.

Delivery: Scheduled ARO
Terms: NET 30
FOB: RENO, NV

**RESPECTFULLY SUBMITTED,
 SIERRA CONTROLS, LLC**

D. Andrew Ward - President

This quote is valid for 30 days.

To proceed with this order please sign below with an authorized signature and return.

Signed

PO Number

Date

PREPARED BY: Petrea Marchand, Consero Solutions
Robert Granberg, Interim General Manager

RECOMMENDATION: Receive Updates on North San Joaquin Water Conservation District Project Funding Requests and Awarded Grant Status

BACKGROUND:

Consero Solutions provides monthly reports on funding opportunities for which the District has applied or for which the District is considering applying.

DISCUSSION:

1. U.S. Bureau of Reclamation WaterSMART Drought Response Program

Project Name: South System Modernization Project, Phase 4

Amount Requested: \$5 million

Amount of Cost Share: 50%

Application Due: **October 31, 2023**

Status: Consero Solutions completed a rough draft of the WaterSMART grant application and District staff are in the process of revising the draft. Consero is planning to work with the District to submit October 20, 2023, 11 days before the October 31, 2023 deadline. The U.S. Bureau of Reclamation (Bureau) released the Notice of Funding Opportunity for the WaterSMART Drought Response Program on August 7, 2023. Consero developed a timeline for completion of the grant and assigned sections to contractors with the expertise necessary to provide information to ensure the District's application is competitive. The Bureau anticipates awarding a total of \$55 million in federal funding for drought resiliency projects nationwide through this funding round. At the April 24, 2023 District Board meeting, the Board approved applying for \$5 million for the South System Project, Phase 4. For maximum competitiveness, it is essential the District have at least 30% and preferably 100% design complete by the grant deadline. It is also critical that the District has a system in place for measuring project benefits to maximize competitiveness.

Context: Although the WaterSMART Drought Response Program is an annual program which receives money from the federal budget, the Bureau has additional funding from the federal Infrastructure Investment and Jobs Act for this year's round and does not anticipate this funding source will continue after this year. The Bureau also increased the limit on applications from \$2 million to \$5 million for this funding round. For these two reasons, this funding round is an especially attractive year for the District to apply.

2. California Department of Food and Agriculture State Water Efficiency and Enhancement Program (SWEEP) Block Grant Pilot Program

Project Name: On-Farm Irrigation Efficiency Improvement Projects

Amount Requested: \$5 million

Amount of Cost Share: None required

Application: **SUBMITTED** – June 19, 2023

Awarded: **YES**

Status: The California Department of Food and Agriculture (CDFA) announced \$42.5 million in SWEEP Block Grant Pilot Program awards on September 12, 2023, including \$5 million for the joint application from the Stockton East Water District, the South San Joaquin Irrigation District, and the North San Joaquin Water Conservation District. CDFA only awarded a total of nine grants statewide.

Context: The District, in partnership with Stockton East Water District (SEWD) and South San Joaquin Irrigation District (SSJID), submitted an application on June 19, 2023 to the CDFA SWEEP Block Grant Pilot Program after Consero worked for over a year with the District to track CDFA's development of the grant opportunity. The NSJWCD/SEWD/SSJID will work with CDFA to execute the grant, ideally 90 days after all information is submitted. Once awarded, the Districts will solicit applications from farms and operations within the boundaries of their jurisdictions who are committed to conserving water and reducing greenhouse gas emissions. The SWEEP Block Grant Pilot Program and the traditional SWEEP program will award a combined total of \$70 million this year, of which approximately \$42.5 million was allocated to the Block Grant Pilot Program. (The 2023-24 budget did not include funding for a 2024 SWEEP program; CDFA representatives do not know when the State will have additional funds to allocate to CDFA programs). The Block Grant is different from the traditional SWEEP grant in that funding will be made available to local and regional government agencies and groundwater sustainability agencies, each of which can apply for \$2 million to \$5 million. Once awarded, these agencies will develop their own solicitation processes and invite project applications for up to \$200,000 from interested growers. After selecting eligible growers for funding, the agencies will disburse awarded funds to operations for their on-farm projects, which could include ventures like those eligible for the traditional SWEEP program.

3. California Department of Food and Agriculture State Water Efficiency and Enhancement Program (SWEEP) Direct-to-Farmer Grant Program

Project Name: Direct-to-Farmer On-Farm Irrigation Efficiency Improvement Projects

Amount Requested: Up to \$200,000 per farmer

Amount of Cost Share: Encouraged, but not required

Application Due: **November 2023** (exact date TBD)

Status: The CDFA has not released guidelines for this program yet but anticipates the release in November 2023. Consero has sent an email to the grant manager requesting information about whether growers in the District will be eligible to apply if the District receives a grant from the Block Grant Pilot Program; the grant manager responded that CDFA is still developing the guidelines but are not planning to exclude growers in the service areas of SWEEP Block Grant Pilot Program awardees like the District.

Context: The CDFA has offered this program, which provides grants to growers for on-farm projects to increase irrigation efficiency and reduce greenhouse gas emissions, for years. The District has encouraged growers to apply in the past, but few growers received funding through

the program. The Department has updated the guidelines to include criteria favorable to the District, including an extra point if the grower's operation is in a critically over drafted groundwater basin.

4. U.S. Department of Agriculture Community Facilities Grant (Federal Appropriations)

Project Name: South System Modernization Project (Handel Lateral)

Amount Requested: \$1,000,000

Amount of Cost Share: Not required

Application due: SUBMITTED – January 2023

Awarded: **YES**

Status: The District has yet to execute an agreement with the U.S. Department of Agriculture (USDA) and has until May 2024 to complete the conditions to finalize the agreement. District staff met with USDA staff on August 29, 2023 and staff discussed a timeline for completing the conditions on September 11, 2023. Staff agreed the District Engineer will complete a draft design by October 31, 2023, call landowners to set up meetings in the last two weeks of October, then meet with landowners regarding the proposed design and potential easements in November and December 2023. Staff will also brief the new General Manager on the project and timeline. After the landowners provide feedback on the design (including providing information to landowners about requirements to use the lateral), the District Engineer will finalize the design and the District will work on finalizing easements in early 2024. As a reminder, one of the conditions is to provide evidence of site control for the proposed project. The District has some of the easements necessary to ensure the project serves the 700-1,000 acres of developed agricultural parcels described in the preliminary engineering report submitted to the U.S. Department of Agriculture (i.e., the recently constructed diversion box is located in an existing easement), but also needs to acquire new easements. As part of the design due October 31st, the District Engineer is determining the area covered by existing easements and the need for new easements.

Context: District Counsel worked with Consero to complete the application to the U.S. Department of Agriculture for \$1,000,000 for the South System Groundwater Recharge Project in January 2023. As a reminder, the District secured this \$1,000,000 because of a federal appropriations request in 2021 sponsored by U.S. Representative McNerney and U.S. Senator Padilla.

5. Sustainable Groundwater Management Act (SGMA) Implementation Grant Round 1

Project Name: North System Improvement Component - Phase 1

Amount Requested: \$3,900,000

Amount of Cost Share: \$0

Application Due: SUBMITTED - February 28, 2022

Awarded: **YES**

Status: The Eastern San Joaquin Groundwater Authority’s successful SGMA grant application to the California Department of Water Resources included \$3.9 million for the North System Improvement Project – Phase 1. The Authority has fully executed the grant agreement with the Department and the District has fully executed an agreement with the Authority. This grant is one of four grants awarded to the Eastern San Joaquin Groundwater Authority. The District’s award is Component 4 and will develop 200 acre-feet of in-lieu recharge (direct irrigation) and 500 acre-feet of direct groundwater recharge in the North System service area, including infrastructure improvements. The grant reimburses costs incurred for administration, environmental/engineering/design, permitting and easements, construction, and groundwater monitoring and assessment. The District has submitted three reimbursements through the grant administrator to date for the pump station, intake, and pipelines condition report, temporary pumping to the Reynolds parcels for direct groundwater recharge, and engineering for project components Phase 1A and 1B. Phase 1A is the installation of a pipeline extension to implement direct groundwater recharge on the Lakso property and Phase 1B is for existing pipeline replacement in Acampo Road and pipeline extensions to implement direct irrigation and direct groundwater recharge. All three project components (Temporary, Phase 1A and Phase 1B) are needed to achieve the goals set forth in the grant agreement. The temporary recharge to the Reynolds parcels is ongoing since June. Phase 1A was awarded by the Board in August and will be constructed this fall. Phase 1B design is complete and this project will be bid in the month of September, for Board award in October. Future grant reimbursement requests will be for groundwater monitoring wells, pipeline construction, and the Progressive Design-Build Project to replace the pump station and river intake.

6. California Integrated Regional Water Management (IRWM) Program Implementation Grant Round 2

Project Name: South System Modernization Project, Phase 3

Amount Requested: \$2,899,379

Amount of Cost Share: \$1 million

Application Due: **SUBMITTED** – August 19, 2022

Awarded: **YES**

Status: San Joaquin County executed the Integrated Regional Water Management (IRWM) program grant agreement with the California Department of Water Resources (DWR) in July 2023. The Local Project Sponsor Agreement has not been executed but is expected to be signed by the County on September 26, 2023. District staff also participated in an IRWM kick-off meeting on August 2, 2023 and submitted the first grant reimbursement, since the project is already in progress and the grant allowed the District to start work prior to execution of the grant agreement (including the Tecklenburg project).

Context: The California Department of Water Resources awarded the District \$2,899,379 in funding from Round 2 of the IRWM program grant as part of a regional application. San Joaquin County is the lead applicant for Round 2. The District can use expenses related to the project

from 2015 forward as matching funds and can seek reimbursement for expenses from November 2022 onward.

7. Office of Planning and Research Integrated Climate Adaptation and Resiliency Program – [Regional Resilience Planning and Implementation Grant Program](#)

Project Name: TBD

Amount Requested: TBD

Amount of Cost Share: TBD

Application Due: **Anticipated August 2024**

Status: At the May 22nd meeting, the Board did not object to staff’s recommendation to postpone this application until 2024. OPR released the Round 1 solicitation guidelines on June 13, 2023 and the deadline for this year was August 29, 2023. Consero will advise the Board after OPR announces awards from the 2023 funding round as to potential plans or projects likely to be competitive if the District decides to apply next year.

Context: The Governor’s Office of Planning and Research (OPR), through the Integrated Climate Adaptation and Resiliency Program (ICARP), is funding the Regional Resilience Planning and Implementation Grant Program (RRGP). Over three funding rounds, the RRGP will award \$125 million in planning and implementation grants to advance climate resilience and respond to the greatest climate risks in their regions, including projects consistent with Groundwater Sustainability Plans. Grants will be made available both competitively and on a formula basis and will consider these key priorities:

- Support regional projects aligned with ICARP priorities that improve regional climate resilience and reduce climate risks from wildfire, sea level rise, drought, flood, increasing temperatures, and extreme heat events.
- Support projects or actions that address the greatest climate risks in the region, particularly in the most vulnerable communities.
- Address gaps in climate resilience funding and support sustainable and cohesive climate resilient projects.

8. Resources Bond Update

Status: Consero has drafted letters regarding the District’s support for groundwater sustainability funding in the proposed resources bonds pending before the Legislature and District staff are reviewing. At the July meeting, the Board authorized the President to sign letters to legislators expressing support for the inclusion of SGMA, SWEEP, and IRWMP funding in the proposed resources bond. Since the last Board meeting, the Governor’s office has indicated the Governor will not support finalizing a resources bond in the remainder of the 2023 legislative session, which ended September 15th. The Legislature will therefore continue working on the resources bond when the Legislature reconvenes in January 2024, with the goal of placing the resources bond on the November 2024 ballot by May 2024.

Context: The District is engaging in the resources bond discussion because the state’s \$30 billion 2023-24 budget deficit resulted in no additional funding to grant programs of interest to the District, such as SGMA and SWEEP. As a result, Consero expects no future funding rounds for these programs until a resources bond passes. The 2023-24 state budget is further complicated by federal and state tax filing deadline delays — which extend to October 16 in 55 of the state’s 58 counties because of severe winter storms. The State will learn on October 16th whether the budget deficit is as large as anticipated. If smaller than anticipated, the Governor and the Legislature may allocate some one-time funds to grant programs at an undetermined time.

RESOLUTION 2023-____
of the Board of Directors of the
NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT

**AUTHORIZING AND DIRECTING THAT APPLICATION BE MADE TO OBTAIN A
GRANT UNDER THE UNITED STATES BUREAU OF RECLAMATION
WATERSMART DROUGHT RESPONSE GRANT PROGRAM AND
AUTHORIZATION TO PROVIDE ASSURANCES AND ENTER INTO AN
AGREEMENT RELATED TO THE GRANT**

WHEREAS, The Bureau of Reclamation released its Funding Opportunity No. R24AS00007 soliciting applications for the WaterSMART Drought Response Program: Drought Resiliency Projects for Fiscal Year 2024; and

WHEREAS, the North San Joaquin Water Conservation District (District) South System Phase IV Groundwater Recharge Project (Project) is an eligible project under the funding opportunity; and

WHEREAS, the South System Phase IV Groundwater Recharge Project involves replacing and enlarging capacity limited sections of the existing South System distribution system by installing approximately 9,000 Linear Feet (LF) of 48” Rubber Gasketed Reinforced Concrete Pipe (RGRCP) and 8,400 LF of 60 RGRCP, three automated distribution boxes, meters and SCADA facilities, to increase the capacity of the South System to accommodate the maximum flow rate of the South System Pump Station and allow for maximum irrigation and groundwater recharge surface water deliveries under the District’s Mokelumne River water right.

WHEREAS, the Project is part of a multi-phase project evaluated by the District under the California Environmental Quality Act in the August 16, 2016 Initial study and Mitigated Negative Declaration, for which the District issued a Notice of Determination on August 29, 2016, filed in San Joaquin County on September 1, 2016, Document No. 39-09012016-285; and

WHEREAS, if the grant is awarded and the project proceeds, the District would conduct an Environmental Assessment and such other studies as are required to assist the Bureau of Reclamation to comply with the National Environmental Policy Act with respect to the Project;

WHEREAS, the Project is an important part of the Eastern San Joaquin Subbasin Groundwater Sustainability Plan and the District’s Strategic Plan, approved in December 2021 after public workshops and feedback, to improve the District’s facilities, including the South System, for in-lieu and direct groundwater recharge purposes so that the District can fully utilize its surface water rights, alleviate groundwater overdraft conditions and achieve groundwater sustainability such that the District can remain resilient during periods of drought.

NOW, THEREFORE, BE IT RESOLVED by the North San Joaquin Water Conservation District (District), as follows:

1. District staff are directed to prepare and submit an application to the United States Bureau of Reclamation Watersmart Drought Response Grant Program for the South System Phase IV Groundwater Recharge Project, and enter into an agreement with the Bureau to complete the Project in accordance with the Bureau grant guidelines, if awarded; and
2. The District President is authorized to execute the application, assurances and agreements required by the Bureau to secure the grant.
3. District staff are directed to take all action necessary to carry out the purposes of this Resolution.

PASSED and ADOPTED this _____, 2023 upon motion by Director _____, seconded by Director _____, and passed by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CERTIFICATE OF SECRETARY

I do hereby certify that I am the Secretary of the North San Joaquin Water Conservation District, a water conservation district organized and existing under the laws of the State of California, and that the foregoing Resolution was duly adopted by the Board of Directors of said District at a meeting thereof duly and regularly held at Grape Festival Barrel Room, Lodi, California on the _____, 2023, at which meeting a quorum of said Board of Directors was at all times present and acting, and that said Resolution has not been rescinded or amended in whole or any part thereof, and remains in force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and the Seal of the North San Joaquin Water Conservation District this _____, 2023

David Simpson, Secretary

RESOLUTION 2023-__
of the Board of Directors of the
NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT

**AUTHORIZING EXECUTION OF LOCAL PROJECT SPONSOR AGREEMENT FOR
GRANT UNDER THE 2021 INTEGRATED REGIONAL WATER MANAGEMENT
IMPLEMENTATION GRANT PROGRAM – ROUND 2**

WHEREAS, in 2002, the California Legislature passed legislation creating the Integrated Regional Water Management (IRWM) Planning Act of 2002; and

WHEREAS, the Integrated Regional Water Management Planning Act of 2002 requires regional water management groups to prepare and adapt a regional plan that addresses programs, projects, reports or studies relating to water supply, water quality, and flood protection; and

WHEREAS, the County of San Joaquin (County), Catholic Charities of the Diocese of Stockton Environmental Justice, Central Delta Water Agency, City of Lodi, North San Joaquin Water Conservation District, Reclamation District No. 2074, Stockton East Water District, Delta-Sierra Group, South Delta Water Agency, City of Stockton and South San Joaquin Irrigation District have formed the Greater San Joaquin County Regional Water Coordinating Committee; and

WHEREAS, the Greater San Joaquin County Regional Water Coordinating Committee developed the Eastern San Joaquin Integrated Regional Water Management Plan in compliance with the IRWM Program; and

WHEREAS, the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1) was passed by the voters of California on November 4, 2014; and

WHEREAS, The Greater San Joaquin County Region was eligible to apply for approximately \$6.5 million in grant funding under Proposition 1 for the implementation of eligible projects for its participants.

WHEREAS, the Greater San Joaquin County Regional Water Coordinating Committee selected the North San Joaquin Water Conservation District's South System Modernization Project (South System Phase III Project) to be included in the 2021 Integrated Regional Water Management Implementation Grant – Round 2 Application.

WHEREAS, the California Department of Water Resources awarded DWR awarded the County grant funding in the maximum amount of Six Million Four Hundred Eighty-six Thousand Sixty-eight Dollars (\$6,486,068) as follows:

1. Grant Administration by County: \$272,920
2. North San Joaquin Water Conservation District South System Phase 3 Improvement Project: \$2,899,379
3. Delta Water Supply Project Phase II – Recharge Basin Improvements Project, City of Stockton: \$1,893,769

4. San Joaquin County Water Systems Improvements Project: \$1,420,000

WHEREAS, the District and the other Local Project Sponsors have coordinated with the County to select the County as the Grantee, as required for the Grant Program and now desire to proceed to formalize their arrangement for implementing the projects to be funded by the grant and coordinating reporting and reimbursement under the grant through the County as memorialized in the attached Local Project Sponsor Agreement.

NOW, THEREFORE, BE IT RESOLVED by the North San Joaquin Water Conservation District (District), as follows:

1. The District President is authorized to execute the attached Local Project Sponsor Agreement related to said Grant between County and the other two Local Project Sponsors.
2. District staff are directed to take all action necessary to carry out the purposes of this Resolution.

PASSED and ADOPTED this _____, 2023 upon motion by Director _____, seconded by Director _____, and passed by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CERTIFICATE OF SECRETARY

I do hereby certify that I am the Secretary of the North San Joaquin Water Conservation District, a water conservation district organized and existing under the laws of the State of California, and that the foregoing Resolution was duly adopted by the Board of Directors of said District at a meeting thereof duly and regularly held at Grape Festival Barrel Room, Lodi, California on the _____, 2023, at which meeting a quorum of said Board of Directors was at all times present and acting, and that said Resolution has not been rescinded or amended in whole or any part thereof, and remains in force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and the Seal of the North San Joaquin Water Conservation District this _____, 2023

David Simpson, Secretary

**LOCAL PROJECT SPONSOR AGREEMENT FOR INTEGRATED REGIONAL
WATER MANAGEMENT IMPLEMENTATION GRANT (ROUND 2) BETWEEN SAN
JOAQUIN COUNTY, NORTH SAN JOAQUIN WATER CONSERVATION DISTRICT
AND THE CITY OF STOCKTON**

Through this Local Project Sponsor Agreement by and between San Joaquin County, a California political subdivision, (hereinafter referred to as the “Grantee” or “County” or “Local Project Sponsor”), and North San Joaquin Water Conservation District, a public agency in the State of California (hereinafter referred to as “NSJWCD” or “Local Project Sponsor”) and the City of Stockton, a municipal corporation (hereinafter “City” or “Local Project Sponsor”), the Parties hereby agree as follows:

RECITALS

A. San Joaquin County (County), North San Joaquin Water Conservation District (NSJWCD) and the City of Stockton (City) are among the members of the Greater San Joaquin County Regional Water Coordinating Committee (GSJCRWCC) with projects that were selected to be included in the Eastern San Joaquin Integrated Regional Water Management (IRWM) Plan.

B. The California Department of Water Resources (DWR), Round 2 IRWM Implementation Grant program provides funding for projects that meet the intent of the Water Quality, Supply, and Infrastructure Improvement Act of 2014. The grant program guidelines require one project sponsor that must coordinate participation with the other project proponents in the Region.

C. The County Public Works Department (Public Works) project proposed to implement water system improvements in County Service Area No. 12 (CSA 12) – Thornton and in Rancho San Joaquin Maintenance District; the NSJWCD project proposed to implement a surface water distribution modernization project; and the City proposed a project to implement the Delta Water Treatment Plant Groundwater Recharge Project.

D. Subsequently, on behalf of the Local Project Sponsors and as the primary grant applicant, the County applied for the IRWM Implementation Grant (Round 2) for the proposed projects.

E. DWR awarded the County grant funding in the maximum amount of Six Million Four Hundred Eighty-six Thousand Sixty-eight Dollars (\$6,486,068) for the three projects and grant administration. Specifically, DWR recommended allocation of the award as follows:

1. Grant Administration by County: \$272,920
2. North San Joaquin Water Conservation District South System Phase 3 Improvement Project: \$2,899,379
3. Delta Water Supply Project Phase II – Recharge Basin Improvements Project, City of Stockton: \$1,893,769
4. San Joaquin County Water Systems Improvements Project: \$1,420,000

C. The process by which the IRWM Grant will be disbursed by DWR to the County is set forth and governed by Grant Agreement No. 4600014988, a copy of which is attached hereto as Exhibit A (the “Grant Agreement”) and the terms of which are herein incorporated by reference. The grant period under the Grant Agreement extends from date of execution until five years following final payment, unless terminated earlier. The Grant Agreement provides that all project work must be completed by December 31, 2027 and no funds may be requested after March 31, 2028.

D. In accordance with Exhibit A to the Grant Agreement, the County has assigned Local Project Sponsors to act on behalf of it for the purposes of individual project management, oversight, compliance, operations, and maintenance for the purpose of implementing their respective project as set forth in the Grant Agreement.

E. The Grant Agreement contains a Work Plan, Budget, and Schedule describing the responsibilities of each Local Project Sponsor and commitments thereof. The Local Project Sponsors’ respective projects are described in Exhibit A to the Grant Agreement (“the Projects”).

G. The Local Project Sponsor is thoroughly familiar with the Grant Agreement, including without limitation all exhibits thereto. Because not all the Local Project Sponsors are a party to the Grant Agreement, the parties desire to establish terms and conditions for the Local Project Sponsor’s use of the Grant Funds and its role as a Local Project Sponsor for its described Project in the Grant Agreement.

NOW, THEREFORE, based on the Recitals set forth above and, on the terms, and conditions set forth herein, the Parties agree as follows:

AGREEMENT

The Recitals set forth above constitute an integral part of this Agreement and are incorporated by reference as if fully set forth herein.

1. Term. This Agreement shall commence and be effective between the County and the Local Project Sponsors upon the date of its execution by said parties. This Agreement will remain in effect so long as the Grant Agreement between the County and DWR is in effect, or until terminated pursuant to its terms.

2. Grantee and Local Project Sponsor. The City, NSJWCD and the County hereby agree to be the Local Project Sponsor for their respective Projects described in Exhibit B to the Grant Agreement, and the County shall so designate them to DWR. The County agrees to serve as the Grantee under the Grant Agreement.

3. Grant Funds.

a. The County will disburse the IRWM Grant funds to the Local Project Sponsor in accordance with the corresponding amount listed in Exhibit B Budget of the Grant Agreement. To be eligible to receive said funds, the Local Project Sponsor will implement its Local Project as described in Exhibit B to the Grant Agreement.

b. Pursuant to DWR requirements as described more fully in Exhibit A to this Agreement, Local Project Sponsors may invoice the County for grant share reimbursement for eligible costs incurred after November 22, 2022 in their first invoice. Subsequent invoices will include costs incurred by Local Project Sponsors during the reporting quarter. If total Local Project costs exceed that provided by the IRWM Grant, any additional funding match necessary to complete the Local Project will be documented by the Local Project Sponsor in the Final Project Report.

4. Local Project Sponsor to Perform Certain Obligations.

(a) The parties acknowledge that as the Grantee, the County's role is solely to consolidate items for review, reporting and invoicing, receive from DWR and then timely forward grant reimbursements to Local Project Sponsors, as well as to coordinate with DWR pursuant to the Grant Agreement. The Local Project Sponsor is responsible for all other aspects of performance of and compliance with the Grant Agreement in connection with the Project. The Local Project Sponsor shall further perform all of its obligations as a local project sponsor under the Grant Agreement.

(b) Any term or provision of the Grant Agreement that imposes any duty or obligation on the County as "Grantee" in connection with the Project shall be deemed to apply to, and be an obligation of, the Local Project Sponsor (the "Project Obligations"). Except as expressly provided in this Agreement, the Local Project Sponsor hereby agrees to be bound by, perform and be solely responsible for compliance with all of the Project Obligations. Any provisions of the Grant Agreement that do not apply to the Project shall not be considered the Project Obligations.

(c) The Local Project Sponsor shall be responsible to develop and submit to the County all necessary information and documents described in the Grant Agreement at least 21 days prior to the time that the County is required to submit such items to DWR. The Local Project Sponsor shall also be responsible for any compliance requirements relating to the Project. If the Local Project Sponsor fails to timely submit any such information and documents, (i) it shall be deemed a material breach of this Agreement that shall allow the County to suspend its performance hereunder and to otherwise invoke Section 11 of this Agreement and (ii) the Local Project Sponsor shall submit such information and documents within five days of a written demand therefrom the County.

(d) Subject to Section 4(c) of this Agreement, and without limiting the breadth of the Project Obligations to be undertaken by the Local Project Sponsor, the Local Project Sponsor shall be responsible to perform the various tasks more particularly described in Exhibit A-Work Plan to the Grant Agreement insofar as they relate to the Project in accordance with Exhibit B- Budget to the Grant Agreement and within the time frames specified in Exhibit C-Schedule to the Grant Agreement.

5. Communication with DWR by Local Project Sponsors. Notwithstanding any other provision of this Agreement, all materials or other deliverables, and all communications, relating to the Project, Grant Agreement or Grant Funds to be provided by the Local Project Sponsor to

DWR shall be provided by the Local Project Sponsor to the County and/or its agent, which will in turn provide them to DWR.

6. Disbursement of Grant Funds.

(a) In order to receive disbursement of Grant Funds, the Local Project Sponsor shall submit to the County invoices for eligible expenses in a form required by the County and/or its agent, as necessary for the County to comply with DWR's reporting and documentation requirements in Section 8 of and Exhibit F-Report Formats and Requirements to the Grant Agreement. Supporting documentation as described in the Grant Agreement shall accompany each invoice. Such documentation required by Section 8 and Exhibit F to the Grant Agreement shall be sent to:

c/o San Joaquin County Department of Public Works
Attn: Mr. Robert Davalos, Community Infrastructure Engineering Manager
1810 E. Hazelton Avenue
Stockton, CA 95205
Email Address: rdavalos@sjgov.org

or such other address as the County and/or its agent may provide.

(b) Provided Local Project Sponsor has transmitted the necessary supporting documents to the County related to the Project, the County or its agent shall submit requests for reimbursements to DWR on behalf of Local Project Sponsor no less than quarterly and no later than 60 days following the end of the calendar quarter (e.g., submitted by May 30th, August 29th, November 29th, and February 28th). The County shall timely make the Grant Funds available to the Local Project Sponsor, as such funds are sent to the County from DWR, under the terms and subject to the conditions of the Grant Agreement and this Agreement. The County's obligation to make the Grant Funds available to the Local Project Sponsor is contingent on the availability of such funds from DWR. County shall remit any Grant Funds received from DWR for the Local Project Sponsor's Project to the Local Project Sponsor within thirty (30) days of receipt of such funds from DWR provided the Local Project Sponsor is not in material default under this Agreement.

(c) In the event that DWR notifies the County that any portion or portions of the costs claimed are not eligible costs or are not supported by documentation or receipts acceptable to DWR, the Local Project Sponsor shall, within ten (10) calendar days of the date of receipt of such notice, submit additional documentation to the County to submit to DWR to cure such deficiency(ies).

(d) The Local Project Sponsor shall not request disbursement for any cost until such cost has been incurred and has been (i) paid by or (ii) is due and payable by the Local Project Sponsor. All Grant Fund disbursements received by the Local Project Sponsor shall be paid to applicable contractors and vendors within 30 days from receipt of the funds by the Local Project Sponsor from the County subject to resolving any dispute or issue of contention between the Local Project Sponsor and affected contractors, subcontractors, or vendors. In the event that

the Local Project Sponsor fails to disburse Grant Funds to contractors or vendors within such 30-day period or as modified or set forth above, the Local Project Sponsor shall immediately return such funds to the County. In such event, interest shall accrue on such funds from the date of disbursement from the DWR to the County through the date of mailing of such funds to the DWR by the County, which the County shall do as soon as it feasibly can after the County receives such funds from the Local Project Sponsor. The interest rate will be equal to the California general obligation bond interest rate at the time the County notifies the Local Project Sponsor; this interest rate is consistent with the interest rates specified in the Grant Agreement. In addition, if the Local Project Sponsor held such funds in interest-bearing accounts, any and all interest earned on the funds shall be due and payable to the County. The Local Project Sponsor shall indemnify, defend and hold harmless the County and the County's officers, directors, agents, and employees (each, an "Indemnified Person") from and against any and all judgments, losses, claims, damages or liabilities, joint or several, to which any Indemnified Person may become subject which relate to or arise out of the Local Project Sponsor's failure to immediately return any funds as required by this Section 3.

(e) Notwithstanding any other provision of this Agreement, no disbursement shall be required to be made by the County at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the Federal or State government, or any loss of tax-free status on state bonds, pursuant to any Federal or State statute or regulation.

7. Budget Detail and Reporting. Pursuant to the terms of the Grant Agreement, the County is obligated to submit reports to DWR throughout the term of the Grant Agreement. As such, Local Project Sponsors will provide the County and/or its agent with the required data for its Local Project in accordance with the Grant Agreement and this Agreement.

a. Professional Standards. All documentation and reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling and grammar prior to submittal to DWR. Reports shall be presented in the formats prescribed in the applicable portion of Section 12 of and Exhibit F to the Grant Agreement.

b. Quarterly Progress Reports and Invoice. On a quarterly basis, the County and/or its agent shall prepare a Progress Report and invoice and submit it to DWR in accordance with the terms of Section 12 of and Exhibit F to the Grant Agreement and the following process:

i. The County will request Quarterly Report documentation from the Local Project Sponsors, who will submit their documentation electronically to the County using DWR's Grant Reporting Template, within five (5) business days of the County's request.

ii. Within ten (10) business days of the County's timely receipt of the requested data and invoices, the County will prepare and distribute a draft quarterly Progress Report and invoice to the Local Project Sponsors for review, which shall include a detail of the County's costs of the quarter.

iii. Local Project Sponsors will provide written corrections or approval to the County within five (5) business days of receipt of the draft quarterly Progress Report and invoice.

iv. Within three (3) business days of receipt of timely corrections or approval from Local Project Sponsors, the County will incorporate the corrections and submit the final approved quarterly Progress Report and invoice to DWR.

v. If an individual Local Project Sponsor does not meet the reporting deadlines, their data will not be included in the quarterly Progress Report and invoice and will be required to wait until the following quarter to submit their data.

c. Project Completion Reports. The Local Project Sponsors shall prepare and submit to County a Project Completion Report for each component included in Exhibit A-Work Plan to the Grant Agreement. The report shall comply with Section 14(c) of the Grant Agreement and be submitted within 90 calendar days of component completion or before the work completion date, whichever is earlier.

d. Grant Completion Reports. The County shall prepare and submit a Grant Completion Report for each project within the time periods specified in the Grant Agreement. The Local Project Sponsors shall work with the County to provide the necessary data for, and review of, these reports consistent with the schedule and process for the quarterly Progress Reports.

e. Post-Performance Reports. The Local Project Sponsors will submit Post Performance Reports directly to DWR within ninety (90) calendar days after the first operational year of a project has elapsed and shall be repeated annually for a total of three years.

f. Payment of IRWM Grant Funds. The County will process the Local Project Sponsors' invoices within thirty (30) business days of receipt of IRWM Grant funds from DWR. The County is not obligated to disburse any IRWM grant funds to Local Project Sponsors until they are disbursed by DWR to the County.

g. Deliverable Due Date Schedule: The County shall submit a Deliverable Due Date Schedule within 30 days of execution of the Grant Agreement.

The Local Project Sponsor shall be responsible to comply with all budget detail and reporting provisions of the Grant Agreement, to the extent such provisions constitute the Project Obligations. Reports shall be in a form required by the County and/or its agent, as necessary for County to comply with DWR's Grant Review and Tracking System and as further described in Section 14 of the Grant Agreement and shall include such supporting documentation as may be required by DWR.

8. Grantee/County Costs.

(a) Commencing with DWR's award of the IRWM Grant to the County on November 23, 2022, and continuing until termination of the Grant Agreement, the County will undertake and complete all administrative and management responsibilities under the Grant Agreement that are not related solely to Local Projects. The County may utilize the services of a third-party consultant to assist with said responsibilities. The County has incurred and will continue to incur costs for administrative and management responsibilities under the Grant Agreement that are not related solely to Local Projects. The IRWM Grant recommends \$272,920 for grant administration, where the parties have agreed to reduce a portion of their project allocation to fund the grant administration costs. The parties have agreed that \$272,920 (Two Hundred Seventy Two Thousand Nine Hundred and Twenty Dollars) of the IRWM Grant funds will be allocated for Grant Administration. The Local Sponsors agree that IRWM Grant Funds for grant administration will be allocated in accordance with Exhibit B to this Agreement and may be shared between consultant and County staff costs. However, at any time during the Grant Agreement term, if the County determines that the assigned funds are insufficient to cover direct expenses incurred by the County in the administration of the Grant Agreement, the County will prepare an estimate of additional costs and submit it to the Local Project Sponsors for review and approval. The County's grant administration costs will be divided among the Local Project Sponsors based upon the proportion of IRWM Grant funding received and the project completion period.

(b) The County or its agent shall deliver a monthly invoice to the Local Project Sponsor for the County's reasonable costs for time and materials expended by the County or its agents in connection with the administration of this Agreement and the Grant Agreement insofar as it relates to the Project. County invoices shall include the hours expended, tasks performed, and hourly rates charged. The Local Project Sponsor shall pay all such invoices within 60 days of receipt. The Local Project Sponsor may, at its election, either (i) submit those invoices to DWR (through the County) as expenses to be reimbursed with Grant Funds or (ii) treat amounts paid on those invoices as a portion of the Local Project Sponsor's cost share for the Project.

(c) Pursuant to Section 16 of the Grant Agreement, grantee is required to submit a Monitoring Plan prior to the disbursement of funds for construction or monitoring activities. The Local Sponsor will assist the Grantee with preparation of the plan.

(d) The Local Project Sponsor agrees that it will provide for payment of its full share of the Project cost share on the schedule required under the terms of the Grant Agreement and that all costs connected with the Project will be paid on a timely basis.

9. General Conditions. The Local Project Sponsor shall comply with all standard conditions and requirements set forth in the Grant Agreement to the extent they apply to the Project and shall not fail to take any action that would result in a breach of such standard conditions or requirements.

10. Indemnification. The parties agree that review or approval of the Project applications, documents, permits, plans and specifications, or other Project information by DWR and/or the County is for administrative purposes only and does not relieve the Local Project Sponsor of its responsibility to properly plan, design, construct, operate, maintain, implement, or otherwise

carry out the Project. To the fullest extent permitted by law, the Local Project Sponsor agrees to indemnify, defend and hold harmless each Indemnified Person against any loss or liability arising out of any claim or action brought against the Indemnified Person from and against any and all losses, claims, damages, liabilities or expenses, of every conceivable kind, character and nature whatsoever arising out of, resulting from, or in any way connected with (i) the Project or the conditions, occupancy, use, possession, conduct or management of, work done in or about, or the planning, design, acquisition, installation or construction, of the Project, any component or any part thereof, (ii) the carrying out of any of the transactions contemplated by this Agreement or any related document, (iii) any violation of any applicable law, rule or regulation, any environmental law (including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the California Hazardous Substance Account Act, the Federal Water Pollution Control Act, the Clean Air Act, the California Hazardous Waste Control Law and California Water Code § 13304, and any successors to said laws), rule or regulation or the release of any toxic substance on or near any component site, (iv) services, if any, provided by the County to the Local Project Sponsor, except to the extent caused by the County's gross negligence or willful misconduct, (v) the Local Project Sponsor's failure to comply with this Agreement in any material respect, (vi) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements required to be stated therein, in light of the circumstances under which they were made, not misleading with respect to any information provided by the Local Project Sponsor for use in any disclosure document utilized in connection with any of the transactions contemplated by this Agreement. To the fullest extent permitted by law, the Local Project Sponsor agrees to pay and discharge any judgment or award entered or made against an Indemnified Person with respect to any such claim or action, and any settlement, compromise, or other voluntary resolution. The provisions of this Section 10 shall survive the term of this Agreement.

11. Defaults by the Local Project Sponsor. In the event of a material default by the Local Project Sponsor under this Agreement, the County may suspend performance of any or all of its obligations under this Agreement if such default is not cured within at least ten (10) days of written notice of default provided by the County to the Local Project Sponsor, without any liability whatsoever to the County. If the Local Project Sponsor fails to cure the default, the County may take any of the actions set forth in Section 10 of the Grant Agreement with respect to the State, including, but not limited, to terminating this agreement, declaring that funding be immediately repaid, and terminating any obligation to make future payments to the Local Project Sponsor.

12. Representations and Warranties. The Local Project Sponsor hereby makes all of the representations and warranties contained in the Grant Agreement, for the benefit of the County.

13. Required State Disclosure. Funding for the Project has been provided in full or in part through an agreement with the DWR. The contents of this document do not necessarily reflect the views and policies of the DWR, nor does mention of trade names or commercial products constitute endorsement or recommendation for use.

14. Further Assurances. From time to time and at any time after the execution and delivery hereof, each of the parties, at its own expense, shall execute, acknowledge and deliver any

further instruments, documents and other assurances reasonably requested by the other party, and shall take any other action consistent with the terms of this Agreement that may reasonably be requested by the other party, to evidence or carry out the intent of this Agreement.

15. Compliance with Grant Agreement.

(a) Notwithstanding any other provision of this Agreement, the Local Project Sponsor shall not take any action or fail to take any action that would result in a breach by the County under the Grant Agreement. The Local Project Sponsor shall be solely responsible for all costs incurred by the County of any kind as a result of a breach of the Grant Agreement to the extent such breach resulted from the action or inaction of the Local Project Sponsor.

(b) The parties understand that amendments to the Grant Agreement may be proposed from time to time by either the DWR or the County, and nothing in this Agreement shall be interpreted to prohibit such amendments. However, any proposed amendment to the Grant Agreement shall be provided to the Local Project Sponsor for comment not less than 15 days before it is executed by the County. If a proposed amendment would impose no additional obligations on The Local Project Sponsor if it became a part of the Grant Agreement, or if the County is required to execute such amendment in order to maintain the Grant Agreement in full effect, after such 15-day period it may be executed by the County and upon such amendment becoming effective it shall be deemed to be a part of the Grant Agreement for all purposes under this Agreement. If a proposed amendment would impose additional obligations on the Local Project Sponsor if it became a part of the Grant Agreement, unless the County is required to execute such amendment in order to maintain the Grant Agreement in full effect, the County shall not execute it if the Local Project Sponsor reasonably objects to such execution during the 15-day comment period. If the Local Project Sponsor does not so reasonably object, or if the Local Project Sponsor subsequently confirms in writing that it consents to the amendment, the County may thereafter execute such amendment and upon such amendment becoming effective it shall be deemed to be a part of the Grant Agreement for all purposes under this Agreement.

16. Time and Computation of Time. Time is of the essence of this Agreement and each and all of its provisions. The parties agree that the time for performance of any action permitted or required under this Agreement shall be computed as if such action were “an act provided by law” within the meaning of California Civil Code Section 10, which provides: “The time in which any act provided by law to be done is computed by excluding the first day and including the last, unless the last day is a holiday, and then it is also excluded.”

17. Effect of Headings. The subject headings of the paragraphs and subparagraphs of this Agreement are included for purposes of convenience only and shall not affect the construction or interpretation of any of its provisions.

18. Entire Agreement. This Agreement constitutes the entire agreement between the parties pertaining to the subject matter contained in it and supersedes all prior and contemporaneous agreements, representations, and understandings of the parties, including section 3 of the “Local Project Sponsors Cost Share Agreement Regarding the 2021 Integrated Regional Water

Management Implementation Grant – Round 2 – Application Costs”. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing by all of the parties hereto.

19. Waiver. Waiver of any breach of this Agreement by any party hereto shall not constitute a continuing waiver or a waiver of any breach of the same or another provision of this Agreement.

20. Counterparts; Fax and Email Signatures. This Agreement may be executed in any number of counterparts and each such counterpart shall be deemed to be an original instrument, all of which together shall constitute one and the same instrument. Facsimile and electronic mail signature pages shall constitute originals.

21. Assignment; Binding Effect. Neither party shall assign any interest in this Agreement without the express written consent of the other party. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, assigns, and successors of the parties hereto.

22. Interpretation. It is agreed and acknowledged by the parties that this Agreement has been arrived at through negotiation, and that each party has had a full and fair opportunity to revise the terms of this Agreement. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

23. Governing Law. This Agreement shall be governed by the laws of the State of California.

24. Construction. All words used in this Agreement shall be construed to include the plural as well as the singular number and vice versa. Words used herein in the present tense shall include the future as well as the present, and words used in the masculine gender shall include the feminine and neuter genders.

25. Parties in Interest. Nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies on any persons other than the parties hereto and their respective successors and assigns, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third person to any party to this Agreement, nor shall any provision give any third person any right of subrogation or action over and against any party to this Agreement.

26. Survival. Each of the terms, provisions, representations, warranties, and covenants of the parties shall be continuous and shall survive the closing or other consummation of the transactions contemplated in this Agreement.

27. 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 service if sent by facsimile or email transmission, provided the original is concurrently sent by first class mail, and provided that notices received by facsimile or email transmission after 5:00 p.m. shall be deemed given on the next business day, (iii) on the next business day after deposit with a recognized

overnight delivery service, or (iv) or on the third (3rd) day after mailing, if mailed to the party to whom notice is to be given by first class mail, registered or certified, postage-prepaid, and properly addressed as follows:

To the County:

County of San Joaquin, Department of Public Works
Attn: Mr. Robert Davalos, Community Infrastructure Engineering Manager
1810 E. Hazelton Avenue
Stockton, CA 95205
Email Address: rdavalos@sjgov.org

To the Local Project Sponsors:

North San Joaquin Water Conservation District
c/o Spaletta Law PC, Attn: Jennifer Spaletta
P.O. Box 2660
Lodi, CA 95241
Email Address: jennifer@spalettalaw.com

County of San Joaquin, Department of Public Works
Attn: Mr. Angelo Astorga, Community Infrastructure Engineer
1810 E. Hazelton Avenue
Stockton, CA 95205
Email Address: aastorga@sjgov.org

City of Stockton, Delta Water Treatment Plant
Attn: Mr. Mitchell Maidrand, Deputy Director, Municipal Utilities Department
11373 N. Lower Sacramento Road
Stockton, CA 95242
Email Address: mitchell.maidrand@stocktonca.gov

A party may change its address for notices by providing notice to the other parties as provided above.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the date first above written.

SAN JOAQUIN COUNTY

By: _____

Title: _____

Date: _____

Approved as to Form:

By: _____

Title: _____

Date: _____

NORTH SAN JOAQUIN WATER
CONSERVATION DISTRICT

By: _____

Title: _____

Date: _____

Approved as to Form:

By: _____

Title: _____

Date: _____

CITY OF STOCKTON

By: _____

Title: _____

Date: _____

Approved as to Form:

By: _____

Title: _____

Date: _____