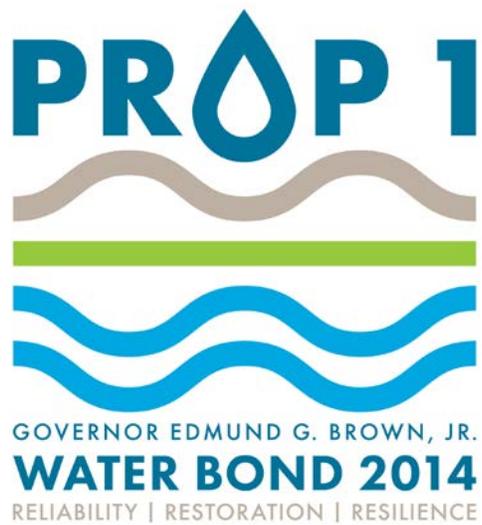




**Revised Grant Guidelines [Draft]  
Ocean Protection Council  
Proposition 1 Grant Program - Round 2**

**FUNDED BY THE  
Water Quality, Supply, and Infrastructure  
Improvement Act of 2014**



**For consideration on November 1, 2017**

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## Section 1. Overview

### 1.1 The Ocean Protection Council

The Ocean Protection Council (OPC) was created by law in 2004 via the California Ocean Protection Act.<sup>1</sup> The mission of the OPC is to ensure that California maintains healthy, resilient, and productive ocean and coastal ecosystems for the benefit of current and future generations. Along the entire California coast, the OPC works with state, federal, tribal, and local entities to further the Council’s goal of protecting, conserving, and maintaining California’s healthy coastal and ocean ecosystems and the economies they support. The role of the OPC is to recommend policy, lead and promote coordination, seek and leverage funding, inform government decision-making with the best available science, and to operate with transparency and accountability.

### 1.2 Proposition 1 Background

The Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Prop 1) was approved by voters in November 2014 (California Water Code (CWC) Division 26.7). Funding from Prop 1 is intended to fund projects that meet the goals of the state Water Action Plan<sup>2</sup> to provide more reliable water supplies, restore important species and habitat, and develop a more resilient and sustainably managed water system – including water supply, water quality, flood protection, and watershed protection - that can better withstand inevitable pressures in the coming decades.

In Prop 1, Chapter 6 ([Appendix B](#)): “Protecting Rivers, Lakes, Streams, Coastal Waters, and Watersheds,” allocates \$30 million to the OPC for a competitive grant program for multi-benefit ecosystem and watershed protection and restoration projects in accordance with statewide priorities, CWC §79730 and §79731(d). Chapter 6 of Prop 1 sets forth 13 specific purposes of the allocation of funds to the OPC (“[Chapter 6 purposes](#)”), CWC §79732(a). All Prop 1 grants funded by the OPC must achieve at least one of these Chapter 6 purposes. Definitions for Prop 1 can be found in [Appendix A](#).

### 1.3 Round 1 of OPC Proposition 1 grants

The first round of OPC Prop 1 funding began in 2015, with the first Grant Guidelines adopted on September 22, 2015. OPC projects funded through “Round 1” Prop 1 and approved in 2016 include:

- [Tolowa Dee-ni’ Nation Low Impact Development and Stormwater Outfall Improvement Project](#) benefitting the Pyramid Point State Marine Conservation Area: \$974,000
- [Trinidad Citywide Low Impact Development Planning and Construction Project](#) benefitting the Trinidad Head ASBS: \$771,500
- [Shelter Cove Fish Cleaning Station Remediation Project](#) benefitting the King Range ASBS: \$228,072
- [Connecting a Tributary in the Salt River Coastal Watershed](#): \$372,000
- [Completing the Core Objectives of Moro Cojo Slough Management and Enhancement Plan](#): \$1,334,030
- [Santa Barbara County Debris Basin Removal and Fish Passage Project \(BEACON\)](#): \$539,000
- [UC Santa Barbara North Campus Open Space Coastal Wetlands Restoration](#): \$1,000,000
- [Cardiff Beach Living Shoreline Project](#): \$2,195,932

### 1.4 Upcoming rounds of OPC Proposition 1 funding

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<sup>1</sup> <http://www.opc.ca.gov/california-ocean-protection-act/>

<sup>2</sup> [http://resources.ca.gov/california\\_water\\_action\\_plan/](http://resources.ca.gov/california_water_action_plan/)

In calendar year 2018, OPC staff will solicit grant proposals for at least two new rounds of funding. These future grant rounds - Rounds 2 and 3 - will expend the remaining \$1,885,466 from the Fiscal Year 2015/2016 appropriation of Prop 1, as well as up to \$9.3 million from the Fiscal Year 2017/2018 appropriation. At least one more round is anticipated in 2019, with the last appropriation to OPC of \$9.3 million for Fiscal Year 2019/2020.

### 1.5 OPC's current Priority Issue Areas for Proposition 1 funding

These are the OPC's current priority areas for grant support using Proposition 1 funding.

Issue Areas	Priority Issue Area
<b>Marine Managed Areas</b>	<ul style="list-style-type: none"> <li>➤ MMAs: Projects that protect marine managed areas (MMAs)<sup>3</sup> - including the MPA Network - and help them to meet statutory goals<sup>4</sup>.</li> <li>➤ ASBSs: Projects that protect Areas of Special Biological Significance<sup>5</sup> (ASBSs) and help them to meet their statutory goals.</li> </ul>
<b>Coastal and Ocean Water Quality Impacts</b>	<ul style="list-style-type: none"> <li>➤ Reduce pollution and contaminants, including nutrients, toxics, and contaminants of emerging concern from sources including stormwater, non-point source discharges, agricultural runoff, etc. Project is higher priority if discharges have historically and measurably impacted designated MMAs and/or ASBSs.</li> <li>➤ Prevent land-based litter from reaching the ocean and becoming marine debris.</li> <li>➤ Remove marine debris, including but not limited to derelict vessels and fishing gear, abandoned aquaculture materials, disused creosote pilings, and illegal artificial reefs, where liable owners or responsible parties cannot be identified.</li> <li>➤ Remove microplastics and microfibers from sources including, but not limited to, wastewater effluent, agricultural runoff, and stormwater.</li> <li>➤ Improve ability to detect and respond to Harmful Algal Blooms (HABs), including ability to assess conditions that may lead to toxin production or blooms of toxin-producing algae<sup>6</sup>:               <ul style="list-style-type: none"> <li>○ Improve understanding of offshore bloom dynamics and bloom timelines;</li> <li>○ Advance predictive modeling tools and better link models and model outputs to monitoring and management;</li> <li>○ Improve scientific understanding of the ecophysiology of marine HAB species (i.e., the study of the interrelationship between the normal physical function of HAB species and their environment), and improving understanding of how bio-toxins move through food webs; and</li> <li>○ Advancing research on the relationship between HABs and human health.</li> </ul> </li> </ul>
<b>Fisheries</b>	<ul style="list-style-type: none"> <li>➤ Fisheries infrastructure that protects or enhances marine and estuarine ecosystems.</li> <li>➤ Restore habitat for marine, estuarine, and diadromous (anadromous and catadromous) fish.</li> </ul>
<b>Climate Change</b>	<ul style="list-style-type: none"> <li>➤ <b>Sea-level Rise:</b> Promote risk reduction and resiliency of the built and natural environment in the face of sea-level rise, including innovative design elements and approaches such as living shorelines and nature-based infrastructure.</li> <li>➤ <b>Sea-level Rise and Toxics:</b> Support projects that address needs of communities at risk of exposure to toxic or hazardous sites due to sea-level rise and flooding.</li> <li>➤ <b>Ocean Acidification and Hypoxia:</b> Reduce impacts of these stressors to marine and estuarine ecosystems, natural resources and fisheries.</li> </ul>

<sup>3</sup> PRC § 36700-36900

<sup>4</sup> PRC § 36620

<sup>5</sup> [http://www.swrcb.ca.gov/water\\_issues/programs/ocean/asbs.shtml](http://www.swrcb.ca.gov/water_issues/programs/ocean/asbs.shtml)

<sup>6</sup> For any HABs-related projects, it is important to note that Prop 1 **cannot** fund projects focused purely on research. However, Prop 1 can provide funding for equipment that is needed for effective research and management.

## Section 2. Program Purposes and Eligibility Requirements

### 2.1 Purpose of Proposition 1 Grant Program Guidelines

These revised OPC Proposition 1 Grant Program Guidelines (Guidelines) establish the process and criteria that the OPC will use to solicit applications, evaluate and select proposals, and award grants for OPC projects pursuant to Prop 1. These Guidelines identify the additional project requirements and evaluation processes applicable to Prop 1 funded projects. The Guidelines are adopted pursuant to CWC §79706(a) and are updated periodically. Links to Prop 1 as well as other local, state, and federal plans can be found in Appendix D. These draft revised Guidelines will be considered for adoption by the OPC on November 1, 2017.

OPC complied with the requirements of CWC §79706(b) on the original grant Guidelines by holding three public workshops throughout the state in 2015 during Round 1 of funding.<sup>7</sup> OPC also facilitated other outreach opportunities to gain input on the 2015 draft Prop 1 Guidelines and to have a dialogue regarding the program in general. Outreach in 2015 included participation at a Tribal Meeting on Prop 1 in Sacramento coordinated by Department of Water Resources, and an OPC-organized Prop 1 webinar to promote Tribal participation.

### 2.2 Applicant Eligibility

Applicants that are eligible for Prop 1 grant funding from the OPC consist of:

- Public agencies,<sup>8</sup> which include a state agency or department, special district, joint powers authority, city, county, city and county, or other political subdivision of the state. Federal agencies are not public agencies.
- Public universities, nonprofit organizations, public utilities, federally recognized Indian tribes, state Indian tribes listed on the Native American Heritage Commission's California Tribal Consultation List, and mutual water companies.<sup>9</sup> **Nonprofit organizations** must be a 501(c)(3) as verified by the Internal Revenue Service.

**Public utilities:** To be eligible for funding under this division, a project proposed by a public utility that is regulated by the Public Utilities Commission or a mutual water company shall have a clear and definite public purpose and shall benefit the customers of the water system and not the investors.

**Urban water suppliers:** To be eligible for funding under this division, an urban water supplier shall adopt and submit an urban water management plan in accordance with the Urban Water Management Planning Act (Part 2.6 (commencing with Section 10610) of Division 6).

**Agricultural water suppliers:** To be eligible for funding under this division, an agricultural water supplier shall adopt and submit an agricultural water management plan in accordance with the Agricultural Water Management Planning Act (Part 2.8 (commencing with Section 10800) of Division 6).

#### Conflict of Interest

All applicants and individuals who participate in the review of submitted applications are subject to state and federal conflict of interest laws. Any individual who has participated in planning or setting priorities for a specific solicitation or who will participate in any part of the grant development and negotiation process on behalf of the public is ineligible to receive funds or personally benefit from funds awarded through that solicitation. Applicants should also

<sup>7</sup> In 2015, public outreach meetings took place on June 24<sup>th</sup> in Sacramento, July 14<sup>th</sup> in Costa Mesa, and August 11<sup>th</sup> in Eureka.

<sup>8</sup> PRC § 79702 (s)

<sup>9</sup> PRC § 79712

be aware that certain state agencies may submit applications for funding. Failure to comply with the conflict of interest laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent grant agreement being declared void. Other legal actions may also be taken. Applicable statutes include, but are not limited to, California Government Code section 1090 and Public Contract Code sections 10365.5, 10410, and 10411.

### **Applicant Capacity**

The applicant must demonstrate that it can adequately administer the ongoing management and operation of the project, and that its entire operating budget is not dependent upon the underlying grant. The applicant should address the following organizational capacity and expertise elements, including but not limited to:

- Capacity to manage a state grant, including fiscal system and staff dedicated to financial operations;
- Ability to address cash flow and how the applicant will handle the process of reimbursement payments, as the OPC will not directly advance any funds;
- Proof of qualified staff or contractors to carry out the project activities;
- A record of success completing similar projects;
- The applicant's governance structure, with institutional history and any operating laws or procedures, and the commitment to see the project to completion.

### **Tribal Consultation**

The OPC recognizes the need for consultation regarding projects that affect California tribal communities. As such, applicants should make every effort to involve Native American Tribes or stakeholder groups as appropriate.

## **2.3 Project Eligibility and Timing**

Prop 1 funds must be spent consistent with the General Obligation Bond Law, Government Code §16727. In general, this means projects must entail the construction or acquisition of capital assets and/or activities that are incidentally but directly related to construction or acquisition, such as planning, design and engineering. Eligible planning grants are those that will lead to the successful design of implementation projects. These efforts may include project development, implementation strategy development, watershed assessments, and project-specific activities such as design, baseline data collection, permitting, and environmental review. Planning grants are intended to support the development of projects that are likely to qualify for future implementation funding. Other examples of eligible projects are those that fund construction of restoration and enhancement projects and new or enhanced facilities. Prop 1 funds are appropriated to the OPC with a maximum of five years for expenditure. Projects must be ready to start work and able to be completed within a maximum of five years<sup>10</sup>.

## **2.4 Ineligible Projects**

Prop 1 contains additional provisions that may make some projects ineligible:

- All projects funded by Prop 1 must be consistent with the Porter-Cologne Water Quality Control Act (Division 7 of the Water Code) and the State's five-year infrastructure plan prepared pursuant to Government Code Section 13100.

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<sup>10</sup> The maximum project duration is 5 years from the time that the legislature appropriates the funds. However, in actuality, the project duration may be significantly less than 5 years depending upon the time required for the solicitation process, interval between OPC meetings, and the time required to execute a grant agreement.

- Prop 1 cannot be used to fund acquisitions of land by eminent domain. Water Code Section 79711(g).
- Prop 1 funds may only be used for projects that will provide benefits or improvements that are greater than required applicable environmental mitigation measures or compliance obligations.

The following list provides examples of projects that will not be funded nor considered eligible under this program. This is not a comprehensive list.

- Projects that create negative environmental impacts inconsistent with the goals and purposes of the Ocean Protection Council.
- Projects that do not have multi-benefits for ocean or coastal resources.
- Projects that are not consistent with the State’s planning priorities.
- Projects not compatible with the specific environment or location in which they are situated.
- Projects that are purely educational or training programs, with no capital asset associated with the project.
- Projects that solely model, research, develop plans or planning tools, or gather data.
- Projects that fulfill a prior obligation including project mitigation or other obligations on the land such as obligations resulting from lease agreements.

## 2.5 Project Minimums and Small Grants

The OPC has designated a minimum for grant proposals to be \$250,000. Projects with budgets of less than this amount will not be considered. The exception to this minimum is the Prop 1 Small Grants category. These small grants have a minimum project budget of \$50,000. A maximum of 5 “small grants” projects will be accepted for consideration by the OPC per funding round due to staffing limitations. In order to qualify for this category, “small grant” projects must fall into one of these categories:

- Proposal comes from a “disadvantaged community” as defined in Section 2.6 below.
- Proposal can be defined as a “pilot project” that tests out an innovative new approach, and/or could be scaled up if shown to be effective.

Project proponents are encouraged to discuss potential small grants with OPC staff in advance of submittal.

## 2.6 Additional Project Characteristics and Disadvantaged Communities

In addition to the Priority Areas for funding described in Section 1.5, ***the OPC has a strong preference for projects that are: innovative; demonstrate new approaches or solutions to ocean and coastal problems; employ community-based approaches; and/or address important unmet needs or gaps.***

The OPC also prioritizes projects benefitting disadvantaged communities. Prop 1 uses the definition of a “disadvantaged community” as defined by California Water Code §79505.5a: “Disadvantaged community is a community with an annual median household income that is less than 80% of the statewide annual median household income.” To determine whether a project is located within or near a disadvantaged community, please use the CalEnviroScreen map viewer<sup>11</sup> and/or the California ARB map viewer showing designations as per SB 535 and AB 1550.<sup>12</sup> Grant applicants should be able to state projects’ geographical proximity to specific disadvantaged communities.

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<sup>11</sup> <https://oehha.ca.gov/calenviroscreen>

<sup>12</sup> <https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/lowincomemapfull.htm>

## Section 3. Grant Application Process

### 3.1 Project Solicitation and Proposal Timing

Solicitation periods for Prop 1 grants will be posted on the OPC website and announced via the OPC email newsletter, which has more than 4,000 subscribers. Grant solicitations will also be announced in social media. The OPC may elect to solicit targeted proposals for a specific type of project for some grant solicitations. There may be up to three project solicitation periods per calendar year depending upon the level of applicant interest and capacity of the OPC staff and external review committee. Timing of grant rounds or solicitation periods also depends on budget allocations. Grant applications may be submitted during the solicitation periods only.

Proposition 1 Proposed Grant Solicitation Schedule for Rounds 2 and 3 of Funding	
Revised Grant Guidelines considered by OPC	November 2017
Round 1 Solicitation and Full Proposals Due	First Quarter 2018
Round 1 Full Proposals Evaluated	First and Second Quarter 2018
Ocean Protection Council Meeting consideration	Second or Third Quarter 2018
Round 2 Solicitation and Full Proposals Due	Third Quarter 2018
Round 2 Full Proposals Evaluated	Third and Fourth Quarter 2018
Ocean Protection Council Meeting consideration	Fourth Quarter 2018

More specific dates and deadlines will be provided when grant round solicitations are announced and circulated.

### 3.2 Overview of Application and Project Selection Process

Each of the steps outlined below are explained in more detail in subsequent sections.

- **Potential applicants research, obtain relevant permits, prepare full proposals**
  - Potential applicants use self-screening criteria and checklist to evaluate project eligibility, feasibility, relevance to funding priorities, and compliance with relevant policies and regulations.
  - Potential applicants ensure that CEQA is completed and that all required permits are obtained.
  - Applicants consult with OPC staff, seek matching funding (if needed).
- **Submittal of Proposal Applications**
  - Applicants must submit a complete proposal by the deadline or they will not be evaluated for funding. Applications must be submitted through the SOAR online system<sup>13</sup> together with one original (with wet signature) and one paper copy of the complete grant application package.
  - Proposals must contain a detailed a work program, schedule, and budget for the project.
- **Evaluation of Proposals**
  - Proposals are reviewed for completeness and eligibility. Incomplete or ineligible applications may not be evaluated or considered for funding, at the sole discretion of the State.
  - Proposals are evaluated by a review panel using the Eligibility Criteria, the Evaluation Criteria (Section 3.6), and additional project characteristics (Section 2.6)

<sup>13</sup> For more information on the SOAR online system, see the FAQ: <http://resources.ca.gov/grants/wp-content/uploads/2017/01/SOARFAQs.pdf>; User Manual: [http://resources.ca.gov/grants/wp-content/uploads/2017/01/SOAR\\_UserManual.pdf](http://resources.ca.gov/grants/wp-content/uploads/2017/01/SOAR_UserManual.pdf); and Login Page: <https://soar.resources.ca.gov/>

- Site visits may be scheduled prior to funding decisions resulting in ranking adjustments.
- Partial funding may be considered to fully leverage grant awards.

➤ **Project Recommendation to the Ocean Protection Council**

- Staff will recommend projects to the Council for funding. Recommendation for funding **does not** guarantee project will be funded.
- Council determines final project awards at a publicly noticed meeting of the Council.
- Final funding decisions are determined and announced.

All information contained in the grant application is confidential until the grant awards are announced.

The State reserves the right to reject an applicant during the grant review period that is in violation of law or policy at any other public agency. Potential violations include, are not limited to, being in default of their performance requirements in other contract or grant agreements issued by the State, being engaged in or suspected of criminal conduct that could poorly reflect on or brings discredit to the State, or failing to have all required licenses to perform the State functions. The State further reserves the right to reject any applicant who has a history of performance issues with past grants or other agreements at any public entity, including grantor.

**3.3 Preparation for Application: Grant applicant self-screening criteria and checklist**

Applicants should use this checklist to perform a self-screening to verify applicant eligibility, project relevance to funding priorities, and compliance with state policy guidance and regulations.

SELF-SCREENING CRITERIA AND CHECKLIST	NOTES
Can project be completed in timeframe described in Section 2.3? Will the project trigger the need for CEQA or other environmental review?	Projects must be ready to start work and able to be completed within a maximum of five years. The project is ready to implement and the grantee or contractor will start and finish the project in a timely manner. Applicant demonstrates that <b>no</b> substantial information or time is needed before the project can begin. See Section 4.4 for Environmental Documents and Permitting.
Is the applicant eligible?	Public agencies <sup>14</sup> , nonprofit organizations, public utilities, federally recognized Indian tribes, state Indian tribes listed on the Native American Heritage Commission’s California Tribal Consultation List, and mutual water companies.
Does the project consist of work that is eligible for bond funds under general obligation bond law?	In general, this means projects must entail the construction or acquisition of capital assets and/or activities that are incidentally but directly related to construction or acquisition, such as planning, design and engineering (Government Code §16727).
Will deliver sustainable outcomes in the long-term. Projects with bond funding are generally expected to have benefits for at least 30 years.	Applicant has realistic outcomes and outlines funding required to maintain successful outcomes in the long-term.
Does project meet at least one of Ch. 6 purposes?	See Appendix A
Does the project address at least one of OPC's Key Issue Areas for Prop 1 Funding? Does the project provide multi-benefits consistent with	See Section 1.5 for OPC Key Issue Areas. Projects that do not have multi-benefits for ocean or coastal resources will not be funded.

<sup>14</sup> PRC § 79702 (s) “Public agency” means a state agency or department, special district, joint powers authority, city, county, city and county, or other political subdivision of the state. Federal agencies are not considered “public agencies” in this context.

Prop 1 and OPC's mission?	
Does the project fulfill a specific articulated mitigation required for a specific project?	Prop 1 funds <b>cannot</b> be used to fund mitigation that is already required for a project.
Is the project is located in an area potentially vulnerable to flooding, inundation and/or erosion from sea-level rise, storms and shoreline change within the expected lifespan of the project?	If yes, does the project describe how guidance such as Executive Order B-30-15, SB 379, and the current versions of the Safeguarding California Plan and the state's Sea-level Rise Guidance document will be incorporated?
Is the project located in California state waters? Is it located in a county that abuts the California coast or San Francisco Bay, and/or provides direct and measurable environmental benefits to the Coastal Zone (CA PRC §30103)?	OPC intends to fund projects that will positively benefit California's ocean, coastal, and estuarine areas.

### 3.4 Submittal of proposals and required grant proposal elements

More detail about grant proposal requirements will be provided in a Grant Solicitation announcement that will be released following the adoption of these updated Guidelines. Applicants will be required to submit applications through the California Natural Resources Agency's System for Online Application Review ([SOAR](#)). In addition to the online grant application submittals via SOAR, a printed original (with wet signature) and one paper copy must also be sent to OPC staff. Details about submittal deadlines, how to use SOAR, and technical information about SOAR will be included in future grant round solicitations.

Applicants should prepare to submit a thorough, full proposal including a detailed scope of work, schedule, and budget for the project in response to Grant Solicitation announcements from the OPC. A full proposal is expected to contain a well thought out and complete description of the project, including but not limited to:

- Detailed description of the proposed scope of work, including long-term results and outcomes;
- Project schedule with explicit task completion dates, including a clear depiction of timing of project phases and components;
- Budget that is tied directly to the explicit task list that includes estimated rates, hours, equipment, and potential sub-contractors;
- Resumes or Curriculum Vitae of principal investigators or contractors, including previous projects that reflect sufficient aptitude in the project's focal area;
- Review of all environmental compliance and permitting requirements (Section 4.4);
- Plans for monitoring and reporting the project consistent with Section 4.5;
- Letters of support from both within and outside the community where the project will take place; and
- Consistency with, and a description of, how the proposed project supports implementation of State climate change documents (see Appendix D).

### 3.5 Evaluation of Proposals

Proposals will be reviewed and scored by a minimum of three professionals with relevant expertise. Reviewers may include state and federal agency staff and others with relevant expertise, including consultants and academic professionals. All reviewers other than OPC staff will be required to document that they do not have a conflict of interest in reviewing any proposals.

### 3.6 Evaluation Criteria and Scoring for Proposals

<b>SCORING CRITERIA FOR PROPOSALS</b>	
<b>The extent to which the project proposal:</b>	<b>Points</b>
Includes complete, reasonable and well thought out proposal elements, including proposed scope of work (3 points), budget (3 points), and schedule (3 points).	9
Applicant demonstrates capacity to execute project, including <ul style="list-style-type: none"> <li>• Applicant has experience successfully implementing similar projects or demonstrates appropriate and necessary partnerships to complete the project. When applicable, the applicant shows that it can hire or contract with experienced scientific staff in an area of specialty that would improve the potential success of the underlying proposal. (4 points)</li> <li>• Applicant has existing infrastructure or administrative capacity to develop, manage and implement the project successfully. (2 points)</li> </ul>	6
Applicant clearly articulates how the project promotes and implements the goals and actions of the California Water Action Plan <sup>15</sup> (CWAP)	10
Provides <b>multiple benefits in OPC Key Priority Areas</b> described in Section 1.5. OPC seeks projects that remove or reduce multiple stressors from the ocean and near coastal environment. Proposals receive 5 points for the project’s direct relevance to each of the four OPC Priority Issues (Marine Managed Areas; Coastal and Ocean Water Quality Impacts; Fisheries; and Climate Change)	20
Utilizes green infrastructure (2 points), natural systems (2 points), or systems that mimic natural systems (2 points).	6
Employs new, innovative, or proven technologies or practices to improve the manner in which the state manages ocean and coastal resources. Applicant demonstrates how the proposed technologies and practices are innovative in comparison to similar projects and the current practices and technologies.	5
Is consistent with best available science. Applicant demonstrates how relevant science used is up to date and appropriate for projects for the specific topic, as well as the feasibility of proposed work. <ul style="list-style-type: none"> <li>• Contains technical/scientific merit (5 points)</li> <li>• Determining project effectiveness is very feasible (5 points)</li> <li>• Project has a high likelihood to fulfill its stated goals and objectives (5 points)</li> </ul>	15
Has a clear and reasonable method for measuring and reporting project effectiveness. (Section 4.5)	10
Has both local community support and greater than local interest. <ul style="list-style-type: none"> <li>• Project has local community support, as demonstrated by the submittal of correspondence demonstrating local support of the project (2 points)</li> <li>• Project also has support from outside of the project area, as demonstrated by the submittal of correspondence from outside the project area. Prefer projects that demonstrate solutions that could be implemented regionally and/or statewide (2 points)</li> </ul>	4
Project benefits disadvantaged communities as described in Section 2.6	10
Project leverages private, federal or local funding sources: projects with at least 25% matching funds (1 point); more than 50% matching funds (2 points); or 100% matching funds (5 points). <sup>16</sup>	5
<b>Total possible points</b>	<b>100</b>

### 3.7 Staff Recommendations for grants

In order to fund as many high-ranking projects as possible, OPC staff may contact applicants to inquire about modifying project scope and budget. In concert with the professional review panel, OPC staff will determine which

<sup>15</sup> The California Water Action Plan is available at:

[http://resources.ca.gov/docs/california\\_water\\_action\\_plan/Final\\_California\\_Water\\_Action\\_Plan.pdf](http://resources.ca.gov/docs/california_water_action_plan/Final_California_Water_Action_Plan.pdf)

<sup>16</sup> Funds for completing an environmental review process such as CEQA are not considered matching funds.

qualified applications to recommend to the Council for funding and the amount of funding, taking into account the project's score relative to other eligible projects, and the total amount of funding available for Prop 1 projects. OPC staff may reduce grant amounts from that requested.

In addition, OPC staff has discretion on when individual projects should be brought to the Council for consideration, based on project readiness. Even projects that are likely to be brought forward with a positive staff recommendation for Council consideration may have outstanding permitting or design issues that must be resolved before a proposed grant can be recommended by staff to the Council.

The OPC expects that it will take an average of six to nine months from full proposal submittal to Council approval and then an additional two months for execution of the grant agreement.

### **3.8 Approval by Council**

No grant shall be awarded unless the Council has approved the issuance of a grant at a public meeting in response to a staff recommendation for a grant. OPC staff will determine which qualified applications to recommend to the Council for funding and the amount of funding, taking into account the project's score relative to other eligible projects, the total amount of funding available for Prop 1 projects, the urgency of the project relative to the other eligible projects, OPC's Key Issue Areas for Prop 1 Funding, and OPC's Strategic Plan.

The Council typically holds four public meetings per calendar year. The meeting schedule will be published on OPC's website. The Agenda for each public meeting will be published on OPC's website at least ten days in advance of the meeting. OPC staff will prepare a staff recommendation for each proposed grant presented to the Council at a public meeting. The staff recommendation will describe the project and explain how the project is consistent with OPC's enabling legislation, OPC's Strategic Plan, OPC's Prop 1 Grant Program Guidelines, and the evaluation criteria in these Prop 1 Grant Program Guidelines. In addition, the staff recommendation will assess project compliance with CEQA and all relevant permitting requirements.

### **3.9 Grant Agreement**

Once the Council has approved a grant at a public meeting, OPC staff will prepare a grant agreement setting forth the terms and conditions of the grant. The grantee must sign the grant agreement and comply with conditions in order to receive funds.

All funding is contingent upon appropriation, and applicants acknowledge through the submission of an application that no vested right or other entitlement, either implied or express, is created as a result of execution of the grant agreement or any amendment thereto. Prior to the completion of project construction [or project completion as described in a fully executed agreement], either party may terminate the Grant Agreement by providing the other party with thirty (30) days written notice of such termination. The State may also terminate the Grant Agreement for any reason at any time if it learns of or otherwise discovers that there are allegations supported by some reasonable evidence that a violation of any state or federal law or policy by the Grantee or the grantees have performed unsatisfactorily which affects performance of this or any other Grant Agreement or contract entered into with the State. Grant agreements are not executed until signed by both the authorized representative of the grant recipient and the OPC. Work performed prior to an executed grant agreement will not be reimbursed.

### **Typical Grant Agreement Conditions**

Following Council's approval of a grant, staff will prepare a grant agreement with detailed conditions specific to the project. The grant agreement must be signed by the grantee before funds will be disbursed. Several typical grant agreement provisions are:

- Actual awards are conditional upon funds being available from the state.
- Grantees must submit a detailed project work program and budget.
- Grant funds will only be paid in arrears on a reimbursement basis. This means the grantee pays for services, products or supplies, submits an invoice that must be approved by the grant manager, and is then reimbursed by OPC.
- Generally, the OPC will only allow total grant administration costs (including indirect costs, CEQA, and overhead) up to 25% of the whole grant amount.
- Grantees may be required to reimburse the OPC for some or all of the disbursed grant funds if the project is not completed.
- Grantees must have liability insurance.
- Typically, 10% of each invoice will be withheld in order to ensure timely completion of all grant deliverables. The last remaining 10% will be paid upon confirmed receipt of all grant deliverables.
- Grantees are typically responsible for operation, maintenance and monitoring of completed projects for at least 10 years, more often 20-30 years. Term will be specified in project grant agreement.

All OPC grantees should expect to be audited by the State of California. It is the grantee's responsibility to maintain all necessary records to substantiate and document all payments made pursuant to an OPC grant (see **Appendix E**). If a grantee cannot provide adequate records when it is audited, the grantee may be required to repay grant funds. See Appendix E for additional state auditing requirements (refer to CWC §79708[b-c]). The Grant Agreement describes these and other requirements in greater detail and will be the project's controlling document. If there are any questions about the Grant Agreement, discuss them with the OPC Project Manager. Close review of and compliance with the Grant Agreement is essential and is the grantee's responsibility.

### **Waiver of Sovereign Immunity**

For the limited purpose of enforcing any grant agreement developed pursuant to these guidelines, the governing entity of the Tribal government that has the authority to expressly waive immunity will be asked to approve a Waiver of Sovereign Immunity acceptable to the OPC before entering into a grant agreement.

### **Land Tenure and Site Control**

The State recognizes that specific activities may change over time; however all uses on the project property must remain compatible with the OPC Prop 1 Grant Program in accordance with the following requirements below.

#### **Acquisition Projects**

The grantee or grantee's successor in interest shall hold the real property in perpetuity only for the purpose for which the grant was made and make no other use or sale or other disposition of the property without the written permission of the State.

#### **Development projects**

The grantee shall be required to maintain and operate the property developed pursuant to this grant for a period of:

- a. Up to 10 years for grants up to \$100,000

- b. At least 20 years for grants up to \$1 million
- c. At least 25 years for grants over \$1 million

### **All projects**

- A document must be recorded against the real property that defines the State's interest in the property whether the grantee owns the property or not. Exceptions may be granted as appropriate and at the sole discretion of the State. A copy of the full grant terms and conditions may be obtained by contacting our office.
- The grantee shall not use or allow the use of any portion of the real property for mitigation (i.e., to compensate for adverse changes to the environment elsewhere) without the written permission of the State.
- The grantee shall not use or allow the use of any portion of the real property as security for any debt.
- With the approval of the State, the grantee or the grantee's successor in interest in the property may enter into an agreement with another party to maintain and operate the property in accordance with this program. At a minimum, the agreement must do the following:
  1. Clearly spell out the roles of each party in detail;
  2. Be signed by both parties signifying their acceptance;
  3. Not terminate prior to the length of site control/land tenure required by the grant agreement (only agreements that allow early termination for cause or by mutual consent will be acceptable); and
  4. Include language that the grantee would resume responsibility for ongoing operations and maintenance in the event of cancellation.
- Grantee may be excused from its obligations for operation and maintenance of the project site only upon the written approval of the State for good cause. "Good cause" includes, but is not limited to, natural disasters that destroy the project improvements and render the project obsolete or impracticable to rebuild.

Applicants for projects conducting on-the-ground work must submit documentation showing that they have adequate tenure to, and site control of, the properties to be improved or restored.

Proof of adequate land tenure includes, but is not necessarily limited to:

- Fee title ownership.
- An easement or license agreement.
- Other legally enforceable license and agreement between the applicant and the fee title owner, or the owner of an easement in the property, sufficient to give the applicant adequate site control for the purposes of developing the project and long-term management.
- For projects involving multiple landowners, all landowners or an appointed designee must provide written permission to complete the project.

When an applicant does not have tenure at the time of proposal submission, but intends to establish tenure via an agreement that will be signed upon grant authorization, the applicant must submit a template copy of the proposed agreement, memorandum of understanding (MOU), or permission form at the time of proposal submission. Once a project has been awarded, the applicant must submit documentation of land tenure before a complete grant agreement can be executed and any funding can be expended.

OPC shall have access to the project site at least once every twelve months from the start date of the grant for the appropriate term negotiated prior to grant execution (see section above on Land Tenure and Site Control). This includes a final inspection of the project where OPC will determine if the work is consistent with the approved project scope and ensure compliance with the signage requirements.

## Section 4. Additional Requirements

### 4.1 Additional Information

OPC understands that some projects will inherently have associated adverse environmental impacts (in particular during a construction phase). However, projects are expected, to the extent feasible, to reduce greenhouse gas emissions as well as any other negative environmental impacts from the project itself. Although this is not a scored category, it is a **high priority** for OPC.

### 4.2 California Conservation Corps

Division 26.7 of the Water Code, Chapter 6, §79734 requires that: “For restoration and ecosystem protection projects funded pursuant to this chapter, the services of the California Conservation Corps or a local conservation corps certified by the California Conservation Corps ***shall be used whenever feasible***” (see [Section 5](#)).

### 4.3 Signage

To the extent practicable, projects funded by Prop 1 should include signage informing the public that the project received funds from the OPC and from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 and should display the official Prop 1 logo as well as the official OPC logo(CWC §79707[g]). All Signage must be compliant with CEQA as well as any and all relevant environmental laws. These requirements will be addressed in the grant agreement. See Appendix F for additional important guidance about signage.

### 4.4 Environmental Documents and Permitting

The Ocean Protection Council is required to comply with the California Environmental Quality Act (CEQA). Grant applicants should consider whether their proposed project will trigger the need for an environmental impact report or negative declaration, or whether a CEQA exemption applies. How CEQA applies and the status of CEQA compliance must be addressed in the grant application. In addition, activities funded under this grant program must be in compliance with applicable State and federal laws and regulations, including the National Environmental Policy Act (NEPA), and other environmental permitting requirements. The applicant is responsible for receiving and fulfilling all permitting requirements. The applicant is solely responsible for project compliance and proposals may include in their budgets the funding necessary for compliance related tasks.

**No** project will be approved until CEQA is complete, and OPC reserves the right to require modification to design, additional mitigation, and to ultimately find the project is not consistent with its program, and therefore remove it from the list of potentially eligible proposal for funding. Projects that are in the process of CEQA may apply; however, CEQA needs to be finalized before the full proposal is evaluated.

### 4.5 Project Monitoring and Reporting

All grant applications must include a monitoring and reporting component that explains how the effectiveness of the project will be measured and reported. The plan should include a list of project specific performance measures that will be used to assess project outcomes/trajectories, and should provide sufficient detail of how these performance measures will be quantified and assessed to allow an evaluation of the effectiveness of the proposed action(s) at achieving the stated objectives. Each proposal must also include a description of the processes through which data

will be collected, stored, managed in the long term if applicable, and disseminated to participants, stakeholders, public, and the State. Data may include, but are not limited to technical information such as designs, feasibility studies, reports, and information gathered for a specific project in any phase of development including the planning, design, construction, operation, and monitoring of a project.

If required by the project, water quality monitoring data shall be collected and reported to the SWRCB in a manner that is compatible and consistent with surface water monitoring or groundwater data systems administered by the SWRCB (e.g., California Environmental Data Exchange Network [CEDEN] for surface water data) (CWC §79704). Any watershed monitoring data shall be collected and reported to the Department of Conservation in a manner that is compatible and consistent with the statewide watershed program administered by the Department of Conservation (CWC§79704). Additional specifications concerning data management and quality assurance/quality control may be stipulated within each solicitation.

All project applicants should identify in their proposal any statewide data management system(s) their data may be integrated into and through what mechanisms that will occur. If alternate methods are going to be used that do not allow the integration of data into existing statewide systems, a thorough explanation of the reason for this should be provided.

All Grantees will be required to provide periodic progress reports and a final report. Specific guidance on performance measures, data management, reporting and monitoring requirements desired by OPC or required by law will be provided in each solicitation or the grant agreement. The monitoring and reporting component will vary depending on the nature of the project. The grant application evaluation will assess the robustness of the proposed monitoring program. In addition, OPC staff will work with grantees to develop appropriate monitoring and reporting templates and procedures.

#### **4.6 Human Right to Water**

The OPC has done an assessment of the Human Right to Water (CWC§106.3) and has determined that it is not necessary to consider the provisions of the Human Right to Water provisions in Prop 1 grant guidelines because the OPC does not focus on the provision of fresh water.

#### **4.7 Carbon Offset Projects on Acquired or Restored Lands**

Assuming there is some right or interest associated with the absorption by plants of carbon dioxide or other greenhouse gas emissions from the atmosphere, and its conversion to carbon stored in trees, sediment, water, and other vegetation and associated roots, surface duff, and organic elements in the soil, such rights or interest shall remain with the Property being restored or acquired through this program, (hereafter “Reserved Rights/ Interests”). OPC prefers and shall assume in the absence of information in a competitive application that Grantee shall take title to or otherwise acquire such rights or interests, and will then immediately retire all such Reserved Rights or Interests associated with or connected to Property or Restoration Project. However if they have stated such an intent in their original application, Grantees or any authorized successor in interest, may, during development of a written grant agreement, seek written permission from the Executive Director to create, own, hold, sell, exchange, transfer, trade, or gift any or all of the rights to carbon offset credits or Climate Reserve Tonnes (CRTs) issued by a third party entity such as the Climate Action Reserve, the Air Resources Board, or any other ecosystem service provider, or any or all similar rights that may exist now or in the future, that are appurtenant to or associated with the Property and attributable to the Reserved Rights (“Carbon Credits”).

The exchange of Carbon Credits creates issues of additionality, as well as the potential for private gain from publicly funded grant projects, among other things. OPC anticipates granting funds to acquire property or develop projects that include carbon sequestration benefits as one co-benefit, hence the requirement that any such potential rights or interests be obtained with site control and retired thereafter. Accordingly, the Executive Director reserves the right to approve carbon projects on lands funded or improved with Proposition 1 funds, and reserves the right to condition the use of revenue from those projects by grantee or grantee's successors in interest for the ongoing management and operation of the Property or the Project funded by OPC. Such carbon projects, and the requirements that the funds go back into the management of the Property or Project, will be expressly stated in conservation easement or other appropriate instrument, and is only allowable where to do so would not otherwise hinder the overall Project's or Acquisition's competitive standing, and where such rights or interests are not part of the underlying program's anticipated conservation activity. In such cases the Director reserves the right to direct that revenues generated by the sale or transfer of Carbon Credits must be deposited back into a non-wasting trust for the benefit of ongoing management and operation of the Property being acquired or restored with grant dollars, and for any other exchange of value, the Executive Director will be required to certify that the Reserved Rights have been exchanged in proportional benefit to the Property or Project, and acceptable documentation must be provided that illustrates how the development of Carbon Credits for offsets is a result of management additional to the conservation planned for and underlying the benefit of the grant. Where appropriate, the Executive Director may, in addition to seeking a non-wasting trust for ongoing operation and management, request that the Grantee or its successor in interest, repay the grant at the legal rate of interest as dictated by the Office of the Treasurer. This repayment shall not result in abandonment or quitclaim of any associated conservation easement acquired through the OPC program. In such instances where permission has been obtained for the sale of Carbon Credits, Grantee or its successor in interest shall ensure that the terms and conditions of all conservation easements incorporate the requirement for such potential proceeds to benefit the Property, and articulate that Reserved Rights/Interests that have been converted into Carbon Credits are encumbered by the easement.

## Section 5. Consultation with the CCC and CALCC

This process has been developed to ensure compliance with Division 26.7 of the Water Code, Chapter 6, Section 79734 that specifies the involvement of the California Conservation Corps (CCC) and the certified community conservation corps (as represented by the California Association of Local Conservation Corps-CALCC). Section 79734 states: “For restoration and ecosystem protection projects funded pursuant to this chapter, the services of the California Conservation Corps or a local conservation corps certified by the California Conservation Corps shall be used whenever feasible.”

Because of the mandatory nature of the foregoing provision, applicants for funds to complete restoration and ecosystem protection projects shall consult with representatives of the CCC and CALCC (collectively, “the Corps”) to determine the feasibility of the Corps participation. Unless otherwise exempted (see notes below), applicants that fail to engage in such consultation should not be eligible to receive Chapter 6 funds. Therefore, to ensure that entities allocating Prop 1 funds do so in compliance with Chapter 6’s Corps participation language, the CCC and CALCC have developed the following consultation process for inclusion in Prop 1 – Chapter 6 project and/or grant program guidelines:

Step 1: Applicants are encouraged to reach out to both Corps early in the process as they are developing the proposal in order to determine how Corps can be included. Applicant prepares the following information for submission to both the CCC and CALCC:

- Project Title
- Project Description (identifying key project activities and deliverables)
- Project Map (showing project location)
- Project Implementation estimated start and end dates

Step 2: Applicant submits the forgoing information via email concurrently to the CCC and CALCC representatives:

California Conservation Corps representative:

Name: CCC Prop 1 Coordinator Julie Wolsey      Email: [Prop1@ccc.ca.gov](mailto:Prop1@ccc.ca.gov)  
Phone: (916) 341-3207                                      and [Julie.wolsey@ccc.ca.gov](mailto:Julie.wolsey@ccc.ca.gov)

California Association of Local Conservation Corps representative:

Email: [inquiry@prop1communitycorps.org](mailto:inquiry@prop1communitycorps.org)  
Phone: 916-426-9170 ext. 0

Step 3: Within five (5) business days of receiving the project information, the CCC and CALCC representatives will review the submitted information, contact the applicant if necessary, and respond to the applicant with a Corps Consultation Review Document (see template in [Appendix C](#)) informing them:

- (1) It is NOT feasible for CCC and/or certified community conservation corps services to be used on the project; or
- (2) It is feasible for the CCC and/or certified community conservation corps services to be used on the project and identifying the aspects of the project that can be accomplished with Corps services.

Note: While the Corps will take up to 5 days to review projects, applicants are encouraged to contact the CCC/CALCC representatives to discuss feasibility early in the project development process.

The Corps cannot guarantee a compliant review process for applicants who submit project information fewer than 5 business days before a deadline.

Step 4: Applicant submits application to Funder that includes Corps Consultation Review Document.

Step 5: Funder reviews applications. Applications that do not include documentation demonstrating that the Corps have been consulted will be deemed “noncompliant” and will not be considered for funding.

**NOTES:**

1. The Corps already have determined that it is not feasible to use their services on restoration and ecosystem protection projects that solely involve either planning or acquisition. Therefore, applicants seeking funds for such projects are exempt from the consultation requirement and should check the appropriate box on the Consultation Review Document (see Appendix B).
2. An applicant that has been awarded funds to undertake a project where it has been determined that Corps services can be used must thereafter work with either the CCC or CALCC to develop a scope of work and enter into a contract with the appropriate Corps. Unless otherwise excused, failure to utilize a Corps on such a project will result in Funding Entities assessing a scoring penalty on the applicant’s future applications for Chapter 6 Funds.

## Appendices

### Appendix A: Chapter 3 of Proposition 1 - Definitions

79702. Unless the context otherwise requires, the definitions set forth in this section govern the construction of this division, as follows:

- (a) "Acquisition" means obtaining a fee interest or any other interest in real property, including, easements, leases, water, water rights, or interest in water obtained for the purposes of instream flows and development rights.
- (b) "CALFED Bay-Delta Program" means the program described in the Record of Decision dated August 28, 2000.
- (c) "Commission" means the California Water Commission.
- (d) "Committee" means the Water Quality, Supply, and Infrastructure Improvement Finance Committee created by Section 79787.
- (e) "Delta" means the Sacramento-San Joaquin Delta, as defined in Section 85058.
- (f) "Delta conveyance facilities" means facilities that convey water directly from the Sacramento River to the State Water Project or the federal Central Valley Project pumping facilities in the south Delta.
- (g) "Delta counties" means the Counties of Contra Costa, Sacramento, San Joaquin, Solano, and Yolo.
- (h) "Delta plan" has the meaning set forth in Section 85059.
- (i) "Director" means the Director of Water Resources.
- (j) "Disadvantaged community" has the meaning set forth in subdivision (a) of Section 79505.5, as it may be amended.
- (k) "Economically distressed area" means a municipality with a population of 20,000 persons or less, a rural county, or a reasonably isolated and divisible segment of a larger municipality where the segment of the population is 20,000 persons or less, with an annual median household income that is less than 85 percent of the statewide median household income, and with one or more of the following conditions as determined by the department:
  - (1) Financial hardship.
  - (2) Unemployment rate at least 2 percent higher than the statewide average.
  - (3) Low population density.
- (l) "Fund" means the Water Quality, Supply, and Infrastructure Improvement Fund of 2014 created by Section 79715.
- (m) "Instream flows" means a specific streamflow, measured in cubic feet per second, at a particular location for a defined time, and typically follows seasonal variations.
- (n) "Integrated regional water management plan" has the meaning set forth in Part 2.2 (commencing with Section 10530) of Division 6, as that part may be amended.
- (o) "Long-term" means for a period of not less than 20 years.
- (p) "Nonprofit organization" means an organization qualified to do business in California and qualified under Section 501(c)(3) of Title 26 of the United States Code.
- (q) "Proposition 1E" means the Disaster Preparedness and Flood Prevention Bond Act of 2006 (Chapter 1.699 (commencing with Section 5096.800) of Division 5 of the Public Resources Code).
- (r) "Proposition 84" means the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Division 43 (commencing with Section 75001) of the Public Resources Code).
- (s) "Public agency" means a state agency or department, special district, joint powers authority, city, county, city and county, or other political subdivision of the state.
- (t) "Rainwater" has the meaning set forth in subdivision (c) of Section 10573.
- (u) "Secretary" means the Secretary of the Natural Resources Agency.
- (v) "Severely disadvantaged community" has the meaning set forth in subdivision (a) of Section 116760.20 of the Health and Safety Code.
- (w) "Small community water system" means a community water system that serves no more than 3,300 service connections or a yearlong population of no more than 10,000 persons.
- (x) "State board" means the State Water Resources Control Board.
- (y) "State General Obligation Bond Law" means the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code).
- (z) "State small water system" has the meaning set forth in subdivision (n) of Section 116275 of the Health and Safety Code.
- (aa) "Stormwater" has the meaning set forth in subdivision (e) of Section 10573.
- (ab) "Water right" means a legal entitlement authorizing water to be diverted from a specified source and put to a beneficial, non-wasteful use.

## Appendix B: Chapter 6 of Proposition 1 - Protecting Rivers, Lakes, Streams, Coastal Waters, and Watersheds

### 79730.

The sum of one billion four hundred ninety-five million dollars (\$1,495,000,000) shall be available, upon appropriation by the Legislature from the fund, in accordance with this chapter, for competitive grants for multi-benefit ecosystem and watershed protection and restoration projects in accordance with statewide priorities.

### 79731.

Of the funds authorized by Section 79730, the sum of three hundred twenty-seven million five hundred thousand dollars (\$327,500,000) shall be allocated for multi-benefit water quality, water supply, and watershed protection and restoration projects for the watersheds of the state in accordance with the following schedule:

- (a) Baldwin Hills Conservancy, ten million dollars (\$10,000,000).
- (b) California Tahoe Conservancy, fifteen million dollars (\$15,000,000).
- (c) Coachella Valley Mountains Conservancy, ten million dollars (\$10,000,000).
- (d) Ocean Protection Council, thirty million dollars (\$30,000,000).
- (e) San Diego River Conservancy, seventeen million dollars (\$17,000,000).
- (f) San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, thirty million dollars (\$30,000,000).
- (g) San Joaquin River Conservancy, ten million dollars (\$10,000,000).
- (h) Santa Monica Mountains Conservancy, thirty million dollars (\$30,000,000).
- (i) Sierra Nevada Conservancy, twenty-five million dollars (\$25,000,000).
- (j) State Coastal Conservancy, one hundred million five hundred thousand dollars (\$100,500,000). Eligible watersheds for the funds allocated pursuant to this subdivision include, but are not limited to, those that are in the San Francisco Bay Conservancy region, the Santa Ana River watershed, the Tijuana River watershed, the Otay River watershed, Catalina Island, and the central coast region.
- (k) Sacramento-San Joaquin Delta Conservancy, fifty million dollars (\$50,000,000).

### 79732.

(a) In protecting and restoring California rivers, lakes, streams, and watersheds, the purposes of this chapter are to:

- (1) Protect and increase the economic benefits arising from healthy watersheds, fishery resources, and instream flow.
- (2) Implement watershed adaptation projects in order to reduce the impacts of climate change on California's communities and ecosystems.
- (3) Restore river parkways throughout the state, including, but not limited to, projects pursuant to the California River Parkways Act of 2004 (Chapter 3.8 (commencing with Section 5750) of Division 5 of the Public Resources Code), in the Urban Streams Restoration Program established pursuant to Section 7048, and urban river greenways.
- (4) Protect and restore aquatic, wetland, and migratory bird ecosystems, including fish and wildlife corridors and the acquisition of water rights for instream flow.
- (5) Fulfill the obligations of the State of California in complying with the terms of multiparty settlement agreements related to water resources.
- (6) Remove barriers to fish passage.
- (7) Collaborate with federal agencies in the protection of fish native to California and wetlands in the central valley of California.
- (8) Implement fuel treatment projects to reduce wildfire risks, protect watersheds tributary to water storage facilities, and promote watershed health.
- (9) Protect and restore rural and urban watershed health to improve watershed storage capacity, forest health, protection of life and property, stormwater resource management, and greenhouse gas reduction.
- (10) Protect and restore coastal watersheds, including, but not limited to, bays, marine estuaries, and nearshore ecosystems.
- (11) Reduce pollution or contamination of rivers, lakes, streams, or coastal waters, prevent and remediate mercury contamination from legacy mines, and protect or restore natural system functions that contribute to water supply, water quality, or flood management.

(12) Assist in the recovery of endangered, threatened, or migratory species by improving watershed health, instream flows, fish passage, coastal or inland wetland restoration, or other means, such as natural community conservation plan and habitat conservation plan implementation.

(13) Assist in water-related agricultural sustainability projects.

(b) Funds provided by this chapter shall only be used for projects that will provide fisheries or ecosystem benefits or improvements that are greater than required applicable environmental mitigation measures or compliance obligations.

**79733.**

Of the funds made available by Section 79730, the sum of two hundred million dollars (\$200,000,000) shall be administered by the Wildlife Conservation Board for projects that result in enhanced stream flows.

**79734.**

For restoration and ecosystem protection projects under this chapter, the services of the California Conservation Corps or a local conservation corps certified by the California Conservation Corps shall be used whenever feasible.

**79735.**

(a) Of the funds authorized by Section 79730, one hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, for projects to protect and enhance an urban creek, as defined in subdivision (e) of Section 7048, and its tributaries, pursuant to Division 22.8 (commencing with Section 32600) of, and Division 23 (commencing with Section 33000) of, the Public Resources Code and Section 79508.

(b) (1) Of the funds authorized by Section 79730, twenty million dollars (\$20,000,000) shall be made available to the secretary for a competitive program to fund multi-benefit watershed and urban rivers enhancement projects in urban watersheds that increase regional and local water self-sufficiency and that meet at least two of the following objectives:

(A) Promote groundwater recharge and water reuse.

(B) Reduce energy consumption.

(C) Use soils, plants, and natural processes to treat runoff.

(D) Create or restore native habitat.

(E) Increase regional and local resiliency and adaptability to climate change.

(2) The program under this subdivision shall be implemented by state conservancies, the Wildlife Conservation Board, the state board, or other entities whose jurisdiction includes urban watersheds, as designated by the secretary. Projects funded under the program shall be a part of a plan developed jointly by the conservancies, the Wildlife Conservation Board, the state board, or other designated entities in consultation with the secretary.

(c) At least 25 percent of the funds available pursuant to this section shall be allocated for projects that benefit disadvantaged communities.

(d) Up to 10 percent of the funds available pursuant to this section may be allocated for project planning.

**79736.**

Of the funds authorized by Section 79730, four hundred seventy-five million dollars (\$475,000,000) shall be available to the Natural Resources Agency to support projects that fulfill the obligations of the State of California in complying with the terms of any of the following:

(a) Subsection (d) of Section 3406 of the Central Valley Project Improvement Act (Title 34 of Public Law 102-575).

(b) Interstate compacts set forth in Section 66801 of the Government Code pursuant to Title 7.42 (commencing with Section 66905) of the Government Code.

(c) Intrastate or multiparty water quantification settlement agreement provisions, including ecosystem restoration projects, as set forth in Chapters 611, 612, 613, and 614 of the Statutes of 2003.

(d) The settlement agreement referenced in Section 2080.2 of the Fish and Game Code.

(e) Any intrastate or multiparty settlement agreement related to water acted upon or before December 31, 2013.

Priority shall be given to projects that meet one or more of the following criteria:

(1) The project is of statewide significance.

(2) The project restores natural aquatic or riparian functions, or wetlands habitat for birds and aquatic species.

(3) The project protects or promotes the restoration of endangered or threatened species.

(4) The project enhances the reliability of water supplies on a regional or interregional basis.

(5) The project provides significant regional or statewide economic benefits.

**79737.**

(a) Of the funds authorized by Section 79730, two hundred eighty-five million dollars (\$285,000,000) shall be available to the Department of Fish and Wildlife for watershed restoration projects statewide in accordance with this chapter.

(b) For the purposes of this section, watershed restoration includes activities to fund coastal wetland habitat, improve forest health, restore mountain meadows, modernize stream crossings, culverts, and bridges, reconnect historical flood plains, install or improve fish screens, provide fish passages, restore river channels, restore or enhance riparian, aquatic, and terrestrial habitat, improve ecological functions, acquire from willing sellers conservation easements for riparian buffer strips, improve local watershed management, and remove sediment or trash.

(c) For any funds available pursuant to this section that are used to provide grants under the Fisheries Restoration Grant Program, a priority shall be given to coastal waters.

(d) In allocating funds for projects pursuant to this section, the Department of Fish and Wildlife shall only make funds available for water quality, river, and watershed protection and restoration projects of statewide importance outside of the Delta.

(e) Funds provided by this section shall not be expended to pay the costs of the design, construction, operation, mitigation, or maintenance of Delta conveyance facilities.

(f) Funds provided by this section shall only be used for projects that will provide fisheries or ecosystem benefits or improvements that are greater than required applicable environmental mitigation measures or compliance obligations, except for any water transfers for the benefit of subsection (d) of Section 3406 of the Central Valley Project Improvement Act (Title 34 of Public Law 102-575).

**79738.**

(a) Of the funds authorized by Section 79730, eighty-seven million five hundred thousand dollars (\$87,500,000) shall be available to the Department of Fish and Wildlife for water quality, ecosystem restoration, and fish protection facilities that benefit the Delta, including, but not limited to, the following:

(1) Projects to improve water quality or that contribute to the improvement of water quality in the Delta, including projects in Delta counties that provide multiple public benefits and improve drinking and agricultural water quality or water supplies.

(2) Habitat restoration, conservation, and enhancement projects to improve the condition of special status, at risk, endangered, or threatened species in the Delta and the Delta counties, including projects to eradicate invasive species, and projects that support the beneficial reuse of dredged material for habitat restoration and levee improvements.

(3) Scientific studies and assessments that support the Delta Science Program, as described in Section 85280, or projects under this section.

(b) In implementing this section, the department shall coordinate and consult with the Delta city or Delta county in which a grant is proposed to be expended or an interest in real property is proposed to be acquired.

(c) Acquisitions pursuant to this section shall be from willing sellers only.

(d) In implementing this section state agencies shall prioritize wildlife conservation objectives through projects on public lands or voluntary projects on private lands, to the extent feasible.

(e) Funds available pursuant to this section shall not be used to acquire land via eminent domain.

(f) Funds available pursuant to this section shall not be expended to pay the costs of the design, construction, operation, mitigation, or maintenance of Delta conveyance facilities.

## Appendix C: Proposition 1 - Water Bond Corps Consultation Review Document

June 2015 Version

Unless an exempted project, this Corps Consultation Review Document must be completed by California Conservation Corps and Community Conservation Corps staff and accompany applications for projects or grants seeking funds through Proposition 1, Chapter 6, Protecting Rivers, Lakes, Streams, Coastal Waters and Watersheds. Non-exempt applications that do not include this document demonstrating that the Corps have been consulted will be deemed “noncompliant” and will not be considered for funding.

1. **Name of Applicant:** \_\_\_\_\_ **Project Title:** \_\_\_\_\_

**To be completed by Applicant:**

Is this application solely for planning or acquisition?

- Yes (application is exempt from the requirement to consult with the Corps)
- No (proceed to #2)

**To be completed by Corps:**

This Consultation Review Document is being prepared by:

- The California Conservation Corps (CCC)
- California Association of Local Conservation Corps (CALCC)

2. Applicant has submitted the required information by email to the California Conservation Corps (CCC) and California Association of Local Conservation Corps (CALCC):

- Yes (applicant has submitted all necessary information to CCC and CALCC)
- No (applicant has not submitted all information or did not submit information to both Corps – application is deemed non-compliant)

3. After consulting with the project applicant, the CCC and CALCC has determined the following:

- It is NOT feasible for CCC and/or certified community conservation corps services to be used on the project (deemed compliant)
- It is feasible for the CCC and/or certified community conservation corps services to be used on the project and the following aspects of the project can be accomplished with Corps services (deemed compliant).

\_\_\_\_\_  
\_\_\_\_\_

CCC AND CALCC REPRESENTATIVES WILL RETURN THIS FORM AS DOCUMENTATION OF CONSULTATION BY EMAIL TO APPLICANT WITHIN FIVE (5) BUSINESS DAYS OF RECEIPT AS VERIFICATION OF CONSULTATION. APPLICANT WILL INCLUDE COPY OF THIS DOCUMENT AS PART OF THE PROJECT APPLICATION.

IF THE CORPS DETERMINE IT IS FEASIBLE TO USE THEIR SERVICES ON THE PROJECT, APPLICANT WILL COORDINATE WITH CORPS TO DEVELOP COSTS FOR THOSE SERVICES FOR INCLUSION IN THE PROJECT BUDGET.

## Appendix D: Useful Web Links

California Department of Water Resources webpage and online tool on Disadvantaged Communities:  
[http://www.water.ca.gov/irwm/grants/resources\\_dac.cfm](http://www.water.ca.gov/irwm/grants/resources_dac.cfm)

and

<http://gis.water.ca.gov/app/dacs/>

California Natural Resources Agency Bond Accountability Website Proposition 1 Overview:

<http://bondaccountability.resources.ca.gov/p1.aspx>

California Ocean Protection Act: <http://www.opc.ca.gov/california-ocean-protection-act/>

California OPC Strategic Plan: <http://www.opc.ca.gov/programs/>

California OPC Website: <http://www.opc.ca.gov/>

California Water Action Plan:

[http://resources.ca.gov/docs/california\\_water\\_action\\_plan/Final\\_California\\_Water\\_Action\\_Plan.pdf](http://resources.ca.gov/docs/california_water_action_plan/Final_California_Water_Action_Plan.pdf)

Executive Order B-30-15: <https://www.gov.ca.gov/news.php?id=18938>

Proposition 1: [http://www.leginfo.ca.gov/pub/13-14/bill/asm/ab\\_1451-1500/ab\\_1471\\_bill\\_20140813\\_chaptered.pdf](http://www.leginfo.ca.gov/pub/13-14/bill/asm/ab_1451-1500/ab_1471_bill_20140813_chaptered.pdf)

Safeguarding California Plan: <http://resources.ca.gov/climate/safeguarding/>

Senate Bill 379 (Jackson) – became law in 2015:

[https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=201520160SB379](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201520160SB379)

State of California Sea-level Rise Guidance Document:

<http://www.opc.ca.gov/climate-change/updating-californias-sea-level-rise-guidance/>

## Appendix E: State Auditing Requirements

The list below details the documents or records that State Auditors may need to review in the event of a grant agreement being audited. Grant recipients should ensure that such records are maintained for each State funded project. For additional details including specific audit tasks performed during a bond audit, see the California Department of Finance [Bond Accountability and Audits Guide](#) and the Bond Audit Bulletins.<sup>17</sup>

### State Audit Document Requirements Internal Controls:

1. Organization chart (e.g. grant recipient's overall organization chart and organization chart for the State funded project)
2. Written internal procedures and flowcharts for the following:
  - a. Receipts and deposits
  - b. Disbursements
  - c. State reimbursement requests
  - d. State funding expenditure tracking - guidelines, policies, and procedures on state funded projects
3. Audit reports of the Grant recipient's internal control structure and financial statements within last two years
4. Prior audit reports on State funded projects

### State Funding:

1. Original grant agreement, any amendment(s) and budget modification documents
2. A list of all bond-funded grants, loans or subventions received from the State
3. A list of all other funding sources for each project

### Agreements:

1. All subcontractor and consultant contracts and related documents, if applicable.
2. Agreements between the grant recipient, member agencies, and project partners as related to the State funded project.

### Invoices:

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

### Cash Documents:

1. Receipts (copies of warrants) showing payments received from the State
2. Deposit slips or bank statements showing deposit of the payments received from the State
3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, or agents under the grant agreement

### Accounting Records:

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

### Administration Costs:

1. Supporting documents showing the calculation of administration costs

### Personnel:

1. List of all contractors and grant recipient staff that worked on the State funded project
2. Payroll records including timesheets for contractor staff and the grant recipients

### Project Files:

1. All supporting documentation maintained in the files
2. All grant agreement related correspondence.

<sup>17</sup> [http://www.dof.ca.gov/Programs/OSAE/Prior\\_Bond\\_Audits/](http://www.dof.ca.gov/Programs/OSAE/Prior_Bond_Audits/)

## Appendix F: SIGNAGE GUIDELINES

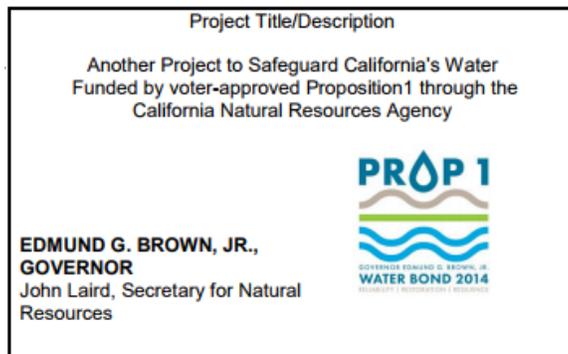
### Types of Signs

Construction - A sign acknowledging the funding source is required during construction.

Post Completion - All grantees are required to post a sign at the project site upon completion of the project. The sign must be available for the final inspection of the project and be in place for a minimum of four (4) years from date of project completion. There is no minimum or maximum size other than the minimum size for the logo as long as the sign contains the required wording. If appropriate, the same sign can be used during construction and completion.

### Language for Signs

All signs will contain the minimum language contained in the signage example shown below.



The name of the director of the local public agency or other governing body may also be added. The sign may also include the names (and/or logos) of other partners, organizations, individuals and elected representatives.

### Logo

All signs must contain the universal logo for the Water Quality, Supply, and Infrastructure Improvement Act of 2014. The Proposition 1 logo is available at: [http://resources.ca.gov/Bonds\\_and\\_grants/logos/](http://resources.ca.gov/Bonds_and_grants/logos/). The logo must be mounted in an area to maximize visibility and durability. Each edge of the logo itself must be a minimum of 1' X 1'. Exceptions may be approved when appropriate at the discretion of the State.

### Sign Construction

All materials used shall be durable and resistant to the elements and graffiti. The California Department of Parks and Recreation and California Department of Transportation standards can be used as a guide for gauge of metal, quality of paints used, mounting specifications, etc.

### Sign Cost

The cost of the sign(s) is an eligible project cost. Permanent signage is encouraged.

### Appropriateness of Signs

For projects where the required sign may be out of place or where affected by local sign ordinances, the grants administrator in consultation with the grantee may authorize a sign that is appropriate to the project in question.

### Signs on State Highways

Signs placed within the State highway right-of-way may require a Caltrans encroachment permit. Contact Caltrans early in the planning phases for more information: <http://www.dot.ca.gov/trafficops/ep/index.html>

### State Approval

The grantee shall submit proposed locations, size, number of signs and language for review prior to ordering signs. Final funds will not be reimbursed until signage has been approved and installed.