

FOR STATE USE ONLY
DGS REGISTRATION NO. 39400307165392

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2005 - 2006 CONSOLIDATED GRANTS - PROPOSITION 40 URBAN STORMWATER PROGRAM  
GRANT AGREEMENT  
BETWEEN THE  
STATE WATER RESOURCES CONTROL BOARD, hereinafter called "State" or "State Water Board"  
AND

CITY OF LONG BEACH, hereinafter called "Grantee"

LOS ANGELES RIVER TRASH SEPARATION DEVICE – SD13, hereinafter called "Project"

AGREEMENT NO. 06-231-554-0

State and Grantee hereby agree as follows:

PROVISION(S). The following provision(s) authorize the State Water Board to enter into this type of Grant Agreement:

PRC §§ 5096.650, 30930 (Pr 40 Urban Stormwater)

PURPOSE. State shall provide a grant to and for the benefit of Grantee for the purpose of installing a full capture Trash Separation Device in the forebay of a City of Long Beach (City) pump station in order to fully capture trash and debris before they are pumped into the Los Angeles River (LAR).

GRANT AMOUNT. The maximum amount payable under this Agreement shall not exceed \$550,000. Global Positioning System (GPS) locations for any monitoring must be identified for this Project prior to any disbursements.

TERM OF AGREEMENT. The term of the Agreement shall begin on DECEMBER 31, 2006 and continue through Project completion plus twenty-three (23) years unless otherwise terminated or amended as provided in the Agreement. HOWEVER, ALL WORK SHALL BE COMPLETED BY SEPTEMBER 1, 2008. ABSOLUTELY NO FUNDS MAY BE REQUESTED AFTER OCTOBER 1, 2008.

PROJECT REPRESENTATIVES. The Project Representatives during the term of this Agreement will be:

<b>State Water Board</b>	<b>Grantee: City of Long Beach</b>
Name: Mark Estoque, Grant Manager	Name: Tom Leary, Project Director
Address: 320 West 4 <sup>TH</sup> Street, Suite 200	Address: 333 West Ocean Boulevard, 9 <sup>th</sup> Floor
City, Zip: Los Angeles, CA 90013	City, Zip: Long Beach, CA 90802
Phone: (213) 576-6673	Phone: (562) 570-6023
Fax: (213) 576-6686	Fax: (562) 570-6501
e-mail: mestoque@waterboards.ca.gov	e-mail: tom_leary@longbeach.gov

Direct all inquiries to:

<b>State Water Board</b>	<b>Grantee: City of Long Beach</b>
Section: Division of Financial Assistance	Section:
Attention: Janie Mitsuhashi, Program Analyst	Name: Jessica Stoudenmire, Grant Contact
Address: 1001 "I" Street, 16th Floor	Address: 333 West Ocean Boulevard, 9 <sup>th</sup> Floor
City, Zip: Sacramento, CA 95814	City, Zip: Long Beach, CA 90802
Phone: (916) 341-5495	Phone: (562) 570-5938
Fax: (916) 341-5296	Fax: (562) 570-6501
e-mail: jmitsuhashi@waterboards.ca.gov	e-mail: Jessica_Stoudenmire@longbeach.gov

Either party may change its Project Representative upon written notice to the other party.

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STANDARD PROVISIONS. The following exhibits are attached and made a part of this Agreement by this reference:

- Exhibit A SCOPE OF WORK
- Exhibit B INVOICING, BUDGET DETAIL AND REPORTING PROVISIONS
- Exhibit C GENERAL CONDITIONS – 2005-06 CONSOLIDATED GRANTS
- Exhibit D SPECIAL CONDITIONS – 2005-06 CONSOLIDATED GRANTS
- Exhibit E TRAVEL AND PER DIEM EXPENSES

GRANTEE REPRESENTATIONS. The Grantee accepts and agrees to comply with all terms, provisions, conditions, and commitments of this Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and commitments made by the Grantee in its application, accompanying documents, and communications filed in support of its request for grant funding. Grantee shall comply with and require its contractors and subcontractors to comply with all applicable laws, policies and regulations.

IN WITNESS THEREOF, the parties have executed this Agreement on the dates set forth below.

By: [Signature]  
Grantee Signature

By: [Signature]  
Esteban Almanza, Deputy Director  
State Water Resources Control Board,  
Division of ~~Administrative Services~~ Financial Assistance

Gerald R. Miller  
Grantee Typed/Printed Name

2/28/07  
Date

City Manager, 2-12-07  
Title and Date

Reviewed by: 41  
Office of Chief Counsel  
Date: 2-28-07

APPROVED AS TO FORM

2/1, 2007  
ROBERT E. SHANNON, City Attorney

By [Signature]  
DEPUTY CITY ATTORNEY

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EXHIBIT A  
SCOPE OF WORK

A. PLANS AND COMPLIANCE REQUIREMENTS

1. In order for the State and Regional Water Quality Control Board (Regional Water Board) staff to verify work was adequately performed or conducted, GPS information for project site and monitoring locations must be identified for this Project prior to any disbursements. Submittal requirements for GPS data are available at <http://www.waterboards.ca.gov/funding/grantinfo.html>.
2. The Grantee shall prepare and implement a Project Assessment and Evaluation Plan (PAEP) to detail the methods of measuring Project benefits and reporting them in accordance with a PAEP. Many projects include multiple activities that will require measurement of several parameters to evaluate Project performance. All implementation projects that propose pollution load and/or concentration reductions must report such reductions annually. Use the 319(h) Non Point Source Pollution Reduction Project Follow-up Survey Form found at [http://www.waterboards.ca.gov/funding/docs/grantinfo/319h\\_pollution\\_survey.xls](http://www.waterboards.ca.gov/funding/docs/grantinfo/319h_pollution_survey.xls) or a similar format to report annual load reductions. Projects protecting, restoring or creating streams, shorelines, or wetlands, must report an annual accounting of the acres of wetlands restored and created, feet of stream bank and shoreline protected and feet of stream channel stabilized. Grantee shall not implement monitoring and performance assessment and/or evaluation actions prior to PAEP approval by the Grant Manager. Guidance for preparing the PAEP is available at <http://www.waterboards.ca.gov/funding/paep.html>.
3. If environmental water quality monitoring (chemical, physical, or biological) is undertaken, the Grantee shall prepare, maintain, and implement a Monitoring Plan (MP). The MP shall include, but is not limited to, a description of the monitoring objectives, types of constituents to be monitored, and the sampling location frequency/schedule for the monitoring activities. The MP will include the schedule for submittal of monitoring reports. The Grantee shall be prohibited from implementing any sampling or monitoring activities prior to approval of the MP by the Grant Manager. No monitoring may occur prior to MP approval. Any changes to the MP must be submitted to the Grant Manager for review and a decision regarding approval prior to implementation.
4. If an MP is prepared, the Grantee shall also prepare, maintain, and implement a Quality Assurance Project Plan (QAPP) in accordance with the State Water Board's Surface Water Ambient Monitoring Program's (SWAMP) QAPP and data reporting requirements, and the USEPA QAPP, EPA AQ/R5, 3/01. Water quality monitoring data includes physical, chemical, and biological monitoring of any surface water. Electronic submittal of data collected in accordance with SWAMP shall be required. The QAPP shall be submitted to the State or Regional Water Board's Quality Assurance (QA) Officer for review and a decision regarding approval prior to the Grantee implementing any sampling or monitoring activities. No monitoring may occur prior to QAPP approval. Any costs related to monitoring data collected prior to and not supported by the approved QAPP will not be reimbursed. Guidance for preparing the QAPP is available at <http://www.waterboards.ca.gov/swamp/qapp.html>.
5. All projects are required to comply with the California Environmental Quality Act (CEQA). Work on the Project cannot begin until the State Water Board has reviewed the CEQA documentation submitted by the Grantee and given environmental clearance. If the work is conducted on federal land, the Grantee must also comply with the National Environmental Policy Act (NEPA).
6. If landowner agreements are required, signed copies must be submitted to the Grant Manager before works begins.
7. If permits are required, the permits must be obtained and signed copies submitted to the Grant Manager before work begins.
8. State Disclosure Requirements – Include the following disclosure statement in any document, written report, or brochure prepared in whole or in part pursuant to this Agreement:

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"Funding for this project has been provided in full or in part through an agreement with the State Water Resources Control Board. The contents of this document do not necessarily reflect the views and policies of the State Water Resources Control Board, nor does mention of trade names or commercial products constitute endorsement or recommendation for use." (Gov. Code 7550, 40 CFR 31.20)

Signage shall be posted in a prominent location at Project site (if applicable) and shall include the State Water Board logo (available from the Program Analyst) and the following disclosure statement:

"Funding for this project has been provided in full or in part through an agreement with the State Water Resources Control Board."

9. The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this work item. (Gov. Code 7550)

## B. WORK TO BE PERFORMED BY GRANTEE

In order to comply with the LAR Trash Total Maximum Daily Load (TMDL), the Grantee will be installing a Trash Separation Device in the forebay of a City pump station in order to fully capture trash and debris before they are pumped into LAR. This Trash Separation Device has been certified by the Los Angeles Regional Water Board as a full capture device.

### 1. Community Outreach

- 1.1 Develop a Community Outreach Work Plan that notifies all residents of the area within the Project site.
- 1.2 Notify landowners who own property adjoining the Project area by mail and through outreach efforts by participating stakeholders and also by e-mail and publication in local newspapers of general circulation.
- 1.3 Invite area residents and adjoining landowners to a stakeholder workshop where the Project will be presented.

### 2. Data from Previous Studies

- 2.1 Prepare a full-scale engineering study at a LAR pump station to ensure that the constructed best management practice (BMP) will perform properly.
- 2.2 Analyze compiled data and indicate data gap.
- 2.3 Submit data gap report to Grant Manager.

### 3. BMP Implementation

- 3.1 Identify all areas for potential BMP implementation.
- 3.2 Identify BMPs to be utilized.
- 3.3 Identify criteria to be used for site-specific selection of BMPs.
- 3.4 Identify site-specific locations of BMPs to be implemented.
- 3.5 Submit BMP implementation plan for internal peer review, e.g., City Engineer, Project Development Engineer.

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4. Project Design

- 4.1 Develop a design plan, specifications, and/or maps for the Project.
- 4.2 Prepare plans and specifications for installation of the Trash Separation Device in the forebay of a City pump station.
- 4.3 Submit the approved plans and specifications to the Grant Manager for review.
- 4.4 Prepare and submit a "Notice to Proceed" for the Grant Manager's approval and signature.

5. Construction

- 5.1 Install the Trash Separation Device according to the approved plans and specifications.
- 5.2 Submit "As-Built" drawings to the Grant Manager.
- 5.3 Conduct pre-, during, and post-installation photo documentation.

6. Water Quality Monitoring and Performance Measurement

- 6.1 Conduct a monitoring program in which the trash and debris removed from the Trash Separation Device is weighed and categorized by type of pollutant.
- 6.2 Establish a long-term monitoring and maintenance program and submit an Operations and Maintenance Plan to maintain the Project area to the Grant Manager for review and comment.
- 6.3 Determine trash load reduction and report annually.

TABLE OF ITEMS FOR REVIEW

Item	DESCRIPTION	CRITICAL DUE DATE	ESTIMATED DUE DATE
EXHIBIT A – SCOPE OF WORK			
A.	PLANS AND COMPLIANCE REQUIREMENTS		
1.	GPS information for Project site and monitoring locations	Day 90 prior to first disbursement	
2.	Project Assessment Evaluation Plan (PAEP)	Day 30	
2.	Non Point Source Pollution Reduction Project Follow-up Survey Form		Annually
3.	Monitoring Plan (MP)	Day 90	
3.	Monitoring Reports		Quarterly
4.	Quality Assurance Project Plan (QAPP)	Day 90	
5.	Copy of final CEQA/NEPA Documentation	2/1/07	
6.	Land Owner Agreement(s)		N/A
7.	Applicable Permits		N/A

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B.	WORK TO BE PERFORMED BY GRANTEE		
1.	Community Outreach		
1.1	Community Outreach Work Plan		11/1/07
1.2	Notification to Landowners (letter, email, publication)		11/1/07
1.3	Invitations to Stakeholder Workshop		11/1/07
2.	Data from Previous Studies		
2.3	Data Gap Report		7/1/07
3.	BMP Implementation		
3.1	List of All Areas for Potential BMP Implementation		8/1/07
3.2	List of BMPs to be Utilized		8/1/07
3.3	Criteria for Site Specific Selection of BMPs		8/1/07
3.4	List of Site Specific Locations for BMP Implementation		8/1/07
3.5	BMP Implementation Plan for Peer Review		8/1/07
4.	Project Design		
4.3	Approved Plans and Specifications for Installation of a Trash Separation Device		11/1/07
4.4	"Notice to Proceed"		1/1/08
5.	Construction		
5.2	"As-Built" Drawings		5/1/08
5.3	Pre-, During, and Post-Installation Photo Documentation		1/1/08, 4/1/08
6.	Water Quality Monitoring and Performance Measurement		
6.1	Report on Trash and Debris Removed (Weight and Category)		6/1/08
6.2	Operations and Maintenance Plan		7/1/08
6.3	Trash Load Reduction Report		7/1/08
EXHIBIT B – INVOICING, BUDGET DETAIL, AND REPORTING PROVISIONS			
A.	INVOICING		Quarterly
E.	REPORTS		
1.	Grant Summary Form		Day 90
2.	Progress Reports by the twentieth (20 <sup>th</sup> ) of the month following the end of the calendar quarter (March, June, September, and December)		Quarterly
3.	Natural Resource Projects Inventory (NRPI) Project Survey Form	Before final invoice	
4.	Draft Project Report	7/1/08	
5.	Final Project Report	8/1/08	

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EXHIBIT B  
INVOICING, BUDGET DETAIL AND REPORTING PROVISIONS

A. INVOICING

1. Invoices shall be submitted using the invoice template provided by the State Water Board. The invoice must be itemized based on the line items specified in the Budget. The original invoice shall be submitted to the State Water Board's Grant Manager on a quarterly basis consistent with the reporting schedule in Section E.2 of this exhibit. The address for submittal is:

NPS Grants & Contracts Box  
Attention: Mark Estoque, Grant Manager  
Los Angeles Regional Water Quality Control Board  
320 West 4<sup>th</sup> Street, Suite 200  
Los Angeles, CA 90013

2. Invoices submitted in any other format than the one provided by the State Water Board will cause an invoice to be disputed. In the event of an invoice dispute, the State Water Board's Grant Manager will notify the Grantee by initiating an "Invoice Dispute Notification" form. Payment will not be made until the dispute is resolved and a corrected invoice submitted. Failure to use the address exactly as provided above may result in return of the invoice to the Grantee. Payment shall be deemed complete upon deposit of the payment, properly addressed, postage prepaid, in the United States mail. The State Water Board Grant Manager has the responsibility for approving invoices.
3. Supporting documentation (e.g., receipts) must be submitted with each invoice to request reimbursement for grant funds as well as to support matching funds invoiced. The amount claimed for the Personnel Services line item and Professional and Consultant Services line item must include a calculation formula (i.e. hours or days worked times the hourly or daily rate = total amount claimed). Invoice payment shall be made only after receipt of a complete, adequately supported, properly documented and accurately addressed invoice.
4. The Grantee shall not request disbursement for any cost until such cost has been incurred and has been paid by or is due and payable by the Grantee. Although it is agreed that actual payment of such cost by the Grantee is not required as a condition of the grant disbursement, all grant disbursements received by the Grantee shall be paid to contractors and vendors within thirty (30) days from receipt of the funds. In the event that the Grantee fails to disburse grant funds to contractors or vendors within thirty (30) days from receipt of the funds, the Grantee shall immediately return such funds to the State Water Board. Interest shall accrue on such funds from the date of disbursement through the date of mailing of funds to the State Water Board. If the Grantee held such funds in interest-bearing accounts, any interest earned on the funds shall also be due to the State Water Board.
5. Notwithstanding any other provision of this Agreement, no disbursement shall be required 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 Government, or any loss of tax-free status on state bonds, pursuant to any Federal statute or regulation.
6. Notwithstanding any other provision of this Agreement, the Grantee agrees that the State Water Board may retain an amount equal to ten percent (10%) of the grant amount specified in this Agreement until completion of the Project to the reasonable satisfaction of the State Water Board. Any retained amounts due to the Grantee will be promptly disbursed to the Grantee, without interest, upon completion of the Project.
7. The invoice shall contain the following information:
  - a. The date of the invoice;
  - b. The time period covered by the invoice, i.e., the term "from" and "to";

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- c. The total amount due; and
- d. Original signature and date (in ink) of Grantee or its authorized representative.
- e. Final invoice shall be clearly marked "FINAL INVOICE" and submitted NO LATER THAN OCTOBER 1, 2008.

**B. BUDGET CONTINGENCY CLAUSE**

The maximum amount to be encumbered under this Agreement for the 2006-07 fiscal year ending June 30, 2007 shall not exceed FIVE HUNDRED FIFTY THOUSAND DOLLARS (\$550,000).

If the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of the State Water Board to make any payments under this Agreement. In this event, the State shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Agreement and Grantee shall not be obligated to perform any provisions of this Agreement. Nothing in this Agreement shall be construed to provide the Grantee with a right of priority for payment over any other Grantee.

If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an Agreement amendment to Grantee to reflect the reduced amount.

**C. LINE ITEM BUDGET**

			PROP. 40	MATCH (waived)	TOTAL
Personnel Services			\$28,315	\$	\$28,315
Classification	Hours	Wage/Hour			
Stormwater Management Officer	208	\$60.94			
Engineering Project Manager	259	\$60.38			
Operating Expenses (Prorated for Project)			\$213	\$	\$213
CEQA exemption (in-house)					
Professional and Consultant Services			\$153,800	\$	\$153,800
Preliminary Design					
Final Design					
Construction (Contracted Services)			\$367,672	\$	\$367,672
<b>TOTAL</b>			<b>\$550,000</b>	<b>\$</b>	<b>\$550,000</b>



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#### D. BUDGET LINE ITEM FLEXIBILITY

1. Line Item Adjustment(s). Subject to the prior review and approval of the State Water Board's Grant Manager, adjustments between existing line item(s) may be used to defray allowable direct costs up to fifteen percent (15%) of the total grant amount including any amendment(s) thereto. Line item adjustments in excess of fifteen percent (15%) shall require a formal Agreement amendment.
2. Procedure to Request an Adjustment. Grantee may submit a request for an adjustment in writing to the State Water Board. Such adjustment may not increase or decrease the total grant amount allocated per fiscal year. The Grantee shall submit a copy of the original Agreement Budget sheet reflecting the requested changes. Changes shall be noted by striking the original amount(s) followed with revised change(s) in bold and underlined. Budget adjustments deleting a budget line item or adding a new budget line item requires a formal amendment and are not permissible under this provision. The State Water Board may also propose adjustments to the budget.
3. Remaining Balance. In the event the Grantee does not submit invoices requesting all of the funds encumbered under this Grant Agreement, any remaining funds revert to the State. The State Water Board will mail a Notice of Project Completion letter to the Grantee stating that the project file is closed, the final invoice is being processed for payment, and any remaining balance will be disencumbered and unavailable for further use under the Grant Agreement.

#### E. REPORTS

1. GRANT SUMMARY FORM. Grantee shall complete a one (1) page Grant Summary Form <http://www.waterboards.ca.gov/funding/docs/grantinfo/grantsum.doc> within three (3) months of the Agreement execution. A hard copy shall be submitted to the Grant Manager and an electronic copy to the Program Analyst for State Water Board website posting.
2. PROGRESS REPORT. Grantee shall submit quarterly progress reports to the State Water Board's Grant Manager by the twentieth (20<sup>th</sup>) of the month following the end of the calendar quarter (March, June, September, and December).
  - a. The progress reports shall provide a brief description of the work performed, accomplishments during the quarter, milestones achieved, monitoring results (if applicable), and any problems encountered in the performance of the work under this Agreement. Grantee shall document all contractor activities and expenditures in progress reports.
  - b. The invoice should accompany the progress report. The invoice should reflect charges for the work completed during the reporting period covered by progress report. The invoice cannot be paid prior to submission of a progress report covering the invoice reporting period.
3. NRPI SURVEY FORM. At the completion of this Project, the Grantee shall complete and submit electronically a Natural Resource Project Inventory (NRPI) Project Survey Form found at <http://www.ice.ucdavis.edu/nrpi>. A hard copy shall be submitted to the Program Analyst prior to final payment.
4. DRAFT PROJECT REPORT. Prepare and submit to the Grant Manager a draft Project Report for review and comment that includes and addresses the following narrative sections and items. Additional requirements are listed in Exhibit D.
  - a. A summary of the Project, describing Project purpose, scope and goals, activities completed, techniques used and partners involved.
  - b. A report of all monitoring and management practices or management measures implemented, together with their corresponding locations. The report shall be in a format that enables the Grant Manager to find the physical location of each implemented practice or measure and/or monitoring event in a quick and efficient manner. Acceptable formats include, but are not limited to:

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- Map of locations – The map of practices or measures implemented shall consist of dots placed on a USGS 7.5-minute quadrangle map at the implementation location. Lead lines shall be connected to a text box description of the practice or measure. The dots shall have a small enough diameter to enable the Grant Manager to locate the measure or practice within a 50-foot radius.
  - Project coding system – The project coding system shall explain the coding used to describe each implemented practice or measure and include a reference to the corresponding GPS location(s).
- c. Describe Project performance, including benefits, successes and shortcomings, consistent with the PAEP. Enumerate specific quantifiable environmental changes and results of the Project. As appropriate, include 1) behavioral results such as the amount of management practices or measures implemented, 2) estimates or measurements of the amount of pollutants prevented from reaching surface or ground water, 3) documented changes in water quality based on monitoring, and 4) improved or protected beneficial uses.
  - d. Identify lessons learned in carrying out the Project. Describe what worked and what did not work, and how similar efforts could be utilized within the Project area, as well as in other watersheds.
  - e. Describe the extent of outreach that has been conducted and if there are plans to further promote the results of the Project to achieve additional implementation.
  - f. Describe the Project's funding. Include the projected cost and actual cost of the Project, how much of the grant funds were spent, and how much funding was put into the Project from other sources. Identify funding sources that have been "leveraged" by the Project and plans for funding future activities.
  - g. Identify planned or potential follow-up activities, such as any additional steps necessary to achieve the water quality objectives, Total Maximum Daily Loads (TMDL) or local watershed plans.
  - h. Include appropriate photos and graphics.
  - i. A list of items submitted as outlined in the Table of Items for Review.
  - j. Any additional information that is deemed appropriate by the Project Director or Grant Manager.
5. FINAL PROJECT REPORT. Prepare a final Project Report that addresses, to the extent feasible, comments made by the Grant Manager on the draft final Project Report. Submit one (1) reproducible master, two (2) copies, and an electronic copy of the final.
  6. The Grantee agrees to expeditiously provide, during work on the Project and throughout the term of this Agreement, such reports, data, information, and certifications that may be reasonably required by the State Water Board.

#### F. PAYMENT OF PROJECT COSTS

The Grantee agrees that it will provide for payment of its full share of Project costs and that all costs connected with the Project will be paid by the Grantee on a timely basis.

#### G. AUDIT DISALLOWANCES

The Grantee agrees it shall return any audit disallowances to the State Water Board.

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EXHIBIT C  
GENERAL CONDITIONS – 2005-06 CONSOLIDATED GRANTS

1. **AMENDMENT:** No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or agreement not incorporated in the Agreement is binding on any of the parties.
2. **APPROVAL:** The Grantee will not proceed with any work on the Project until authorized in writing by the State Water Board.
3. **ASSIGNMENT:** This grant is not assignable by the Grantee, either in whole or in part, without the consent of the State Water Board.
4. **AUDIT:** Grantee agrees that the awarding department, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. The Grantee agrees to maintain such records for a possible audit for a minimum of twenty-three (23) years after final payment, unless a longer period of records retention is stipulated. Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Grantee agrees to include a similar right of the State to audit records and interview staff in any contract related to performance of this Agreement.
5. **BONDING:** Where contractors are used, Grantee shall not authorize construction to begin until each such contractor has furnished a performance bond in favor of the Grantee in the following amounts: faithful performance (100%) of contract value; labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than \$20,000.00.
6. **CALFED PROGRAM CONSISTENCY.** If this Project assists in meeting any of the CALFED Bay-Delta Program Goals, this Project shall be consistent with the CALFED Programmatic Record of Decision and must be implemented, to the maximum extent possible, through local and regional programs.
7. **CEQA/NEPA:**
  - a. No work that is subject to the California Environmental Quality Act (CEQA) or National Environmental Policy Act (NEPA) may proceed under this Agreement until documents that satisfy the CEQA/NEPA process are received by the Grant Manager and the State Water Board has given environmental clearance. No work that is subject to an Environmental Impact Report or a Mitigated Negative Declaration may proceed until and unless approved by the Deputy Director of the State Water Board's Division of Financial Assistance (Division). Such approval is fully discretionary and shall constitute a condition precedent to any work for which it is required.
  - b. If this Project includes modification of a river or stream channel, it must fully mitigate environmental impacts resulting from the modification. The Grantee must provide documentation that the environmental impacts resulting from such modification will be fully mitigated considering all of the impacts of the modification and any mitigation, environmental enhancement, and environmental benefit resulting from the Project, and whether, on balance, any environmental enhancement or benefit equals or exceeds any negative environmental impacts of the Project.
8. **COMPLIANCE WITH LAW, REGULATIONS, ETC.:** The Grantee agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and state laws, rules, guidelines, regulations, and requirements. Without limitation of the foregoing, the Grantee agrees that, to the extent applicable, the Grantee will comply with the provisions of the adopted environmental mitigation plan for the term of this Agreement, or the useful life of the Project, whichever is longer.
9. **COMPUTER SOFTWARE:** The Grantee certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

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10. **CONFLICT OF INTEREST.** Grantee certifies that it is in compliance with applicable state and/or federal conflict of interest laws.
11. **CONTINUOUS USE OF PROJECT; LEASE OR DISPOSAL OF PROJECT:** The Grantee agrees that, except as provided in the Agreement, it will not abandon, substantially discontinue use of, lease, or dispose of the Project or any significant part or portion thereof during the useful life of the Project without prior written approval of the Division. Such approval may be conditioned as determined to be appropriate by the Division, including a condition requiring repayment of all or any portion of all remaining grant Project funds covered by this Agreement together with accrued interest and any penalty assessments which may be due.
12. **DAMAGES FOR BREACH AFFECTING TAX EXEMPT STATUS:** In the event that any breach of any of the provisions of this Agreement by the Grantee shall result in the loss of tax exempt status for any state bonds, or if such breach shall result in an obligation on the part of the State to reimburse the federal government by reason of any arbitrage profits, the Grantee shall immediately reimburse the state in an amount equal to any damages paid by or loss incurred by the state due to such breach.
13. **DATA MANAGEMENT.** This Project includes appropriate data management activities so that Project data can be incorporated into appropriate statewide data systems.
14. **DISPUTES:** Grantee shall continue with the responsibilities under this Agreement during any dispute. Any dispute arising under this Agreement which is not otherwise disposed of by agreement shall be decided by the Deputy Director of the Division, or his or her authorized representative. The decision shall be reduced to writing and a copy thereof furnished to the Grantee and to the State Water Board's Executive Director. The decision of the Division shall be final and conclusive unless, within thirty (30) calendar days after mailing of the Division decision to the Grantee, the Grantee mails or otherwise furnishes a written appeal of the decision to the State Water Board's Executive Director. The decision of the State Water Board's Executive Director shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal under this clause, the Grantee shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the Grantee shall continue to fulfill and comply with all the terms, provisions, commitments, and requirements of this Agreement. This clause does not preclude consideration of legal questions, provided that nothing herein shall be construed to make final the decision of the State Water Board, or any official or representative thereof, on any question of law.
15. **FISCAL MANAGEMENT SYSTEMS AND ACCOUNTING STANDARDS:** The Grantee agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracing of grant funds to a level of expenditure adequate to establish that such funds have not been used in violation of state law or this Agreement. The Grantee further agrees that it will maintain separate Project accounts in accordance with generally accepted accounting principles.
16. **GOVERNING LAW:** This grant is governed by and shall be interpreted in accordance with the laws of the State of California.
17. **GRANT MODIFICATIONS:** The State Water Board may, at any time, without notice to any sureties, by written order designated or indicated to be a "grant modification", make any change in Exhibit A, for the work to be performed under this Agreement so long as the modified work is within the general scope of work called for by this Agreement, including but not limited to changes in the specifications or in the method, manner, or time of performance of work. If the Grantee intends to dispute the change, the Grantee must, within ten (10) days after receipt of a written "grant modification", submit to the State Water Board a written statement setting forth the disagreement with the change.
18. **INCOME RESTRICTIONS:** The Grantee agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Grantee under this Agreement shall be paid by the Grantee to the State, to the extent that they are properly allocable to costs for which the Grantee has been reimbursed by the State under this Agreement.

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19. **INDEPENDENT ACTOR:** The Grantee, and its agents and employees, if any, in the performance of this Agreement, shall act in an independent capacity and not as officers, employees or agents of the State Water Board.
20. **INSPECTION:** Throughout the life of the Project, the State Water Board shall have the right to inspect the Project area to ascertain compliance with this Agreement. Grantee acknowledges that the Project records and location are public records.
21. **INSURANCE:** Throughout the life of the Project, the Grantee shall provide and maintain insurance against fire, vandalism and other loss, damage, or destruction of the facilities or structures constructed pursuant to this Agreement, if any. This insurance shall be issued by a company or companies admitted to transact business in the State of California. The insurance policy shall contain an endorsement specifying that the policy will not be cancelled or reduced in coverage without thirty days' prior written notice to the State Water Board. In the event of any damage to or destruction of the Project or any larger system of which it is a part, the net proceeds of insurance shall be applied to the reconstruction, repair or replacement of the damaged or destroyed parts of the Project or its larger system. The Grantee shall begin such reconstruction, repair, or replacement as expeditiously as possible and shall pay out of such net proceeds all costs and expenses in connection with such reconstruction, repair or replacement so that the same shall be completed and the larger system shall be free of all claims and liens.
22. **NONDISCRIMINATION:** During the performance of this Agreement, the Grantee and its contractors shall not unlawfully discriminate against, harass, or allow harassment against any employee or applicant for employment because of sex, race, religion, color, national origin, ancestry, disability, sexual orientation, medical condition, marital status, age (over 40) or denial of family-care leave, medical-care leave, or pregnancy-disability leave. The Grantee and its contractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination and harassment.
23. **NO THIRD PARTY RIGHTS:** The parties to this grant Agreement do not create rights in, or grant remedies to, any third party as a beneficiary of this grant Agreement, or of any duty, covenant, obligation or undertaking established herein.
24. **NOTICE:**
  - a. The Grantee shall notify the State Water Board prior to conducting construction, monitoring, demonstration, or other implementation activities such that State Water Board and/or Regional Water Board staff may observe and document such activities.
  - b. The Grantee shall promptly notify the State Water Board of events or proposed changes that could affect the scope, budget, or work performed under this Agreement. The Grantee agrees that no substantial change in the scope of the Project will be undertaken until written notice of the proposed change has been provided to the State Water Board, and the State Water Board has given written approval for such change.
  - c. The Grantee shall notify the State Water Board at least ten (10) working days prior to any public or media event publicizing the accomplishments and/or results of this Agreement and provide the opportunity for attendance and participation by State Water Board's representatives.
  - d. The Grantee shall promptly notify the State Water Board in writing of completion of work on the Project.
  - e. The Grantee shall promptly notify the State Water Board in writing of any cessation of all major construction work on the Project where such cessation of work is expected to or does extend for a period of thirty (30) days or more and of any circumstance, combination of circumstances, or condition, which is expected to or does delay completion of construction for a period of ninety (90) days or more beyond the estimated date of completion of construction previously provided.
25. **OPERATIONS & MAINTENANCE:** The Grantee shall maintain and operate the facility and structures constructed or improved as part of the Project throughout the life of the Project, consistent with the purposes for which this Grant was made. The Grantee assumes all operations and maintenance costs of the facilities

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and structures; the State Water Board shall not be liable for any cost of such maintenance, management or operation. The Grantee may be excused from operations and maintenance only upon the written approval of the Grant Manager. For purposes of this Agreement, "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses. "Maintenance costs" include ordinary repairs and replacements of a recurring nature necessary to prolong the life of capital assets and basic structures, and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures.

26. **PERMITS, CONTRACTING, WAIVER, REMEDIES AND DEBARMENT:** The Grantee shall procure all permits and licenses necessary to accomplish the work contemplated in this Agreement, pay all charges and fees, and give all notices necessary and incidental to the due and lawful prosecution of the work. Any contractors, outside associates, or consultants required by the Grantee in connection with the services covered by this Agreement shall be limited to such individuals or firms as were specifically identified and agreed to during negotiations for this Agreement, or as are specifically authorized by the State Water Board's Grant Manager during the performance of this Agreement. Any substitutions in, or additions to, such contractors, associates, or consultants, shall be subject to the prior written approval of the State Water Board's Grant Manager. Any waiver of rights with respect to a default or other matter arising under the Agreement at any time by either party shall not be considered a waiver of rights with respect to any other default or matter. Any rights and remedies of the State provided for in this Agreement are in addition to any other rights and remedies provided by law. The Grantee shall not contract with any party who is debarred or suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, "Debarment and Suspension". The Grantee shall not contract with any individual or organization on USEPA's List of Violating Facilities. (40 CFR, Part 31.35, Gov. Code 4477) [www.epls.gov](http://www.epls.gov). The Grantee certifies to the best of its knowledge and belief, that it and its principals:
- a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or Grantee;
  - b. Have not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
  - c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and
  - d. Have not within a three (3)-year period preceding this application/proposal had one or more public transactions (federal, state or local) terminated for cause or default.
27. **PREVAILING WAGES AND LABOR COMPLIANCE:** If applicable, the Grantee agrees to be bound by all the provisions of State Labor Code regarding prevailing wages. If applicable, the Grantee shall monitor all agreements subject to reimbursement from this Agreement to assure that the prevailing wage provisions of State Labor Code are being met. The Grantee certifies that it has a labor compliance program in place pursuant to section 1771.8 of the Labor Code, where applicable.
28. **PROFESSIONALS:** The Grantee agrees that only licensed professionals will be used to perform services under this Agreement where such services are called for.
29. **RECORDS:** Without limitation of the requirement to maintain Project accounts in accordance with generally accepted accounting principles, the Grantee agrees to:
- a. Establish an official file for the Project which shall adequately document all significant actions relative to the Project;
  - b. Establish separate accounts which will adequately and accurately depict all amounts received and expended on this Project, including all grant funds received under this Agreement;

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- c. Establish separate accounts which will adequately depict all income received which is attributable to the Project, especially including any income attributable to grant funds disbursed under this Agreement;
  - d. Establish an accounting system which will adequately depict final total costs of the Project, including both direct and indirect costs;
  - e. Establish such accounts and maintain such records as may be necessary for the state to fulfill federal reporting requirements, including any and all reporting requirements under federal tax statutes or regulations; and
  - f. If Force Account is used by the Grantee for any phase of the Project, establish an account that documents all employee hours, and associated tasks charged to the Project per employee.
30. RELATED LITIGATION: Under no circumstances may a Grantee use funds from any disbursement under this Grant Agreement to pay costs associated with any litigation the Grantee pursues against the State Water Board or any Regional Water Board. Regardless of the outcome of any such litigation, and notwithstanding any conflicting language in this Agreement, the Grantee agrees to complete the Project funded by this Agreement or to repay all of the grant funds plus interest.
31. RIGHTS IN DATA: The Grantee agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes, and other written or graphic work produced in the performance of this Agreement shall be in the public domain. The Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected, and developed under this Agreement, subject to appropriate acknowledgement of credit to the State Water Board for financial support. The Grantee shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so.
32. STATE REVIEWS AND INDEMNIFICATION: The parties agree that review or approval of Project applications, documents, permits, plans and specifications or other Project information by the State Water Board is for administrative purposes only and does not relieve the Grantee of its responsibility to properly plan, design, construct, operate, maintain, implement, or otherwise carry out the Project. To the extent permitted by law, the Grantee agrees to indemnify, defend and hold harmless the State Water Board and the State against any loss or liability arising out of any claim or action brought against the State Water Board and/or the State 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 (1) 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 or any part thereof; (2) the carrying out of any of the transactions contemplated by this Agreement or any related document; (3) 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 Section 13304, and any successors to said laws), rule or regulation or the release of any toxic substance on or near the System; or (4) 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 Grantee 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 Grantee agrees to pay and discharge any judgment or award entered or made against the State Water Board and/or the State with respect to any such claim or action, and any settlement, compromise or other voluntary resolution. The provisions of this section shall survive the term of this Agreement.
33. SUPPLEMENTAL ENVIRONMENTAL PROJECTS: Grant Funds shall not be used for supplemental environmental projects required by Regional Boards.
34. STATE WATER BOARD ACTION, COSTS, AND ATTORNEY FEES: The Grantee agrees that any remedy provided in this Agreement is in addition to and not in derogation of any other legal or equitable remedy available to the State Water Board as a result of breach of this Agreement by the Grantee, whether such

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breach occurs before or after completion of the Project, and exercise of any remedy provided by this Agreement by the State Water Board shall not preclude the State Water Board from pursuing any legal remedy or right which would otherwise be available. In the event of litigation between the parties hereto arising from this Agreement, it is agreed that the State Water Board shall be entitled to such reasonable costs and/or attorney fees as may be ordered by the court entertaining such litigation.

35. **TERMINATION, IMMEDIATE REPAYMENT, INTEREST:** This Grant Agreement may be terminated by written notice at any time prior to completion of the Project, at the option of the State Water Board, upon violation by the Grantee of any material provision after such violation has been called to the attention of the Grantee and after failure of the Grantee to bring itself into compliance with the provisions of this Agreement within a reasonable time as established by the State Water Board. In the event of such termination, the Grantee agrees, upon demand, to immediately repay to the State Water Board an amount equal to the amount of grant funds disbursed to the Grantee prior to such termination. In the event of termination, interest shall accrue on all amounts due at the highest legal rate of interest from the date that notice of termination is mailed to the Grantee to the date of full repayment by the Grantee.
36. **TIMELINESS:** Time is of the essence in this Agreement. The Grantee shall proceed with and complete the Project in an expeditious manner.
37. **TRAVEL AND PER DIEM:** Any reimbursement for necessary travel and per diem shall be at rates not to exceed those amounts set forth in Exhibit E. No travel outside the State of California shall be reimbursed unless prior written authorization is obtained from the State Water Board.
38. **UNENFORCEABLE PROVISION:** In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement shall continue to have full force and effect and shall not be affected thereby.
39. **URBAN WATER MANAGEMENT PLAN.** The Grantee certifies that this Project complies with the Urban Water Management Planning Act (Water Code § 10610 et seq.). This shall constitute a condition precedent to this grant agreement.
40. **USEFUL LIFE OF PROJECT:** For the purpose of this Agreement, the useful life of any constructed portions of this Project begins upon completion of construction and continues until fifty (50) years thereafter for pipelines and structures and twenty (20) years for all else.
41. **VENUE:** The State Water Board and the Grantee hereby agree that any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Agreement.
42. **WATERSHED MANAGEMENT PLAN CONSISTENCY.** Grantee certifies that any watershed protection activity undertaken as part of this Project will be consistent with the applicable, adopted, local watershed management plans and the applicable Water Quality Control Plan (Basin Plan) adopted by a Regional Water Board, where such plans exist. Any such activity occurring in the San Gabriel and Los Angeles watersheds shall be consistent with the San Gabriel and Los Angeles River Watershed and Open Space Plan as adopted by the San Gabriel and Lower Los Angeles Rivers and Mountain Conservancy and the Santa Monica Mountains Conservancy.
43. **WITHHOLDING OF GRANT DISBURSEMENTS:** The State Water Board may withhold all or any portion of the grant funds provided for by this Agreement in the event that the Grantee has materially violated, or threatens to materially violate, any term, provision, condition, or commitment of this Agreement; or the Grantee fails to maintain reasonable progress toward completion of the Project.



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EXHIBIT D  
SPECIAL CONDITIONS – 2005-06 CONSOLIDATED GRANTS

Proposition 40 Urban Storm Water Program (PRC §§ 5096.650, 30930)

1. The Grantee hereby certifies that it is a local public agency.
2. The Grantee hereby certifies that this Project is designed to implement a stormwater runoff pollution reduction and prevention program.
3. The Grantee certifies that this Project addresses at least one of the State Water Board or Regional Water Boards' priorities as identified in Appendix G to the 2005-06 Consolidated Grants Program Guidelines.
4. The Grantee certifies that in no event will it complete this Project later than September of 2008. It acknowledges that this condition is a material condition of this grant agreement.

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**EXHIBIT E  
 TRAVEL AND PER DIEM EXPENSES**

**I. SHORT-TERM PER DIEM EXPENSES**

A. In computing reimbursement for continuous short-term travel of more than 24 hours and less than 31 consecutive days, that is at least 50 miles from the main office, headquarters or primary residence, the employee will be reimbursed for actual costs up to the maximum allowed for each meal, incidental, and lodging expense for each complete 24 hours of travel, beginning with the traveler's times of departure and return, as follows:

1. On the first day of travel on a trip of 24 hours or more:

Trip begins at or before 6 a.m.	Breakfast may be claimed on the first day.
Trip begins at or before 11 a.m.	Lunch may be claimed on the first day.
Trip begins at or before 5 p.m.	Dinner may be claimed on the first day.

2. On the fractional day of travel at the end of a trip of more than 24 hours:

Trip ends at or after 8 a.m.	Breakfast may be claimed.
Trip ends at or after 2 p.m.	Lunch may be claimed.
Trip ends at or after 7 p.m.	Dinner may be claimed.

If the fractional day includes an overnight stay, receipted lodging may also be claimed. No meal or lodging expense may be claimed or reimbursed more than once on any given date or during any 24-hour period.

3. Reimbursement shall be for actual expenses, subject to the following maximum rates:

4. Meals:

Breakfast	\$ 6.00	Receipts are not required for regular short-term travel meals
Lunch	\$ 10.00	
Dinner	\$ 18.00	
Incidentals	\$ 6.00	

5. Lodging:

Statewide	Actual up to \$84.00 plus tax
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When required to conduct State business and obtain lodging in the counties of Los Angeles and San Diego, reimbursement will be for actual receipted lodging to a maximum of \$110 plus tax.

When required to conduct State business and obtain lodging in the counties of Alameda, San Francisco, San Mateo, and Santa Clara, reimbursement will be for actual receipted lodging to a maximum of \$140 plus tax.

If lodging receipts are not submitted, reimbursement will be for meals only at the rates and time frames set forth in B.1 below.

In circumstances where the contractor cannot obtain the state per diem lodging rate, verification from the hotel that such a rate was not available to the contractor may be submitted to substantiate lodging costs above the per diem rate.

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No meal or lodging expenses will be reimbursed for any period of travel that occurs within normal working hours, unless expenses are incurred at least 50 miles from the main office, headquarters or primary residence.

- B. In computing reimbursement for continuous travel of less than 24 hours, actual expenses, up to the maximums in A.3 above, will be reimbursed for breakfast and/or dinner and/or lodging in accordance with the following time frames:
1. Travel begins at or before 6 a.m. and ends at or after 9 a.m.: Breakfast may be claimed. Travel begins at or before 4 p.m. and ends at or after 7 p.m.: Dinner may be claimed. If the trip of less than 24 hours includes an overnight stay, receipted lodging may be claimed. No lunch or incidentals may be reimbursed on travel of less than 24 hours.
  2. Employees on short-term travel who stay in commercial lodging establishments or commercial campgrounds will be reimbursed for actual lodging expenses substantiated by a receipt. Employees who stay with friends or relatives, or who do not produce a lodging receipt, will be eligible to claim meals only.

## II. LONG-TERM TRAVEL AND PER DIEM EXPENSES

- A. Employee maintains a separate residence in the headquarters area:

Long-term travelers who maintain a permanent residence at their primary headquarters may claim daily long-term lodging up to \$24.00 with a receipt, and long-term meals of \$24.00 for each period of travel from 12 to 24 hours at the long-term location. For travel of less than 12 hours, the traveler may claim either \$24.00 in receipted lodging or \$24.00 in long-term meals.

- B. Employee does not maintain a separate residence in headquarters area:

Long-term travelers who do not maintain a permanent residence at their headquarters may claim daily receipted lodging up to \$12.00, and long-term meals of \$12.00 for each period of travel from 12 to 24 hours at the long-term locations. For travel of less than 12 hours, the travelers may claim either \$12.00 in receipted lodging or \$12.00 in long-term meals.

## III. MILEAGE REIMBURSEMENT

Reimbursement for personal vehicle mileage is 44.5 cents per mile through December 31, 2006.  
Reimbursement for personal vehicle mileage after January 1, 2007 is 48.5 cents per mile.

## IV. VEHICLE RENTAL

Reimbursement for vehicle rental shall be for actual and necessary costs of such rental and airplane usage shall be allowed at the lowest fare available. Claims for reimbursements shall be allowed upon submittal of the appropriate receipt. Refer to California Code of Regulations, Title 2, Sections 599.627 and 599.628.