



California Department of Fish and Wildlife

PROPOSITION 1 SOLICITATION AND EVALUATION GUIDELINES

Watershed Restoration Grant Program

AND

Delta Water Quality and Ecosystem
Restoration Grant Program



Revised April 2024



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Acronyms and Abbreviations

CDFW	California Department of Fish and Wildlife
CEDEN	California Environmental Data Exchange Network
CEQA	California Environmental Quality Act
CLC	California Labor Code
CNRA	California Natural Resources Agency
CWAP	California Water Action Plan
CWC	California Water Code
Delta	Sacramento-San Joaquin Delta
Delta Reform Act	Sacramento-San Joaquin Delta Reform Act
FGC	Fish and Game Code
HRTW	Human Right to Water
NEPA	National Environmental Policy Act
PRC	Public Resources Code
SWRCB	State Water Resources Control Board
WRAMP	Wetland and Riparian Area Monitoring Program

1 INTRODUCTION

1.1 Purpose

These guidelines establish the process, procedures, and criteria through which the California Department of Fish and Wildlife (CDFW) will award and administer competitive grants for a diverse set of projects that provide multi-benefit ecosystem and watershed protection and restoration in accordance with The Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1).

Two grant programs were developed to achieve the goals of Proposition 1: the Watershed Restoration Grant Program and the Delta Water Quality and Ecosystem Restoration Grant Program, collectively named Restoration Grant Programs. The Watershed Restoration Grant Program is focused on watershed restoration and protection projects of statewide importance outside of the Sacramento-San Joaquin Delta (Delta) and the Delta Water Quality and Ecosystem Restoration Grant Program is focused on water quality, ecosystem restoration and fish protection facilities that benefit the Delta.

These guidelines include information regarding eligibility requirements, general program requirements, solicitation notices, submittal, and evaluation of grant applications, and award of grant funding. Separate, but related, solicitations will provide detailed information regarding how to apply, and priorities and evaluation criteria specific to each solicitation. Appendix A contains a list of useful web links and Appendix B contains a glossary of terms.

1.2 Background

The mission of CDFW is to manage California's diverse fish, wildlife, and plant resources, and the habitats upon which they depend, for their ecological values and for their use and enjoyment by the public. CDFW awards grants on a competitive basis using the proposal selection process described in Section 4. The following legislation is the basis of the guidelines:

1. California Water Code (CWC) section 79700 et seq. – Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1); and
2. Fish and Game Code (FGC) section 1501.5(b) – The department [CDFW] may grant funds for fish and wildlife habitat preservation,

restoration, and enhancement to public agencies, Indian tribes, and nonprofit entities whenever the department [CDFW] finds that the grants will assist it in meeting its duty to preserve, protect, and restore fish and wildlife.

CDFW has considered the Human Right to Water (HRTW) legislation (CWC §106.3) and determined that HRTW does not apply to these funds for competitive grants for multi-benefit ecosystem and watershed protection and restoration projects in accordance with statewide priorities.

1.3 Funding

Funding for competitive grants will be contingent upon fund availability. Proposition 1, which was passed by California voters in November 2014, amended the CWC to add among other articles, sections 79737 and 79738, authorizing the Legislature to appropriate up to \$285,000,000 and \$87,500,000 to CDFW for watershed restoration projects statewide; and water quality, ecosystem restoration, and fish protection facilities that benefit the Delta; respectively.

1.4 Program Purposes

Proposition 1 provides funding to implement the three broad objectives of the California Water Action Plan: more reliable water supplies; the restoration of important species and habitat; and a more resilient, sustainably managed water resources system (water supply, water quality, flood protection, and environment) that can better withstand inevitable and unforeseen pressures in the coming decades. Funds granted by CDFW will primarily focus on addressing the objective of restoring important species and habitat; however, co-benefits of such actions may contribute towards attaining other California Water Action Plan objectives. It is the intent that these funds will be invested in projects that:

1. Provide public benefits, addressing critical statewide needs and priorities (CWC §79707[a]);
2. Advance the purposes articulated in CWC §79732;
3. Leverage private, federal, or local funding or produce the greatest public benefit (CWC §79707[b]);
4. Promote State planning priorities consistent with section 65041.1 of the Government Code and sustainable communities strategies consistent with the provisions of subparagraph (B) of paragraph (2) of subdivision

- (b) of section 65080 of the Government Code, to the extent feasible (CWC §79707[i]);
5. Use best available science to inform decisions regarding water resources (CWC §79707[d]);
 6. Employ new or innovative technology or practices including decision support tools that support integrated resource management (CWC §79707[e]); and
 7. Achieve working agricultural and forested landscape preservation wherever possible through use of conservation easements and voluntary landowner participation, including, but not limited to, the use of easements pursuant to Division 10.2 (commencing with section 10200) and Division 10.4 (commencing with section 10330) of the Public Resources Code and voluntary habitat credit exchange mechanisms, to the extent feasible (CWC §79707[j]).

2 ELIGIBILITY REQUIREMENTS

2.1 Eligible Entities

Eligible entities are limited to public agencies, 501(c)(3) nonprofit organizations registered in California, 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 (CWC §79712[a]). A public agency is defined as a state agency or department, special district, joint powers authority, city, county, city and county, or other political subdivision of the state (CWC §79702[s]). Additionally, to be eligible for funding:

1. 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 (CWC §79712[b][1]);
2. 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 of the CWC) (CWC §79712[b][2]);
3. 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 of the CWC) (CWC §79712[b][3]); and

4. In accordance with CWC section 10608.56, an agricultural water supplier or an urban water supplier is ineligible for funding unless it complies with the requirements of Part 2.55 (commencing with section 10608 of the CWC) of Division 6 of the CWC (CWC §79712[b][4]).

Proposals from private individuals, for-profit enterprises (except those that are eligible for Proposition 1 funding as a public utility), or out-of-state public entities (except those that are nonprofit organizations registered with the California Secretary of State) are ineligible for funding; however, these entities can work as subcontractors for an eligible applicant.

2.2 Funding Priorities

Watershed Restoration Grant Program

Proposition 1 funds multi-benefit projects, such as projects to restore and protect rivers and streams in support of fisheries and wildlife, including, but not limited to, reconnection of rivers with their floodplains, riparian and side-channel habitat restoration activities, and restoration and protection of upper watershed forests and meadow systems that are important for fish and wildlife resources.

Projects must be consistent with the purposes of Propositions 1 and contribute to implementation of the [California Water Action Plan](#). In addition, CDFW is seeking projects that contribute to implementation of [State Wildlife Action Plan](#), [Sacramento Valley Salmon Resiliency Strategy](#), [Safeguarding California Plan](#), [Central Valley Flood Protection Plan Conservation Strategy](#), [California Biodiversity Initiative](#), state and federal recovery plans, or other relevant state and federal plans. This program also focuses on projects that address impacts from recent wildfires throughout California.

Proposals must address at least one of the following priorities:

1. Large-Scale Wildfire Recovery Response and Prevention:

The objective of this priority in response to the increase in frequency and intensity of wildfires and the devastating effects on watersheds, is to fund Planning and Implementation projects in fire-damaged watersheds that will contribute to restoration and recovery of stream and riparian habitats, prevent erosion, protect and improve water quality, and prevent potential future negative ecosystem effects.

2. Manage Headwaters for Multiple Benefits:

Watersheds in the Cascades, Sierra Nevada and other forested areas of the state are places of origin for more than two-thirds of the state's developed water supply. Many of these crucial watersheds are in poor health. The objective of this priority is to fund projects that contribute to management and recovery of watershed ecosystem functions.

3. Protect and Restore Mountain Meadow Ecosystems:

The objective of this priority is to protect, restore, and enhance mountain meadow ecosystems in the Sierra Nevada and Cascade ranges.

Mountain meadows throughout California's high mountain ranges are in a state of degradation due to land management practices and other factors.

4. Protect and Restore Anadromous and Other Native Fish Habitat:

The objective of this priority is to protect, restore, or enhance anadromous and other native fish habitat in watersheds of California to aid in the recovery and conservation of these species.

5. Protect and Restore Coastal Wetland Ecosystems:

The objective of this priority is to implement multi-benefit projects designed to protect, restore, or enhance coastal wetland ecosystems. These projects will seek to protect and restore diversity, quality, and connectivity across the range of wetland types extending from subtidal areas to upland transition areas, including non-tidal wetlands. Restoring ecological condition and function within coastal wetlands will provide a variety of important benefits, such as improved habitat for fish and wildlife, enhanced flood protection, increased resiliency to sea-level rise and storm events, and improved water quality.

6. Protect and Restore Cross-Border Urban Creeks and Watersheds:

The ecological health of California-Mexico cross-border urban creeks and watersheds is threatened by urban and agricultural encroachment and pollution, sedimentation, trash, and other stressors. CDFW is seeking projects that address these threats. Projects under this priority should address the unique ecological, flood control, water quality, and hydrological conditions associated with urban creeks and watersheds on the California-Mexico border. Funding is only available to the parts of a project that are located within the State of California.

Delta Water Quality and Ecosystem Restoration Grant Program

The Delta Water Quality and Ecosystem Restoration Grant Program will fund projects that benefit the Delta. Projects must be consistent with the purposes of Proposition 1 and contribute to implementation of the [California Water Action Plan](#).

Applicants awarded grants for projects that are covered actions under the Delta Plan will be required to provide a written [certification of consistency](#) with the Delta Plan, which is predicated on preparation of an adequate adaptive management plan per Delta Plan General Policy 1. Obtaining a certificate of consistency includes consultation with the Delta Science Program's [Adaptive Management Liaison Team](#).

Proposals must address at least one of the following priorities:

1. Improve Water Quality:

The objective of this priority is to plan for and implement multi-benefit projects that contribute to the improvement of water quality in the Delta to improve ecosystem condition, functions, and resiliency, including projects in Delta counties that provide multiple public benefits and improve drinking and agricultural water quality or water supplies.

2. Improve Habitats in the Delta:

The objective of this priority is to plan for and implement projects that protect, restore, or enhance aquatic, terrestrial, and transitional habitats to improve the health and resiliency of native fish and wildlife species in the Delta. CDFW is seeking projects that are consistent with the Delta Plan including projects that contribute to the objectives of California EcoRestore but that will not be used to satisfy any regulatory compliance obligation. If a proposal includes actions that are geographically adjacent to, or integrated with projects used to satisfy compliance responsibility, the proposal must clearly demonstrate that the proposed activities go beyond the regulatory compliance requirements, and that the associated costs can be tracked separately.

3. Scientific Studies and Assessments that Support Restoration Projects or the Delta Science Program:

The objective of this priority is to fund scientific studies to inform water and natural resource policy and management decisions related to the Delta priorities stated above.

2.3 Project Categories

CDFW awards grants on a competitive basis in different project categories that include planning, implementation, acquisition, and scientific studies to achieve the grant program purposes. CDFW may also award Contingency Funding to previously awarded projects, through a separate process, to support unanticipated costs and adaptive approaches.

2.3.1 Planning

Planning grants provide funding for activities that lead to specific on-the-ground implementation projects. Eligible activities for planning projects include, but are not limited to:

1. Preparing plans or supplementing existing plans (e.g., watershed and habitat assessments) that will result in a specific project or set of projects;
2. Developing monitoring, adaptive management, climate change adaptation, and long-term management plans for a specific project;
3. Coordination with partners to develop large-scale restoration or enhancement projects;
4. Coordination with partners to develop standardized monitoring procedures;
5. Performing necessary studies and assessments, collecting baseline data, and developing project designs related to a specific site or physical project;
6. Obtaining the services of licensed professional (refer to Section 3.4 for guidance on when licensed professionals are required);
7. Acquiring permits;
8. Preparing California Environmental Quality Act (CEQA) and National Environmental Protection Act (NEPA) documents; and
9. Conducting stakeholder and public meetings.

2.3.2 Implementation

Implementation grants are the primary focus of the Proposition 1 Restoration Grant Programs. These grants fund construction and monitoring of shovel-ready restoration and enhancement projects and new or enhanced facilities. Applicants must demonstrate land tenure, CEQA compliance, and submit 65% or higher design plans, a Basis of Design Report, and technical studies.

Eligible activities for implementation projects include, but are not limited to:

1. Preparation of bid packages and subcontractor documents;
2. Development of final engineering design;
3. Acquiring permits;
4. Construction;
5. Cultural resource surveys and tribal monitors, as recommended during tribal consultations (see Section 5.2)
6. Habitat restoration and enhancement;
7. Pre- and post-project monitoring and adaptive management;
8. Finalization and initial execution of a long-term management plan; and
9. Communicating project results to stakeholders and the public.

2.3.3 Acquisition

Acquisition grants fund purchases of land and interests in land or water to support the California Water Action Plan and the [Delta Plan](#) goals. Acquisitions must be from willing sellers and at fair market value, as confirmed by an appraisal approved by the Department of General Services (DGS) Real Property Services Section. A completed appraisal, approved by DGS, is not required at the time of proposal submission; however, if awarded, the appraisal must be submitted and approved by DGS prior to the request for distribution of acquisition funds. Costs associated with preparation of the appraisal are ineligible for reimbursement through an awarded grant. Appraisal review by DGS can take up to 4-8 weeks and can cost up to \$10,000; applicants should consider including this cost as a line item within their proposed budgets.

If a signed purchase option agreement is unavailable to be submitted with the application, a Willing Seller Letter is required from each landowner (see Section 3.6). Once CDFW awards funds and signs an agreement with the grantee, another property cannot be substituted for the property specified in the application. Therefore, it is imperative the applicant demonstrate the seller is negotiating in good faith, and that discussions have proceeded to a point of confidence.

CDFW is interested in funding acquisitions that protect fish and wildlife habitat as a primary objective. Applicants should describe the species and habitats that would benefit from the acquisition. Applicants should also describe performance measures, management strategies, and proposed conservation

easement terms (if relevant) that demonstrate a clear nexus to the needs of target species. In particular, the proposal should demonstrate how the acquisition will protect fish and wildlife habitat beyond merely restricting the fee owner's right to subdivide parcels that make up the property. For example, a proposal to acquire and manage a forested property should describe how the proposed conservation easement terms will provide greater fish and wildlife habitat protection than the minimum standards of the California Forest Practices Rules.

For each proposed acquisition property, applicants should include information on existing land uses and development and land uses and development that would be allowed onsite, including the location and a general description of such land uses and development. CDFW may rescind an award if the acquisition will not protect fish and wildlife habitat at a level consistent with what the applicant represented in its proposal.

Subject to CDFW's discretion and prior approval, interests in water or real property acquired may be transferred to another entity that would be an eligible grantee under the Solicitation for that transferee to own, manage, and steward consistent with the purpose of the grant. CDFW will not hold title to interests in land or water, nor will CDFW enter into forbearance agreements with applicants or other entities. The grantee must identify a separate entity to hold the title at the time of proposal submission.

Eligible activities and expenses for acquisition projects include, but are not limited to:

1. Acquisition of fee title or perpetual conservation easements;
2. Water acquisitions that include permanent, long-term, or short-term water transfers, leases, or dedications; and
3. Project-related administrative costs, including DGS appraisal review, monitoring plan and/or long-term management plan.

Ineligible costs include:

1. Appraisal preparation;
2. Environmental Site Assessment;
3. Mineral Rights Assessment;
4. Other fees and costs to accomplish the transaction and the conveyance and acquisition of the property; and
5. Title escrow and closing costs.

Applicants must disclose any known or suspected hazardous material release, threatened release or other environmental condition associated with the property. Prior to execution of a grant agreement for acquisition of an interest in real property, CDFW will assess the risk posed to the intended conservation purposes by the environmental conditions of the property, including any recognized environmental conditions that could occur on the property. As part of that risk assessment, CDFW may require the surface estate landowner or project proponent to provide CDFW and any third parties with a Phase 1 Environmental Site Assessment. Costs associated with preparation of the Environmental Site Assessment and related activities are not eligible for reimbursement. Successful applicants should consult with CDFW for specific requirements prior to initiating work on an Environmental Site Assessment. If CDFW determines that the risk is not acceptable, and the grantee cannot reduce the risk to an acceptable level within a reasonable amount of time, then CDFW will rescind the grant award.

All grant awards for acquisition of an interest in real property are contingent upon a CDFW determination that the risk posed to the conservation values of that property by mineral exploration, development, and related consequences is acceptable. Prior to execution of a grant agreement, CDFW will assess the risk that future mining activities could occur on the property. As part of the risk assessment, CDFW may require the surface estate landowner or project proponent to provide CDFW and any third parties with an interest in the minerals with a mineral assessment report. Costs associated with preparation of the mineral assessment report and related activities are not eligible for reimbursement.

Successful applicants should consult with CDFW for specific requirements prior to initiating work on a mineral assessment report. Based on its risk assessment, CDFW will determine whether the risk of mining and the related consequences for intended conservation purposes is acceptable. If CDFW determines that the risk is not acceptable, and the grantee cannot reduce the risk to an acceptable level within a reasonable amount of time, then CDFW will rescind the grant award.

CDFW may restrict grantees' authority to conduct or allow commercial activity on real property purchased in fee simple through these grant programs. CDFW may require that the grantee only use income generated from the property (Project Income) to offset the costs of owning, managing, or restoring the real property purchased with CDFW grant funds. CDFW may also require that so long

as the grantee is receiving Project Income or Project Income remains unspent, the grantee must provide CDFW with a basic annual accounting of Project Income. Finally, CDFW may impose restrictions on the use of water rights associated with fee simple property interests acquired with CDFW grant funds.

As per Public Resources Code 4751, for any conservation easement purchased with state funds on or after January 1, 2023, wherein land subject to the easement includes some forest lands, or consists completely of forest lands, to the extent not in conflict with federal law, the terms of any applicable bond, or the requirements of any other funding source, the landowner shall agree, as part of the easement management plan, to maintain and improve forest health through promotion of a more natural tree density, species composition, structure, and habitat function, to make improvements that increase the land's ability to provide resilient, long-term carbon sequestration and net carbon stores as well as watershed functions, to provide for the retention of larger trees and a natural range of age classes, and to ensure the growth and retention of these larger trees over time. In addition to satisfying the requirements of Public Resources Code 4751, proposals submitted to CDFW for improvement of forest health should include detailed management objectives for special-status fish, plants and wildlife species that may be present on the property.

Funded grants that address stream flows and water use shall comply with the California Water Code (CWC), as well as any applicable State or federal laws or regulations. Refer to Section 2.5 (Specific Funding Requirements) of this document for specific requirements stipulated in Proposition 1 (CWC §79709).

2.3.4 Scientific Studies (Delta Proposals Only)

Scientific Studies grants fund projects to assess the condition of natural resources, inform policy and management decisions, or assess the effectiveness of grant projects and programs. Funding for this category is available only through the Delta Water Quality and Ecosystem Restoration Grant Program.

2.3.5 Contingency Funding (Previous CDFW Awards Only)

CDFW may solicit applications from previously awarded CDFW Proposition 1 projects for contingency funding to support unanticipated costs. Applicants interested in Proposition 1 Contingency Funding grants may apply through a separate solicitation process, on an ongoing basis, pending availability of contingency funds and the nature of the funding request. Contingency Funding requests must fit within the parameters of the current CDFW funded project and

must be submitted with at least six months left in the current agreement term.

2.4 Eligible Project Types

Funds will be allocated to projects within the Watershed Restoration Grant Program and Delta Water Quality and Ecosystem Restoration Grant Program. Projects funded under these grant programs must implement objectives outlined in the California Water Action Plan, with emphasis on ecosystem restoration. CDFW will document, in each solicitation, the specifics concerning eligible project types. Project types that may be eligible in the solicitations include, but are not limited to, the following:

Watershed Restoration Grant Program

1. Restoring, protecting or enhancing habitat;
2. Improving forest health;
3. Modernizing stream crossings, culverts, and bridges;
4. Reconnecting historical flood plains;
5. Installing or improving fish screens;
6. Providing fish passage;
7. Improving ecological functions;
8. Acquisitions¹ from willing sellers;
9. Restoring cross-border creeks and watersheds
10. Improving local watershed management; and
11. Removing sediment or trash.

Delta Water Quality and Ecosystem Restoration Grant Program

1. Projects to improve water quality or that contribute to the improvement of water quality;
2. Habitat restoration, conservation, and enhancement projects to improve condition of special-status, at risk, endangered, or threatened species; and
3. Scientific studies and assessments that support the Delta Science Program or projects eligible for funding through this grant program.

¹ "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 flow and development rights (CWC §79702[a]).

Small-Scale Projects

Applicants for funding of small-scale projects may submit proposals individually or work together and submit a single application for a combined project. A single eligible entity must submit the proposal and manage the project. During the proposal review and selection process, the evaluation will be based on the merits of the entire proposal versus the merits of an individual component. Each solicitation may include specific requirements specified by CDFW.

2.5 Specific Funding Requirements

Watershed Restoration Grant Program

1. These funds are available for water quality, river, and watershed protection and restoration projects of statewide importance outside of the Delta (CWC §79737[d]);
2. Funds shall not be expended to pay the costs of the design, construction, operation, mitigation, or maintenance of Delta conveyance facilities (CWC §79737[e]);
3. Funding 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) (CWC §79737[f]);
4. Funds expended for the acquisition of a permanent dedication of water shall be in accordance with section 1707 of the Water Code, where the State Water Resources Control Board (SWRCB) specifies that the water is in addition to water that is required for regulatory requirements as provided in subdivision (c) of section 1707 (CWC §79709[a]). The acquisition of long-term transfers of water shall be completed in accordance with Water Code sections 1735, 1736 and 1737 (CWC §79709[b]); and
5. Funds shall not be used to acquire land via eminent domain (CWC §79711[g]).

Delta Water Quality and Ecosystem Restoration Grant Program

1. Funding will be available for projects that will provide fisheries or ecosystem benefits or improvements that are greater than required

- applicable environmental mitigation measures or compliance obligations (CWC §79732[b]);
2. Funds shall not be used to acquire land via eminent domain (CWC §79738[e]);
 3. Funds shall not be expended to pay the costs of the design, construction, operation, mitigation, or maintenance of Delta conveyance facilities (CWC §79738[f]); and
 4. Funds expended for the acquisition of a permanent dedication of water shall be in accordance with section 1707 of the Water Code, where the SWRCB specifies that the water is in addition to water that is required for regulatory requirements as provided in subdivision (c) of section 1707 (CWC §79709[a]). The acquisition of long-term transfers of water shall be completed in accordance with Water Code sections 1735, 1736 and 1737 (CWC §79709[b]).

3 GENERAL PROGRAM REQUIREMENTS

Proposals submitted must be in full compliance with all stated requirements outlined in these Guidelines. Any changes to the proposal application submission process will be posted in a timely manner on CDFW's Restoration Grant Programs [website](#).

3.1 Budget

Applicants shall budget for all costs associated with project delivery, for example: presentations to CDFW, including travel, long term management plan development, monitoring plan development (if not included in proposal), project signage, publication fees, permit fees, subcontractor costs etc. Applicants must demonstrate reasonableness of costs under the circumstances of the proposal, including subcontractor costs, materials, and equipment.

3.1.1 Cost Share

Cost share is the portion of the project cost not funded by the awarding agency (CDFW) and is provided by the applicant and/or other sources (e.g., private companies, nonprofit organizations, public agencies, and/or other entities). Cost share must support the proposed project and grantee must spend its cost share during the term of the awarded grant. Cost share is not required; however, secured cost share is viewed as an indication of partnership and community support during the evaluation process and may increase the likelihood of

funding.

Applicants must indicate if any of the cost share is being used as match for another grant or entity and whether they intend to leverage CDFW Proposition 1 as match, if awarded. Where applicable, applicants must submit cost share agreements or funding assurances prior to grant execution.

3.1.2 Indirect Costs

The applicant's indirect cost (administrative overhead) calculations are limited to actual costs and cannot exceed 20 percent of the direct costs. Direct costs may include up to \$25,000 of each subcontract, but shall not include equipment costs as defined in CDFW [General Grant Provisions](#). CDFW will not fund any amount over 20 percent.

Indirect costs include, but are not limited to, utilities, office space rental, phone, use of computers and office equipment, postage, and copying directly related to completion of the proposed project. Applicant must itemize indirect costs and may not roll up the indirect costs into direct costs.

3.1.3 Ineligible Costs

Following are ineligible costs for reimbursement:

1. Costs incurred outside of the grant agreement term;
2. Costs related to the preparation of the grant proposal;
3. Indirect costs greater than 20% of the direct costs or indirect costs calculated using more than the first \$25,000 of each subcontractor or any equipment costs;
4. Student tuition and fees;
5. Intern stipends (an hourly wage billed for project activities is acceptable);
6. Travel, equipment, and other property costs not specifically identified in the grant budget;
7. Out of state travel without prior written authorization from CDFW;
8. Appraisal, title, or escrow costs;
9. Costs for CEQA or NEPA completion within implementation projects; and
10. Insurance, including liability insurance.

3.2 Conflict of Interest

All applicants and individuals who participate in the review of submitted proposals 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 be aware that certain State agencies may submit proposals that will compete for funding. Employees of State and federal agencies may participate in the review process as scientific and technical reviewers but are subject to the same State and federal conflict of interest laws.

Failure to comply with the conflict of interest laws, including business and financial disclosure provisions, will result in CDFW rejecting the proposal and any subsequent grant agreement being declared void. CDFW may also take other legal actions under applicable statutes, which include, but are not limited to, California Government Code section 1090 and Public Contract Code sections 10365.5, 10410, and 10411.

3.3 Confidentiality

Once the applicant has submitted a proposal to CDFW, any privacy rights, as well as other confidentiality protections afforded by law with respect to the application package will be waived. Unsealed proposals are public records under the California Government Code sections 6250-6276.48.

3.4 California Conservation Corps and Certified Community Conservation Corps Consultation

All applicants for implementation projects and for projects that include field work shall consult with the California Conservation Corps (CCC) or a certified local conservation corps as to the feasibility of using their services as defined in section 14507.5 of the Public Resources Code to implement projects (CWC §79734). If Corps services are available, applicants must identify the appropriate Corps and the components of the project where work will be completed in the Project Narrative and include estimated costs in the Budget. Applicants awarded funding must thereafter work with either the CCC or California Association of Local Conservation Corps (CALCC) to develop a statement of work and enter into a contract with the appropriate Corps. Applicants that fail

to engage in consultation with the CCC or a certified local conservation corps will not be eligible to receive CDFW Proposition 1 funding.

3.5 Disadvantaged Communities

Applicants are required to evaluate whether the project will benefit a disadvantaged community. A disadvantaged community is defined as “a community with an annual median household income that is less than 80 percent of the statewide annual median household income” (CWC §79505.5). Proposition 1 does not require that CDFW direct a specific portion of funding to projects that benefit disadvantaged communities. However, CDFW strives to ensure that a portion of its Proposition 1 funding benefits these communities. The [Disadvantaged Communities Mapping Tool](#) shows the location of disadvantaged communities in the state, based on the *US Census American Community Survey 5-Year Data: 2009-2013*.

3.6 Land Tenure/Site Control

Applicants for projects that involve access to private property must demonstrate landowner permission to access the site for the term of the agreement.

Implementation Projects

Implementation projects conducting on-the-ground work must submit documentation showing that they have adequate land tenure to, and site control of, the properties to be improved or restored for at least 25 years or a term negotiated with CDFW and the Grantee.

Acquisition Projects

Acquisition proposals must include a signed purchase option agreement, or willing seller letter(s) from each landowner indicating that they are a willing participant in the proposed real estate transaction. The letter should clearly identify the parcels to be purchased and state that, “if grant funds are awarded, the seller is willing to enter into negotiations for sale of the property at a purchase price not to exceed fair market value.”

Implementation and Acquisition Projects

When an applicant does not have land tenure at the time of proposal submission, the applicant must submit a proposed agreement template, memorandum of understanding, or landowner permission form with the

proposal application. If awarded, the grantee must provide an executed site access agreement prior to execution of the grant agreement.

Land tenure agreements must provide CDFW access to the project site at least once every 12 months for 25 years or a term negotiated with CDFW and the Grantee. Proof of adequate land tenure includes:

1. Fee title ownership;
2. An easement or license agreement;
3. Other 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 the project and long-term management; and
4. For projects involving multiple landowners, all landowners or an appointed designee must provide written permission to complete the project.

3.7 Design Plans/Engineering

For projects that involve design phases, a Basis of Design Report and supporting technical studies must accompany all design plans. The Basis of Design report should include sufficient detail to understand the site-specific conditions, technical adequacy of the proposed design, relevant assessments (completed or proposed), data gaps, and how the proposed design will deliver the benefits claimed. Components of the accompanying design plans are as follows:

1. Conceptual Plans must include:
 - a. A general location and site map indicating the general location of proposed activities and project elements on a single figure;
 - b. The layout of the project with all constraints identified;
 - c. A demonstration that the project is feasible and is a preferred alternative; and
 - d. An alternatives analysis that compares several conceptual level plans.
2. Intermediate Plans (65% plans) must include:
 - a. Detailed plan views and profiles of any improvements and standard details;
 - b. Detailed location and site maps indicating exactly where the project will be built and where project impacts will occur; and
 - c. Where relevant: Cross-sections, longitudinal profiles, model results,

diagrams of best management practices, velocity maps, water depths, etc.

3. Draft Plans (90% plans) must include:
 - a. Revisions incorporated to Intermediate Plans and details for construction, instructions for erosion and sediment control, staging areas, access, etc.
4. Final Plans (100% plans) must include:
 - a. These plans incorporate any revisions to Draft Plans and represent the final set of design documents. These are the plans used for construction bids.

Where relevant, the applicant should submit signed stamped plans and basis of design reports with the proposal. Where appropriate, CDFW Engineering staff will review design/plans. Review of engineering design plans by CDFW engineering staff does not imply CDFW responsibility or liability for the performance of this aspect or any other aspect of the project. Such liabilities and assurances of performance are the responsibility of the applicant and/or their engineering contractor.

3.8 Licensed Professionals

Some projects require a California licensed professional engineer or California licensed professional geologist to comply with applicable requirements of the Business and Professions Code including, but not limited to, [Section 6700 et seq. \(Professional Engineers Act\)](#) and/or [Section 7800 et seq., \(Geologists and Geophysicists Act\)](#). The following project types require design/plans developed by a registered professional:

1. Stream Crossings for fish passage, bridges, bottomless culverts, etc.;
2. Fish Screening;
3. Instream Bank Stabilization, slope stabilization, or grading;
4. Upslope – roads remediation or decommission;
5. Groundwater Infiltration, storage, or surface/groundwater interaction;
6. Monitoring Well Installation (if samples logged);
7. Tide gates;
8. Levee breaches;
9. Geophysical, Geotechnical, or Structural Analysis;
10. Land surveying; and
11. Grade Control Structures.

Registered professionals may be required to design/plan the project activities below. Applications for these project types that do not include a licensed professional in the project team must provide justification for why the services of such a licensed professional are not necessary:

1. Sediment Basins;
2. Instream Barrier Modifications;
3. Instream or Riparian Habitat Restoration (non-fixed structures);
4. Watershed Evaluation, Assessment, and Planning;
5. Water Conservation Techniques; and
6. Water Measuring Devices.

3.9 Labor Code Requirements: Prevailing Wage

The grant terms and conditions for projects that are selected for funding will require that grantees comply with the California Labor Code for their projects. Projects funded in whole or in part with CDFW grant funds may be public works projects under the Labor Code (see section 1720 et seq.). Fish and Game Code section 1501.5 excludes some CDFW-funded projects from being public works projects under the Labor Code. Labor Code compliance may require the payment of prevailing wage. Grantees are responsible for Labor Code compliance, and CDFW cannot provide advice about Labor Code compliance. Before submitting applications, applicants should seek legal counsel regarding Labor Code compliance for their projects and budget accordingly. More information is available at the [Department of Industrial Relations](#).

3.10 Long-term Management and Maintenance

Implementation and Acquisition projects shall summarize long-term management and maintenance planning for the life of the project (25-year minimum). If a detailed Long-Term Management Plan has not been prepared, one must be included as a deliverable. Proposed restoration in the Delta or Suisun Marsh must ensure consistency with Delta Plan [Adaptive Management Requirements](#).

3.11 Environmental Compliance and Permitting

Projects must comply with all applicable state, tribal, and federal environmental laws, and regulations, including the Delta Reform Act. Applicants are responsible for obtaining all permits necessary to complete project work.

Projects that involve the collection of fish, wildlife, or endangered or rare plants must have a valid collection permit. Applicants awarded grants for projects that are covered actions under the Delta Plan (see CWC section 85057.5) will be required to ensure that an adequate written [certification of consistency](#) with the Delta Plan is prepared as part the pre-implementation project permitting requirements, including an adequate [adaptive management plan](#).

Cutting Green Tape Tools

Projects may be eligible for [Cutting Green Tape](#) environmental review and permitting tools including the [Statutory Exemption for Restoration Projects \(SERP\)](#), [Restoration Management Permits \(RMP\)](#), and [Restoration Consistency Determinations \(CD\)](#). Please contact CDFW staff regarding eligibility for projects.

Planning

Planning projects that include preparation of CEQA and NEPA must identify the anticipated state and federal lead agencies and document whether those agencies have accepted the role.

Implementation and Acquisition

Proposals should demonstrate that CEQA will be complete prior to the final funding approval. CDFW will consider CEQA complete when the lead agency has filed a Notice of Determination with the Office of Planning and Research for that lead agency's approval of the project, or upon adequate documentation that the project qualifies for an exemption. CDFW will exercise its independent judgment about whether a project qualifies for a statutory or categorical CEQA exemption. Implementation project proposals should include documentation of compliance with these requirements to the extent it is available at the time of proposal submission.

3.12 Water Law

Funded grants that address stream flows and water use shall comply with the CWC, as well as any applicable State or federal laws or regulations. Any proposal that would require a change to water rights, including, but not limited to, bypass flows, point of diversion, location of use, purpose of use, or off-stream storage shall demonstrate an understanding of the SWRCB processes, timelines, and costs necessary for project approvals by SWRCB and the ability to meet

those timelines within the term of a grant. In addition, any proposal that involves modification of water rights for an adjudicated stream shall identify the required legal process for the change as well as associated legal costs. Prior to its completion, any water right acquisition must be supported by a water rights appraisal approved by the Department of General Services Real Property Services Section.

All applicants must demonstrate to CDFW that they have a legal right to divert water and sufficient documentation regarding actual water availability and use. For post-1914 water rights, the applicant must submit a copy of a water right permit or license on file with the SWRCB. Applicants who divert water based on a riparian or pre-1914 water right must submit written evidence of the right to divert water and the priority in the watershed of that diversion right with their proposal. All applicants must include past water diversion and use information reported to the SWRCB, required by CWC section 5101. Such reports include Progress Reports of Permittee and Reports of Licensee for post-1914 rights, and Supplemental Statements of Water Diversion and Use for riparian and pre-1914 water rights. Applicants must provide any operational conditions, agreements or court orders associated with the right, as well as any SWRCB orders affecting the water right.

3.13 Recognition of Funding Source

The grantee must include signage, to the extent practicable, informing the public that the project received funds through CDFW from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (CWC §79707[g]). Recognition of funding under this program extends to publications, websites, and other media-related and public-outreach products.

3.14 Project Performance and Monitoring

Applications for all projects should describe any proposed baseline monitoring, including performance measures. Project-specific performance measures should include:

1. A clear nexus to project objectives and, to the extent feasible, quantitative targets. Performance measure categories include:
 - a. Output performance measures: tracking the on-the-ground activities associated with the project (e.g., acres of habitat restored or preserved, number of trees planted, and number of

- barriers to fish migration removed); and
 - b. Ecological outcome performance measures: evaluating ecosystem responses to on-the-ground activities (e.g., responses by target wildlife populations and responses in ecosystem function).
2. Delta projects should include performance measures compatible with Delta Plan performance measures.

In addition, Implementation and Acquisition projects should include a summary of monitoring metrics to evaluate the project. Monitoring metrics should include:

1. A description of how the project will document project effectiveness/performance, consistent with project performance measures, including baseline monitoring.
2. Standardized approaches and coordination with existing monitoring efforts wherever possible.
3. Identification of opportunities to extend the monitoring activities (e.g., by using standardized monitoring methods; leveraging on-going monitoring programs; and building partnerships capable of attracting funding).
4. Wetland and riparian projects should be consistent with the [Wetland and Riparian Area Monitoring Plan \(WRAMP\)](#) framework.
5. Delta projects should include an [Adaptive Management Plan](#), consistent with the Delta Plan, or the applicant must explain when it will be prepared.

The project scope should include preparation of a final Monitoring and Long-term Management Plan. The grantee should submit this plan for CDFW review prior to commencement of restoration activities. The applicant may, but is not required to, include a draft Monitoring and Long-term Management Plan in the Application. A template for this plan is available on [CDFW's website](#).

3.15 Data Management

Data management should be complementary to the Open and Transparent Water Data Act ([AB1755](#)) and CDFW's [Minimum Data Standards](#), and should comply with the following principles:

1. Data shall be made accessible, discoverable, and usable by the

- public within a reasonable time;
- 2. Standard data formats, with transparent metadata, shall be used across similar data types;
- 3. Data shall be collected using peer-approved methods;
- 4. Quality assurance and quality control procedures shall be documented and followed; and
- 5. Data shall be properly stored and protected until the project has been completed and data have been delivered.

Except where limited by law, regulation, and policy or security requirements, data are required deliverables and will be a condition of final payment.

Data delivery can include uploading data to relevant open data portals:

- 1. Surface water data reported to California Environmental Data Exchange Network ([CEDEN](#));
- 2. Groundwater data reported to [GeoTracker GAMA \(Groundwater Ambient Monitoring and Assessment Program\)](#);
- 3. Species observation data of [tracked species](#) reported to the [California Natural Diversity Database](#) using the online field [survey form](#) or other digital method; and
- 4. Fish passage assessment data reported to the [California Fish Passage Assessment Database](#).

Projects that include data collection should prepare a Data Management Plan (DMP). DMPs are short (2-3 page) documents that capture essential information from researchers about their datasets. A template for this plan is available on [CDFW's website](#).

3.16 Community Engagement, Capacity Building, and Equity

As the State of California works towards ensuring equitable outcomes for all Californians, CDFW is seeking projects that promote the following objectives:

- 1. The project includes meaningful and timely collaboration with communities potentially affected by the project outcomes, especially communities that have been historically underrepresented and/or have a cultural interest in the project site (e.g., tribal ancestral lands).
- 2. The project would benefit disadvantaged and severely disadvantaged communities (see Section 3.5), and would further environmental justice, particularly for communities that

- disproportionally experience climate change-related consequences.
3. The project would expand the capacity of the restoration community by building project teams that include individuals and organizations from disadvantaged, under-resourced, and historically underrepresented groups, and/or by providing opportunities for workforce and organizational development.
 4. The applicant organization demonstrates an internal commitment to inclusivity and diversity in its hiring, training, and planning practices.

4 PROPOSAL SELECTION

4.1 Proposal Submittal Process

The application process will be conducted through [CDFW's WebGrants](#) portal. CDFW will provide application forms and instructions on CDFW's [Proposition 1 Webpage](#). Applicants must provide all information requested in the required formats.

Applicants will first submit a concept proposal. CDFW staff review concept proposals for consistency with CDFW mission, any specific program priorities, and the strength of the proposed project. In addition, CDFW staff will look at all concept proposals for geographic location, regional need, project type, readiness, threats, cost, and cost share. CDFW staff will offer applicants feedback regarding alignment with priorities, overall merit, and any ineligible costs.

CDFW will invite selected applicants to submit a supplemental application for further consideration for Proposition 1 Grant Funds. CDFW will provide access to the supplemental application by email invitation.

4.2 Proposal Review and Selection Process

CDFW will evaluate proposals using a multi-step process, described below.

4.2.1 Administrative Review

Each proposal will receive an administrative review, which will evaluate the eligibility and completeness of the application. First, CDFW evaluates each application for compliance with the eligibility criteria in Sections 2.1 to 2.5. Applications deemed eligible will then be evaluated for completeness. All information requested must be provided and in the required formats. Applications that are determined to be ineligible will not be considered for

funding. Incomplete applications may be returned to the applicant for correction.

Table 1: Overview of Administrative Review Criteria

Criteria	Determination
Applicant is an Eligible Entity (Section 2.1)	Yes/No
Project fits the Funding Priorities (Section 2.2)	Yes/No
Project fits the Project Categories (Section 2.3)	Yes/No
Project fits the Eligible Project Types (Section 2.4)	Yes/No
Project fits the Specific Funding Requirements (Section 2.5)	Yes/No
Application is complete	Yes/No

4.2.2 Technical Review

CDFW technical reviewers will evaluate all eligible and complete proposals. Technical reviewers will consider criteria including overall approach and expected outcomes, readiness (including schedule and environmental compliance/permitting), budget, and contribution to/consistency with regional and statewide environmental and equity goals.

Table 2. Overview of Technical Review Criteria

<p>1. Project Approach and Outcomes</p> <p>Extent to which the proposal provides sufficient analysis and documentation to demonstrate the significance of the expected project outcomes. Extent to which those outcomes will be sustainable over the long-term.</p>
<p>2. Schedule and Deliverables</p> <p>Extent to which the schedule demonstrates reasonable sequence and timing of project tasks, milestones, and deliverables. Anticipated duration of the project and alignment with the funding term.</p>
<p>3. Budget</p> <p>Extent to which the proposed budget is appropriate for the work proposed and sufficiently detailed to describe project costs.</p>

4. Environmental Compliance

Whether all applicable environmental review and permitting requirements have been appropriately identified and accounted for in the budget and project schedule, allowing adequate funding and time to complete the project tasks.

5. Community Engagement, Capacity Building, and Equity

Extent to which the proposed project incorporates meaningful and timely engagement with communities potentially affected by the project outcomes. Extent to which the project helps to build the capacity of the restoration community through inclusion of disadvantaged, under-resourced, and historically underrepresented groups, and/or new organizations in the project team. Extent to which grant funds would benefit disadvantaged and severely disadvantaged communities and further environmental justice.

6. Consistency with California Water Action Plan and Other Plans

Extent to which the proposed project is consistent with and implements one or more actions within existing conservation, restoration, or recovery plans, or other relevant local, State, or federal plans or policies.

7. Climate Change Considerations

Extent to which climate change considerations were considered in the proposal (i.e., applicant has considered how future climate conditions might affect the project's long-term impacts or benefits).

8. Monitoring and Assessment

Extent to which the proposal demonstrates a clear and reasonable approach for monitoring, assessing, and reporting the effectiveness of the project.

9. Scientific Merit (Scientific Studies)

Extent to which the scientific basis of the proposed project is clearly described and based on best available science². Extent to which the proposed project will address key scientific uncertainties and fill important information gaps.

² Refer to Appendix C of the Delta Plan (Delta Stewardship Council 2013) for guidelines and criteria for defining and assessing best available science. Available at <https://deltacouncil.ca.gov/delta-plan/>

4.2.3 Engineering-Geological Review

CDFW engineering staff will conduct Engineering-Geological review of planning and implementation projects as appropriate. CDFW engineering staff will review Conceptual to 30% Design Plans, Intermediate (65%) Design Plans, and/or Final (90%) Design Plans, as well as the Basis of Design Report. Engineering staff may evaluate project feasibility, budget, schedule, and overall project implementation strategies.

4.2.4 Independent Scientific Review

CDFW may expand the review process to encompass independent scientific review. CDFW will select independent scientific experts to review proposals based on expertise in the subject areas of the proposal, consistent with CWC section 79707(f). CDFW will document the approach and criteria upon which the independent scientific reviewers will evaluate the proposals in the solicitation. CDFW may establish subcommittees, organized around funding priorities, to provide input for Selection Panel deliberations (see below). Representatives from other agencies and organizations may be invited to participate on these subcommittees.

4.2.5 Selection Panel

CDFW may convene a Selection Panel to review the evaluations from the Engineering-Geological Review, Technical Review and Independent Scientific Review processes. The Selection Panel may review and finalize the funding recommendations for CDFW Director approval. When developing the funding recommendation, the Selection Panel may consider criteria such as:

1. Technical Review evaluations;
2. Engineering-Geological Review, as applicable;
3. Regional priority input from CDFW Regions;
4. Balance/distribution of funds: a) by and within priorities, b) by project types, c) by geographic area,
5. Program purposes (refer to Section 1.4);
6. Results of coordination with partner agencies implementing other relevant granting programs; and
7. Results of coordination and consultation 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 (CWC §79738[b]).

The Selection Panel may recommend modifications to project proposals, including reducing requested grant amounts to meet current and any potential future program priorities, funding targets and available funding limitations.

4.2.6 Director Review and Action

The Selection Panel's final recommendations will be presented to the Director of CDFW. The Director will consider the comments and recommendations from all levels of the review process and make the final funding decision. Following approval by the Director, the selected grant recipients will receive a commitment letter officially notifying them of their selection and grant amount.

4.3 Contingency Funding Review Process

CDFW will evaluate contingency funding proposals according to the criteria outlined in Table 3.

Table 3: Contingency Funding Review Criteria

<p>1. Administrative Review</p> <ul style="list-style-type: none"> • Is the project a currently CDFW Proposition 1 funded project? • Are there at least six months left in the grant term?
<p>2. Consistency with Existing Project</p> <p>Extent to which the proposal demonstrates the additional funding request fits within the intent and scope of the existing project as originally awarded.</p>
<p>3. Justification</p> <p>Extent to which the proposal adequately describes and provides sufficient rationale to justify the need for additional funds.</p>

CDFW may recommend modifications, including reducing requested grant amounts to meet current and any potential future program priorities, funding targets and available funding limitations.

CDFW will review and finalize contingency funding recommendations for final approval. Upon approval, the selected grant recipients will receive a commitment letter officially notifying them of their award and grant amount, followed by development of grant amendments.

5 GRANT ADMINISTRATION

5.1 Grant Agreements

Development of grant agreements will begin following announcement of awards. Successful applicants will work with an assigned CDFW Grant Manager to develop the grant agreement. The applicant must agree to the *General Grant Provisions* which will be provided at the time of the solicitation. Awarded applicants must complete, sign, and return these additional forms:

1. Payee Data Record form (STD. 204);
2. Federal Taxpayer ID Number (for non-profit organizations);
3. Drug-Free Workplace Certification (STD. 21); and
4. Authorizing Resolution (if applicable).

For a grant to be executed it must be signed by an authorized representative of the grant recipient and CDFW. Work performed prior to an executed agreement will not be reimbursed.

Responsibility of the Grantee

The grantee must be responsive during grant agreement development and will be responsible for carrying out the work agreed to and for managing finances, including but not limited to, invoicing, payments to subcontractors, accounting and financial auditing, and other project management duties including reporting requirements. Grantee must support all eligible costs with appropriate documentation. See Appendix C for additional state auditing requirements (refer to CWC §79708[b-c]).

Grantees shall comply with all applicable federal, state, and local laws, rules, regulations, and/or ordinances. As may be necessary, the grantee shall be responsible for obtaining the services of appropriately licensed professionals to complete project design plans (See Section 3.8).

5.2 Invoicing and Payments

CDFW will structure all grant agreements, except for acquisition grants, to provide for payment in arrears of work being performed. CDFW will not disburse funds until there is an executed grant agreement between CDFW and the grantee. Payments will be made on a reimbursement basis (i.e., the grantee pays for services, products or supplies, submits an invoice that must be

approved by the CDFW Grant Manager, and is then reimbursed by CDFW). Funds for construction will not be disbursed until all the required environmental compliance, permitting, and design documents have been received and accepted by CDFW. Grantee must support all expense claims for reimbursement with appropriate documentation including indirect costs. State auditing requirements are described in Appendix C.

5.3 Reporting

Grantees shall submit progress reports as outlined in the executed grant agreement to the CDFW grant manager for the duration of the grant. CDFW may also require annual reports and task-specific reports (e.g., monitoring reports) as project deliverables.

5.4 Advanced Payment

Assembly Bill 590 authorizes CDFW to allow advanced payments to qualified nonprofit grantees, not to exceed 25 percent of the total award, upon determination that an advanced payment is essential for the effective implementation of a grant funded project. To be considered for an advanced payment, nonprofit grantees must satisfy the following requirements under [California Government Code §11019.3\(c\)\(2\)](#):

1. Grantee must submit documentation supporting the need for advanced payment (e.g., invoices indicating the nonprofit does not have sufficient cash or credit to make payments before state reimbursement, contracts, estimates, payroll records, financial records, etc.)
2. Grantee must demonstrate good standing as a nonprofit under section 501 (c)(3) of the Internal Revenue Code.
3. Grantee must submit an itemized budget for the eligible costs to be funded by an advanced payment.

Items 1-3 will be submitted during the application stage. Upon receipt of an advanced payment, grantees must meet additional requirements, including:

4. Deposit funds into a federally insured account of the recipient entity that provides the ability to track interest earned and withdrawals. Interest earned shall be reported to CDFW and deducted from future reimbursements.
5. Establish procedures to minimize the amount of time that elapses

between the transfer of funds and the expenditure of those funds.

6. Provide progress reports on the expenditure of advance funds, including a summary of work completed, proof of expenditure.
7. Return any unused funding provided as advance payment but not expended within the grant term to CDFW.

5.5 Performance Retention and Payments

CDFW may retain from the grantee's reimbursements for each period for which payment is made, an amount equal to 10 percent of the invoiced amount, pending satisfactory completion of the task or grant. CDFW may modify retention withholding in the following circumstances:

When the grantee or subcontractor is a public entity contracting for construction of any public work of improvement, CDFW may retain from the grantee's earnings, for each period for which payment is made, an amount equal to five percent of such earnings, pending satisfactory completion of the task or grant (Public Contract Code §7201 [b][1]).

5.6 Loss of Funding

Work performed under the grant agreement is subject to availability of funds through the state's budget process. If funding for the grant agreement is reduced, deleted, or delayed by the Budget Act or through other budget control actions, CDFW shall have the option to either: cancel the grant agreement, offer to the grantee a grant agreement amendment reflecting the reduced amount, or to suspend work. In the event of cancellation or suspension of work, CDFW shall provide written notice to the grantee and be liable for payment for any work completed pursuant to the agreement up to the date of the written notice. CDFW shall have no liability for payment for work undertaken after such date. In the event of a suspension of work, CDFW may remove the suspension of work through written notice to the grantee. CDFW shall be liable for payment for work completed from the date of written notice of the removal of the suspension of work forward, consistent with other terms of the grant agreement. In no event shall CDFW be liable to the grantee for any costs or damages associated with any period of suspension invoked pursuant to this provision, nor shall CDFW be liable for any costs in the event that, after a suspension, no funds are available, and the grant agreement is then cancelled based on state budget contingencies.

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

1. Lack of appropriated funds;
2. Executive order directing suspension or cancellation of grant agreements; or
3. CDFW or California Natural Resources Agency directive requiring suspension or cancellation of grant agreements.

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

1. Failing to execute an agreement with CDFW within six months of the award announcement. In such situations, the applicant may apply to a future solicitation;
2. Withdrawing from the grant program;
3. Failing to acquire land or water at an approved fair market value;
4. Losing a willing seller(s) or landowner participation;
5. Failing to complete proposed water right changes/dedications;
6. Failing to submit required documentation within the time periods specified in the grant agreement;
7. Failing to submit evidence of environmental or permit compliance as specified by the grant agreement;
8. Changing project scope without prior approval from CDFW;
9. Redesign of the project, such that the scope is no longer consistent with the original proposal;
10. Failing to complete the project;
11. Failing to demonstrate sufficient progress;
12. Failing to comply with pertinent laws; or
13. Failing to adequately address CDFW Engineering – Geological review comments.

5.7 Standard Grant Conditions

Successful applicants must agree to the appropriate terms and conditions for their entity type. General Grant Provisions include information regarding audits, amendments, liability insurance, and rights in data. All awarded entities must agree to the CDFW [General Grant Provisions](#) for Public or Non-public entities. Awarded applicants from the University of California and California State University must agree to [University Terms & Conditions - Exhibit "C" for University](#)

[of California and California State University Agreements \(UTC-220 Exhibit C\).](#)

APPENDIX A – USEFUL WEB LINKS

State Departments and Programs:

[California Department of Fish and Wildlife](#)

[Grant Opportunities](#)

[State Wildlife Action Plan](#)

[California Natural Resources Agency](#)

[30 X 30 Plan](#)

[Bond Accountability](#)

[Delta Stewardship Council / Delta Science Program](#)

[Delta Plan](#)

[Delta Plan Covered Actions](#)

[California Department of Conservation](#)

[Watershed Program](#)

[California Department of Industrial Relations](#)

[California Department of Water Resources](#)

[Integrated Regional Water Management](#)

[State Water Resources Control Board](#)

[California Environmental Data Exchange Center](#)

[Surface Water Ambient Monitoring Program](#)

Other Relevant Resources:

[California Water Action Plan](#)

Enabling Legislation

[Water Quality, Supply, and Infrastructure Improvement Act of 2014](#)

[\(Proposition 1\)](#)

[CEQA Information](#)

[California State Clearinghouse Handbook](#)

[Environmental Information](#)

Climate Change Information

[Prop 1 Climate Adaptation Guidance](#)

[CDFW's Climate Science Program](#)
[Safeguarding California: Reducing Climate Risk](#)
[National Fish, Wildlife, and Plants Climate Adaptation Strategy](#)

[National Oceanic Atmospheric Administration](#)

[NEPA Information](#)

Sacramento-San Joaquin Delta

[Map of Legal Delta](#)

[Statutory Definition of Legal Delta \(CWC §12220\)](#)

[State Water Resources Control Board](#)

[United States Fish and Wildlife Service](#)

[United States Forest Service](#)

Water Conservation and Efficiency Plans

[U.S. Environmental Protection Agency](#)

[Alliance for Water Efficiency](#)

APPENDIX B – GLOSSARY OF TERMS

Acquisition - 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 (CWC §79702[a]).

Agricultural Water Supplier - A water supplier, either publicly or privately owned, providing water to 10,000 or more irrigated acres, excluding recycled water, including a supplier or contractor for water, regardless of the basis of right that distributes or sells water for ultimate resale to customers (CWC §10608.12[a]).

Applicant - The entity that is formally submitting a grant application. This is the same entity that would enter into an agreement with the state should the grant application be funded. The grant applicant must be an eligible entity.

Application - The individual application form and any required attachments for grants pursuant to this grant program.

Coastal Wetland - Coastal wetlands include saltwater and freshwater wetlands located within coastal watersheds – specifically United States Geological Survey 8-digit hydrologic unit watersheds which drain into the Pacific ([US EPA](#)).

Delta - The Sacramento-San Joaquin Delta as defined in CWC §12220 and the Suisun Marsh as defined in Public Resources Code §29101 (CWC §79702[e]).

Disadvantaged Community - A community with an annual median household income that is less than 80 percent of the statewide annual median household income (CWC §79505.5).

Eligible Costs - Expenses incurred by the grantee during the agreement performance period of an approved agreement, which may be reimbursed by CDFW.

Eligible Entities: (CWC §79712) - Public agencies (State Agency or department, special district, joint powers authority, city, county, city and county, or other political subdivision of the state (CWC §79702[s])), nonprofit organizations qualified to do business in California and qualified under Section 501(c)(3) of Title 26 of the United States Code (CWC §79702[p]), public utilities (CWC §79712[b][1]), federally recognized Indian tribes, state Indian tribes listed on the Native American Heritage Commission's California Tribal Consultation List, and mutual water companies (CWC §79712[b][2], [3], & [4]).

Federally Recognized Indian Tribe - Indian tribes that are recognized by the

United States Department of the Interior, Bureau of Indian Affairs and listed annually in the Federal Register.

Grant Agreement - An agreement between CDFW and the grantee specifying the payment of funds by CDFW for the performance of the project scope within the term of the agreement by the grantee.

Grant Manager - The CDFW staff person assigned to manage a grant, including to assist with the development of the grant agreement, accept and review invoices and deliverables, and be the first point of contact for the grantee.

Grantee - Refers to the applicant once a proposal is awarded and a grant agreement is executed (i.e., a grant recipient).

Mutual Water Companies - Any private corporation or association organized for the purposes of delivering water to its stockholders and members at cost, including use of works for conserving, treating and reclaiming water. Mutual water companies are organized under California Corporations Code Section 14300. To be eligible for funding, proposals must have a clear and definite public purpose and benefit the customers of the water system and not the investors.

Nonprofit Organization - An organization qualified to do business in California and qualified under section 501(c)(3) of Title 26 of the United States Code (CWC §79702[p]).

Performance Measure - A quantitative measure used to track progress toward a project objective/desired outcome.

Project - Refers to an effort included in the proposal. It may include construction of physical facilities or implementation of non-structural actions.

Proposal - Refers to the application for a project that is proposed for funding.

Proposition 1 - "Water Quality, Supply, and Infrastructure Improvement Act of 2014" (Assembly Bill 1471) passed by California voters on November 4, 2014, and as set forth in Division 26.7 of the Water Code.

Public Agency - A California agency or department [including public universities], special district, joint powers authority, county, city, city and county, or other political subdivision of the state (CWC §79702[s]).

Public Utilities - Privately owned electric, natural gas, telecommunications, water, railroad, rail transit, and passenger transportation companies that are regulated by the Public Utilities Commission. To be eligible for funding, proposals must have a clear and definite public purpose and benefit the customers of the

water system and not the investors (CWC §79712[b][1]).

Review Criteria - Set of requirements used to evaluate a proposal for a specific solicitation.

Selection Panel - Representatives from CDFW, at the supervisory or management level, assembled to review and consider the evaluations of all complete and eligible proposals and to make initial funding recommendations. Representatives from other agencies and organizations may also be invited to participate on the Selection Panel.

State Indian Tribe - Indian tribes that are listed on the Native American Heritage Commission's California Tribal Consultation List.

State Wildlife Action Plan - The [State Wildlife Action Plan \(SWAP\)](#) is the key wildlife conservation planning tool for California. The SWAP takes an ecosystem approach for conserving California's fish and wildlife resources by identifying strategies intended to improve conditions of Species of Greatest Conservation Need and the habitats upon which they depend (CDFW 2015). The SWAP 2015 Update is a guide for resource managers, conservation partners, and the public in how they can participate in conserving California's precious natural heritage.

Subcontractor - An entity other than the project proponent/applicant that performs a portion of the Scope of Work and includes subrecipients, subawardees, independent contractors, and consultants.

Technical Reviewers - A group of individuals assembled to evaluate the scientific and technical merit of a proposed project. May include representatives from CDFW, other agencies, or other outside experts. Individuals selected to serve as technical reviewers will be professionals in fields relevant to the proposed project (CWC §79707[f]).

Urban Water Supplier - A supplier, either publicly or privately owned, providing water for municipal purposes either directly or indirectly to more than 3,000 customers or supplying more than 3,000 acre-feet of water annually. An urban water supplier includes a supplier or contractor for water, regardless of the basis of right, which distributes or sells for ultimate resale to customers (CWC §10617).

Watershed Restoration (Proposition 1) - Includes activities to [restore] 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 (CWC §79737[b]).

Wetlands - Lands transitional between terrestrial and aquatic systems where the water table is usually at or near the surface or the land is covered by shallow water. For purposes of this classification, wetlands must have one or more of the following three attributes: (1) at least periodically, the land supports predominantly hydrophytes; (2) the substrate is predominantly undrained hydric soil; and (3) the substrate is non-soil and is saturated with water or covered by shallow water at some time during the growing season of each year (Cowardin et al. 1979).

APPENDIX C – 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 (http://www.dof.ca.gov/Programs/OSAE/Prior_Bond_Audits/).

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
 - e. Guidelines, policies, and procedures on State funded project
3. Audit reports of the Grant recipient's internal control structure and financial statements within the 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 recipient's staff,

Project Files:

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