

**STATE OF CALIFORNIA NATURAL RESOURCES AGENCY
GRANT AGREEMENT**

GRANTEE NAME: County of Humboldt
PROJECT TITLE: North Coast Resource Partnership Regional Forest and Fire Capacity Program
AUTHORITY: Senate Bill 856 (2018)
Regional Forest and Fire Capacity Program
PROGRAM:
AGREEMENT NUMBER: #####
TERM OF LAND TENURE: N/A
PROJECT PERFORMANCE PERIOD IS: May/07/2019 to May/07/2022

Under the terms and conditions of this agreement, the applicant agrees to complete the project as described in the project scope described in Exhibit A, and any subsequent amendments, and the State of California, acting through the Natural Resources Agency pursuant to Senate Bill 856 (2018), agrees to fund the project up to the total state grant amount indicated.

PROJECT DESCRIPTION:

See project description on Exhibit A of the Agreement

Total State Grant not to exceed **\$4,037,500.00** (or project costs, whichever is less)

The Exhibit C General Terms and Conditions and Exhibit D Special Terms and Conditions attached are made a part of and incorporated into the Agreement.

GRANTEE ORGANIZATION

**STATE OF CALIFORNIA
NATURAL RESOURCES AGENCY**

By _____ Thomas K. Mattson Title Humboldt County Public Works Director Date _____	By _____ Julie Alvis Title Deputy Assistant Secretary Date _____
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CERTIFICATION OF FUNDING

AMOUNT OF ESTIMATE FUNDING		AGREEMENT NUMBER		FUND			
\$4,037,500.00		#####		3228- Greenhouse Gas Reduction Fund			
ADJ. INCREASING ENCUMBRANCE				FI\$Cal PO Number			
\$							
ADJ. DECREASING ENCUMBRANCE		FUNCTION					
\$		Local Assistance					
UNENCUMBERED BALANCE		REF NUMBER	FUND	ENACTMENT YEAR	ACCOUNT NUMBER	ALT ACCOUNT	
\$		101	3228	2018	5432000	00000000	
PROGRAM	PCBU	PROJECT	ACTIVITY	RPTG STRUCTURE	SVC LOC	AGENCY USE	BUDGET PERIOD
0320	0540	0540#####	32292	05400001	32292		2018

SIGNATURE OF ACCOUNTING OFFICER

DATE

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Exhibit A, Scope of Work

1. Regional Forest and Fire Capacity Grant Program Background

The Regional Forest and Fire Capacity Program seeks to increase regional capacity to prioritize, develop, and implement projects that improve forest health and fire resiliency, facilitate greenhouse gas emissions reductions, and increase carbon sequestration in forests throughout California. Block grants will be utilized by recipients to support regional implementation of landscape-level forest health projects consistent with the California Forest Carbon Plan and Executive Order B-52-18.

Agency released the Final Regional Forest and Fire Capacity Program Grant Guidelines on February 15, 2019 ([Exhibit E](#)) (Guidelines). The "Project" is Grantee's performance of the work set forth in the Guidelines and the Work Plan ([Attachment 2](#)).

The Regional Forest and Fire Capacity Program is a California Natural Resources Agency program administered by the Department of Conservation. Responsibilities of the Agency may be performed Agency and/or the Department.

2. Authorized Signers

The Agency Director or designee is authorized to sign this Grant Agreement and grant-related documents.

Grantee's Authorized Signatory or designee is authorized to sign this Grant Agreement and grant-related documents as shown in the Authorized Signatory Form ([Attachment 1](#)).

Grantee must keep Authorized Signatory Forms up to date. Within seven (7) working days of any change to the authorized signatory or to the delegated authorized signatory, Grantee shall notify Agency in writing of the change. The written notice shall be sent as an electronic mail (email) attachment to be filed with the Grant Agreement.

3. Project Representatives

The project representatives are the contact people for Agency and Grantee. The project representatives during the term of this Grant Agreement are:

Agency

Name	Title	Phone Number	Email
TBD	Grant Manager*	TBD	TBD

* Unless otherwise stated within this Grant Agreement, all correspondence and documents will be sent to the Grant Manager as described in Document Submission ([Exhibit A, Section 6](#)).

Grantee

Name	Title	Phone Number	Email
Tomas K. Mattson	Public Works Director	707 268-2666	tmattson@co.humboldt.ca.us
Hank Seemann	Deputy Director of Environmental Services	707 268-2680	hseemann@co.humboldt.ca.us
Cybelle Immitt	Natural Resources Planning Manager	707 267-9542	cimmitt@co.humboldt.ca.us

Agency and Grantee must keep the Project Representative(s) up to date. Any changes to the Project Representatives by either Grantee or Agency shall be made by providing seven (7) working days advance written notice to the other party. The written notice shall be sent as an electronic mail (email) attachment to be filed with the Grant Agreement.

4. Grantee Responsibilities

Grantee is responsible for:

- A. Using grant funds only as intended for the Project, including distributing funds to eligible subgrantees.
- B. Completing work on time and within budget. This includes meeting all milestones and deliverables, as described in the Guidelines ([Exhibit E](#)) and Work Plan ([Attachment 2](#)), and in accordance with the Budget Detail Worksheet ([Attachment 4](#)) and the terms and conditions of the Guidelines, unless otherwise agreed to by all parties through the amendment process described in Exhibit B, Section 7.
- C. Coordinating and integrating management of wildfire resiliency and forest health protection, management, and restoration efforts within the region.
- D. Coordinating activities with the relevant Forest Management Task Force Regional Prioritization Group to ensure the regional priority plan, project planning, project permitting, and demonstration projects are consistent with the goals of the Forest Carbon Plan and Executive Order B-52-18.
- E. Meeting, at a minimum, the Greenhouse Gas Reduction requirements set forth in the Guidelines for demonstration projects.
- F. Meeting, at a minimum, the Priority Population Benefits requirements set forth in the Guidelines.
- G. Submitting invoices for reimbursement using the Invoice ([Attachment 5](#)) template, including any supporting documents.
- H. Submitting a final report with the last invoice, using the Final Report template ([Attachment 3](#)).
- I. Complying with all terms and conditions of this Grant Agreement, including all incorporated documents.
- J. Complying with statutes, rules, and regulations applicable to this Grant Agreement.
- K. Maintaining an accounting system that accurately reflects all fiscal transactions and provides accounting information, retaining all records and required documents as specified in [Exhibit C, Section 4](#), and providing all required documents during an audit, as specified in [Exhibit C, Section 5](#).

5. Document Submission

A. Electronic Mail

When this Grant Agreement requires Grantee to give invoices, reports, or other documents to Agency, Grantee must use email unless this Grant Agreement specifically requires that the document be sent by mail. All email must contain the Grant Agreement number and Grantee's name in the subject line.

B. Mail Service/Courier Service

Correspondence and documents submitted through mail, certified mail, or courier service must use the following address:

Department of Conservation
Division of Land Resource Protection
Attn: [Grant Manager]
801 K Street, 14th Floor, MS 14-15
Sacramento, CA 95814

6. Meetings and Reporting Requirements

- A. Grantee will participate in an orientation meeting. In-person attendance at the orientation is mandatory. Agency will notify Grantee of the time and place of the orientation. Grantee may invoice eligible expenses, including travel and lodging, incurred participating in the orientation, even if the orientation occurs prior to this Grant Agreement being executed. Except for the costs related to the orientation, no other costs incurred prior to grant execution will be reimbursed.
- B. Grantee will attend Forest Management Task Force Regional Prioritization Group meetings as necessary.
- C. Grantee will provide Quarterly status updates. Updates will be provided during quarterly meetings with Agency staff. Agency staff and Grantee will meet and confer on the time, place, manner (i.e., in person, conference call, video conference or other method), attendees, and agenda of the quarterly status update.
- D. Within 60 days of the Grant Term beginning, Grantee shall report at the block grant level the potential employment benefits of their grant award using the jobs co-benefits assessment methodology developed by California Air Resources Board. Upon completion of the deliverables Grantee will report employment outcomes of the work completed. Employment benefits and outcome reports will be consistent with confidentiality protections and using readily available employment data, from projects that provide jobs or job training.
- E. Grantee shall identify and track investments in and benefits to priority populations using the relevant Priority Population Benefits Criteria checklist for each deliverable. Grantee shall report results and provide a copy of each completed checklist and supporting documentation for each deliverable to Agency as deliverables are completed. Grantee may provide priority population benefits information to Agency for each subgrant awarded.
- F. Grantee will provide information reasonably requested by Agency necessary to complete California Climate Investments Reporting and Tracking System reporting.
- G. When the Project is completed, Grantee must submit a Final Report with the last invoice. To complete and submit the Final Report:
- i. Submit the Final Report with the last invoice. If Grantee does not submit the Final Report with the last invoice, then the last invoice will be considered incomplete and returned following process specified in [Exhibit D, Section 5](#).
 - ii. Use the Final Report Template, which is attached as [Attachment 3](#).
 - iii. Make sure the Final Report is signed by the person authorized to sign on the most current Authorized Signatory Form ([Attachment 1](#)).
 - iv. Put enough detail in the Final Report to show that Grantee fulfilled the terms of the Grant Agreement and should be paid for completing the project.

Attachment 1: Authorized Signatory Form

I hereby verify that I am an authorized Grantee representative and signatory and, as such, can sign and/or delegate authorization to sign and bind Grantee as it relates to the above-referenced Grant Agreement and grant related documents.

Grantee Authorized Signatory:

Name: _____ Title: Humboldt County Public Works Director
(*Thomas K. Mattson*)

Signature: _____ Date: _____

Delegated Authorized Signatories:

1. Name: _____ Title: Deputy Director of Environmental Services
(*Hank Seemann*)

Signature: _____ Date: _____

Document(s) Authorized to sign: All Grant Related Documents *or* Grant Agreement
 Grant Amendments Budget Amendments Reports
 Invoices Other _____

2. Name: _____ Title: Natural Resources Planning Manager
(*Cybelle Immitt*)

Signature: _____ Date: _____

Document(s) Authorized to sign: All Grant Related Documents *or* Grant Agreement
 Grant Amendments Budget Amendments Reports
 Invoices Other _____

Attachment 2: Work Plan

[Work plan submitted with the application, subject to any changes based on the award letter, will be inserted in the final grant agreement]

Attachment 3: Final Report

Final Report	Date Submitted:
Grantee Name:	Grant Number:
Project Name:	

1. Based on your experiences with this grant program, please provide feedback about how Agency can improve future grant programs.
2. Briefly summarize the Project's results and outcomes, including how the goals and objectives were accomplished, findings or conclusions, and planned or potential future projects that may result from the Project. Include a list of other sources of funding that were secured, directly or indirectly, through this Project.
3. Describe and explain any differences between the planned results, as listed in the Work Plan ([Attachment 2 to the Grant Agreement](#)), and the actual results. Include a discussion of any problems, barriers, or issues that occurred during the Project, corrective actions taken, and the outcomes.
4. Explain any plans to continue funding for the Project, and/or to expand, modify, or replicate the Project.
5. Attach any relevant documents to this report, including plans, photos, news articles, fliers, etc. If the documents cannot be sent electronically, notify the Grant Manager.

I certify that this Final Report is accurate and that this project complies with the Agreement. I further certify that any expenditure discussed in this report is allowed under the Agreement and that all funds were expended for the purposes of this Project.

Name: _____
(Type or Print Name)

Title: _____

Signature: _____

Date: _____

Exhibit B, Budget Detail and Payment Provisions

1. Payment

- A. Payment will be on a reimbursement basis for actual costs and expenses incurred.
- B. Advances may be permitted under this Grant Agreement at Agency's discretion. Agency may distribute up to 25% of the grant amount at a time in anticipation of the work to be performed in advance of actual expenditures. Approval of an advance does not require Agency to approve future requests for an advance. If Agency does not approve a request for an advance, Grantee will submit invoices monthly in arrears unless a subsequent request for advance payment is made and approved.
- C. Except for permitted advances, invoices will be submitted monthly in arrears.
- D. Both invoices for advance payment and incurred expenses in arrears require submittal of an itemized invoice and supporting documentation. Supporting documentation for advance funds include cost estimates for performance of specified tasks within the Work Plan.
- E. Upon receipt and approval of an itemized invoice and required supporting documentation, Agency agrees to reimburse Grantee for actual expenditures for tasks completed, in accordance with the rates specified in the Budget Detail Worksheet ([Attachment 4](#)).
- F. Agency may withhold final payment until all terms of the Grant Agreement have been satisfied.
- G. Payment shall be made within forty-five (45) days upon receipt and approval of an invoice. Failure to comply with requirements may result in non-payment or delayed payment.
- H. For cost principles, see [Exhibit B, Section 5](#).
- I. Agency may withhold up to 5% of the grant award in order to cover its administration costs.

2. How to Submit Invoices

- A. Send the invoices to the Grant Manager by email. Include the Grant Agreement number and Grantee's name in the subject line.
- B. Send invoices regularly, to keep getting paid. Grantee shall submit invoices no more frequently than monthly, in arrears, to the Grant Manager.
- C. A request for payment shall consist of:
 - i. The Invoice ([Attachment 5](#)) on official letterhead and signed by the Authorized Signatory, or authorized designee on file with Agency ([Exhibit A, Section 3](#)), certifying the expenditures are for actual expenses for the tasks performed under this Grant Agreement.
 - ii. Each cost category and task must correspond to a cost category and task identified in the Budget Detail Worksheet ([Attachment 4](#)).
 - iii. Supporting documentation for reimbursement of funds.
- D. If Grantee receives advanced funds, it will report quarterly:
 - i. Eligible costs incurred and paid from advance funds and include supporting documentation (e.g., timesheets, activity logs, cancelled checks). Each cost must correspond to a category and task identified in the Budget Detail Worksheet ([Attachment 4](#))
 - ii. Certification that the expenditures were for actual expenses for the tasks performed under the Grant Agreement.
 - iii. Remaining total of advance funds on hand.
- E. At any time, Agency may request hard copies of invoices, reports, supporting documentation, and evidence of progress.

3. Invoice Dispute

In the event of an invoice dispute, see [Exhibit D, Section 5](#).

4. Budget Contingency Clause

- A. If the Budget Act of the current year and/or any subsequent years covered under this Grant Agreement does not appropriate sufficient funds for the program, this Grant Agreement shall have no further force nor effect. In this event, Agency shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Grant Agreement, and Grantee shall not be obligated to perform any provisions of this Grant Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, Agency shall have the option to either cancel this Grant Agreement with no liability occurring to Agency or offer an amendment to reflect the reduced amount.

5. Cost Principles

- A. All costs to be reimbursed must be consistent with the Guidelines ([Exhibit E](#)).
- B. All costs to be reimbursed must be reasonable, as defined in the Guidelines ([Exhibit FE](#)).
- C. Agency will reimburse Grantee only for actual expenses incurred during the term of this Grant Agreement, as specified in the Budget Detail Worksheet ([Attachment 4](#)). Except for approved costs related to the orientation, any costs incurred outside of the Grant Agreement term are not eligible for reimbursement.
- D. Grantee shall place advance funds in a separate interest-bearing account, setting up and identifying such account prior to the advance. Interest earned on advances must be used solely on the Project. Unless spent on approved costs, the grant amount will be reduced by the amount of the interest earned. Unused advances will be returned to Agency within 30 days of completion of the Project or termination of the agreement.

6. Travel Reimbursement

Travel expenses directly related to the performance of this Grant Agreement will be subject to the State of California travel reimbursement rates in effect during the term of this Grant Agreement.

- A. Agency will only reimburse for actual expenditures incurred for in-state travel, as specified in the Guidelines ([Exhibit E](#)).
- B. Grantee shall maintain, and submit upon request, detailed travel records and supporting documents (e.g., travel request and approval forms, expense claims, invoices, receipts for lodging and transportation) showing the date and purpose of the grant-related travel, destination, and, in the case of travel by automobile, the number of miles driven.
- C. Grantee shall ensure travel costs are included in the Budget Detail Worksheet ([Attachment 4](#)) and are tied to tasks and deliverables in the Work Plan ([Attachment 2](#)).
- D. Grantee and any person traveling pursuant to this Grant Agreement shall indemnify and hold harmless Agency and State of California for any liabilities resulting from such travel.

7. Budget Modifications

- A. Grantee must keep the [Budget Detail Worksheet](#) up to date.
- B. Changes up to twenty percent (20%) between tasks shall be made by providing written notice with or before submission of an invoice. If submitted before the invoice, the written notice shall be sent as an electronic mail (email) attachment to be filed with the Grant Agreement.
- C. Changes of more than twenty percent (20%) between tasks shall follow the amendment process, specified in [Exhibit B, Section 8](#).

8. Amendments

- A. This section applies to any changes to this Grant Agreement, excluding the following:
 - i. Changes to the Authorized Signatory Form ([Attachment 1](#)). For changes to the Authorized Signatory Form see [Exhibit A, Section 3](#).
 - ii. Changes to project representatives, see [Exhibit A, Section 4](#).
 - iii. Changes to the Budget Detail Worksheet of up to twenty percent (20%) between tasks, see [Exhibit B, Section 7](#).
- B. Except as otherwise specified, Grantee must request and obtain prior written approval before any change (amendment) to this Grant Agreement is valid.
- C. Request for amendments must:
 - i. Be prepared, in writing, on official letterhead and signed by the Authorized Signatory or designee on file with Agency.
 - ii. Be submitted to the Grant Manager at least two (2) months prior to when the amendment is needed.
 - iii. Include the Grant Agreement number, a detailed explanation of the proposed amendment, reason for the amendment, and the effect of not approving the request.
 - iv. Include a copy of the document(s) requested for amendment that shows the requested changes.
- D. The Grant Manager will respond in writing within fifteen (15) working days from receipt of request to approve or deny the request for amendment, including the reason for the decision.
- E. The Grant Manager will process amendments within thirty (30) days of the approval date. The amendment will not be in effect until both parties have signed the Grant Agreement amendment.

Attachment 4, Budget Detail Worksheet

[Budget detail worksheet submitted with the application, subject to any changes based on the award letter, will be inserted in the final grant agreement]

Attachment 5, Invoice

Date: _____

Email required invoice documents to: Grant Manager

Invoice Number:	
Grantee Name:	Grant Number:
Project Name:	
Invoice Period	(Start Date) (End Date)

Cost Category	Task #1	Task #2	Task #3	Task #4	Total
Staff					
Contractors					
Sub-grantees					
Current Total					
Cumulative Total					
Allocated Total					

Cost Category	Total
Administration (not to exceed 20%)	
Travel	
Cumulative Total	
Allocated Total	

Work Plan Task #	Description of Work Completed
	<i>Please refer to specific deliverables in the Budget and Work Plan.</i>

Status Update			
Work Plan Task #	On Schedule (Y/N)	Within Budget (Y/N)	Corrective Plan or Action, if needed

CERTIFICATION: By my signature below, I certify that I have full authority to execute this payment request on behalf of Grantee. I declare under penalty of perjury, under the laws of the State of California, that this invoice for reimbursement, and any accompanying supporting documents, are true and correct to the best of my knowledge, and all disbursements have been made for the purposes and conditions as outlined in the Grant Agreement.

Print Name:	Print Title:
Signature:	Date:

Attachment 6, Invoice Dispute Notification

INVOICE DISPUTE NOTIFICATION

GRANTEE ADDRESS <div style="border: 1px solid black; width: 280px; height: 120px; margin-top: 10px;"></div>	INVOICE DATE
	INVOICE NUMBER
	INVOICE AMOUNT \$
	DATE INVOICE RECEIVED
	GRANT AGREEMENT NUMBER

The invoice referenced above is disputed for the following reasons:

- | | |
|--|--|
| <input type="checkbox"/> Request reimbursement for expenses not in the Budget Detail | <input type="checkbox"/> Invoiced for indirect cost reimbursement |
| <input type="checkbox"/> Invoiced for incidental costs or travel costs outside of California | <input type="checkbox"/> Work performed prior to the Grant start or end date |
| <input type="checkbox"/> Insufficient evidence of progress made or task completion | <input type="checkbox"/> Invoice submitted without using required templates |
| <input type="checkbox"/> Insufficient supporting document for reimbursement | <input type="checkbox"/> Progress Report or Final Report not included with invoice |
| <input type="checkbox"/> Invoice not submitted by 5:00 p.m. on the required due date | <input type="checkbox"/> Request reimbursement through another funding source |
| <input type="checkbox"/> Other not listed above: | |

Comments:

THIS NOTIFICATION IS A FOLLOW UP TO A PHONE CONVERSATION WITH THE GRANTEE OR DESIGNEE WHOSE NAME APPEARS BELOW.

NAME	DATE OF CONVERSATION
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IF YOU HAVE ANY QUESTIONS REGARDING THIS DISPUTE, CONTACT:

NAME	TELEPHONE NUMBER (include Area Code)
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RETURN A COPY OF THIS NOTIFICATION WITH THE CORRECTED INVOICE TO:	STATE OF CALIFORNIA USE ONLY	
	DATE DISPUTE RESOLVED	INITIALS
	RESOLUTION	

Exhibit C, General Terms and Conditions

1. Approval

This Grant Agreement is of no force or effect until signed by both parties. Grantee may not commence performance until such approval has been obtained.

2. Amendment

No change to this Grant Agreement shall be valid unless made in accordance with [Exhibit A, Section 3 or 4](#), or [Exhibit B, Section 7](#). No oral understanding or change not incorporated in this Grant Agreement is binding on any of the parties.

3. Assignment

This Grant Agreement is not assignable by Grantee, either in whole or in part, without the consent of Agency in the form of an amendment.

4. Records Retention

- A. Grantee shall establish an official file containing adequate documentation of all actions taken with respect to the Project, including copies of the Grant Agreement, changes, amendments, letters, email correspondence, financial records, and required reports for a minimum of four (4) years following the final payment of funds or until completion of any action and resolution of all issues which may arise as a result of an audit, whichever is later.
- B. Grantee shall adequately protect all records, physical and electronic, from loss, damage, or destruction during the four (4) year retention period.

5. Audit

- A. Grant funded projects are subject to audit by the State of California during the grant term and for up to four years following the termination of the grant agreement. Grantee agrees that Agency, Department of Finance, 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 Grant Agreement. The audit may consist of examining and auditing pertinent books, documents, papers, and records including financial transactions and supporting documents, general accounting systems, internal controls, management practices, policies, and procedures pertaining to the performance of this Grant Agreement.
- B. At any time, Agency, Department of Finance, Bureau of State Audits, or their designated representative may request to review Grantee's records to ensure proper grant management. Grantee shall be given advance notice when the grant-funded Project is selected for an audit or review by Agency, Department of Finance, Bureau of State Audits, or their designated representative. Grantee agrees to allow the auditor(s) access to such records during normal business hours, excluding State of California holidays, 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 Agency to audit records and interview staff in any subcontract related to performance of this Grant Agreement in accordance with Government Code section 8546.7. Grantee shall comply with the above and be aware of the penalties for violations of fraud and for obstruction of investigation as set forth in Public Contract Code section 10115.10.

6. Indemnification

Grantee agrees to indemnify, defend, and hold harmless the State of California, its officers, agents, and employees from any and all claims and losses accruing or resulting to any and all Grantees, partners, subcontractors, suppliers, laborers, and any other person, firm, or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Grant Agreement, and from any and all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by Grantee in the performance of this Grant Agreement.

7. Disputes

Grantee shall continue with the responsibilities under this Grant Agreement during any dispute.

8. Independent Grantee

Grantee, and the agents and employees of Grantee, in the performance of this Grant Agreement, shall act in an independent capacity and not as officers, employees, or agents of Agency.

9. Non-Discrimination Clause

During the performance of this Grant Agreement, Grantee and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of race, color, ancestry, national origin, religion, creed, age (over 40), mental disability, physical disability, sex, gender (including pregnancy, childbirth, breastfeeding, or related medical conditions), sexual orientation, gender identity, gender expression, medical condition, genetic information, marital status, and military and veteran status. Grantee and subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Grant Agreement by reference and made a part hereof as if set forth in full. Grantee and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Grant Agreement.

Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Grant Agreement.

10. Timeliness

Time is of the essence in this Grant Agreement. Agency and Grantee will work collaboratively to ensure this Grant Agreement is administered in a timely fashion.

11. Governing Law

This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

12. Unenforceable Provision

If any provision of this Grant Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Grant Agreement have force and effect and shall not be affected thereby.

Exhibit D, Special Terms and Conditions

1. Compliance with Laws and Regulations

By signing this Grant Agreement, Grantee certifies that it shall comply fully with all applicable federal, state, and local laws, ordinances, regulations, and permits and shall secure any new permits required by authorities having jurisdiction over the Project(s), and maintain all presently required permits. Grantee shall ensure that any applicable requirements of the California Environmental Quality Act are met in order to carry out the terms of this Grant Agreement.

2. Subcontractors

Agency's contractual relationship is with Grantee, and not any of its subcontractors. Grantee is entitled to make use of its own staff and subcontractors, as identified in the Budget Detail Worksheet ([Attachment 4](#)), and will comply with its own competitive bidding and sole sourcing requirements for subcontracts that arise out of or in connection with this Grant Agreement. Grantee shall manage, monitor, and accept responsibility for the performance of its own staff and subcontractors, and will conduct Project activities and services consistent with professional standards for the industry and type of work being performed under this Grant Agreement.

Nothing contained in this Grant Agreement or otherwise, shall create any contractual relation between Agency and any subcontractors, and no subcontract shall relieve Grantee of its responsibilities and obligations hereunder. Grantee agrees to be as fully responsible to Agency for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by Grantee. Grantee's obligation to pay its subcontractors is an independent obligation from Agency's obligation to make payments to Grantee. As a result, Agency shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

3. No Third-Party Beneficiaries

This Grant Agreement is not intended for the benefit of any person or entity other than the parties, and no one other than the parties themselves may enforce any of the rights or obligations created by this Grant Agreement.

4. Project Monitoring and Oversight

Project monitoring and oversight is essential to ensure the Project stays within scope and is completed on schedule and within budget in accordance with this Grant Agreement.

5. Dispute Resolution

A. Invoice Disputes

- i. In the event of an invoice dispute, the Grant Manager will notify Grantee by phone and follow up in writing using the Invoice Dispute Notification Template ([Attachment 6](#)) within ten (10) working days of receipt of the disputed invoice.
- ii. During the dispute, both parties shall deal in good faith to resolve the dispute. Grantee shall continue to meet its responsibilities and obligations under the terms of this Grant Agreement.
- iii. If Grantee contests the decision made by the Grant Manager, Grantee shall submit a written "Notice of Dispute" on official letterhead, according to Subsection C below.

B. General Disputes

- i. In the event of a dispute unrelated to the dispute of an invoice, Grantee shall first attempt to resolve the dispute with the Grant Manager.
- ii. Both parties shall deal in good faith and attempt to resolve the dispute informally.
- iii. Grantee shall continue to meet its responsibilities and obligations under the terms of this Grant Agreement during a dispute.

- iv. If Grantee contests the decision made by the Grant Manager, Grantee shall submit a written "Notice of Dispute" on official letterhead, according to Subsection C below.

C. Contesting a Dispute Decision

- i. If Grantee contests a decision made by the Grant Manager, Grantee may submit a written "Notice of Dispute" on official letterhead. The "Notice of Dispute" shall include:
 - The Grant Agreement number
 - A complete description of the basis for the dispute
 - Legal authority or pertinent facts, supporting arguments and documentation
 - Action requested for resolution

The "Notice of Dispute" shall be sent to:

Department of Conservation
Division of Land Resource Protection
Attn: Division Director
801 K Street, 14th Floor, MS 14-15
Sacramento, CA 95814

- ii. Within 30 days after receipt of the "Notice of Dispute," the Division Director shall review the dispute and submit a written decision to Grantee, which shall include:
 - The decision made
 - An explanation for the decision
 - Whether the decision shall be conclusive and binding or can be appealed and the steps to take to appeal the decision

6. Termination

- A. Completion of Project. This Grant Agreement shall terminate upon completion of the project and payment of the last invoice.
- B. Early Termination. Either Party may terminate this Grant Agreement upon thirty (30) days advance written notice by certified mail to the other Party. The notice shall specify the reason for early termination and may permit Grantee or Agency to rectify any deficiency(ies) prior to the early termination date.

7. Waiver of Rights

- A. Grantee waives any and all rights to any type of express or implied indemnity or right of contribution from Agency, its officers, agents, or employees for any liability arising from, growing out of, or in any way connected with this Grant Agreement.
- B. Grantee waives all claims and recourses against Agency, including the right to contribution for loss or damage to persons or property arising from, growing out of, or in any way connected with or incident to this Grant Agreement, except claims arising from the gross negligence of Agency, its officers, agents, and employees.
- C. None of the provisions of this Grant Agreement shall be deemed waived unless expressly waived in writing.

8. Insurance Requirements

- A. Grantee that is a governmental organization may provide evidence of self-insurance to satisfy this requirement.
- B. If Grantee is not a governmental organization or is unable to provide evidence of self-insurance, then it shall obtain and keep in force for the term of this Agreement the following insurance policies that cover any acts

or omissions of Grantee, its subcontractors, or its employees engaged in the provision of service specified in this Agreement:

- i. Workers' Compensation Insurance in an amount of not less than \$1,000,000 in accordance with the statutory requirement of the State of California (California Labor Code § 3700 et seq.).
 - ii. Commercial general liability insurance in an amount of not less than \$1,000,000 per occurrence for bodily injury and property damage combined.
 - iii. Motor vehicle liability with limits not less than the amounts below for combined single limit per accident. Such insurance shall cover liability arising out of a motor vehicle including owned or hired, and non-owned motor vehicles.
 - 7 or fewer passengers: \$1,000,000
 - 8-15 passengers: \$1,500,000
 - 16+ passengers: \$5,000,000
- C. The State of California, its officers, agents, and employees are included as additional insured, but only with respect to work performed for the State of California under this Grant Agreement. The additional insured endorsement must accompany the certificate of insurance.
- D. Grantee shall submit proof of insurance documents referencing this Grant Agreement number to Agency electronically within thirty (30) days of signing this Grant Agreement.
- E. Grantee shall notify Agency in writing within five (5) working days of any cancellation, non-renewal, or material change that affects required insurance coverage.
- F. Grantee shall submit proof of new or updated policy based on insurance requirements within thirty (30) days of policy cancellation or substantial policy change. Failure to provide proof of insurance may result in termination of this Grant Agreement.

9. Stop Work

If it is determined, at the sole discretion of Agency, that Grantee is not meeting the terms and conditions of this Grant Agreement, immediately upon receiving a written notice through certified mail from Agency to stop work, Grantee shall cease all work under this Grant Agreement. Agency has the sole discretion to determine that Grantee meets the terms and conditions after a stop work order, and to send through certified mail a written notice to Grantee to resume work under this Grant Agreement.

10. Publicity

Grantee agrees that it will acknowledge Agency's support whenever activities or projects funded, in whole or in part, by this Grant Agreement are publicized in any news media, brochures, articles, seminars, websites, or other type of promotional material.

Grantee shall also include in any publication resulting from work performed under this grant an acknowledgment substantially as follows:

"The work upon which this publication is based was funded in whole or in part through a grant awarded by the California Natural Resources Agency."

Media: Grantee is required to identify a point of contact for all press inquiries and communications needs related to the Project and provide the name, phone number, and email address of this individual to Agency. All press releases must be approved by Agency prior to distribution, and Agency must be alerted and invited to participate in all press conferences related to the grant.

Social Media: Grantee is encouraged to use social media to inform and share with the public activities under this Grant Agreement. Furthermore, Agency should be tagged on all posts related to activities under this Grant Agreement.

11. Drug-Free Workplace Certification

In signing this Grant Agreement, Grantee certifies that it will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

- A. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- B. Establish a Drug-Free Awareness Program to inform employees about:
 - i. The dangers of drug abuse in the workplace.
 - ii. The person's or organization's policy of maintaining a drug-free workplace.
 - iii. Any available counseling, rehabilitation, and employee assistance programs.
 - iv. Penalties that may be imposed upon employees for drug abuse violations.
- C. Every employee who works on this Grant Agreement will:
 - i. Receive a copy of the company's drug-free workplace policy statement.
 - ii. Agree to abide by the terms of the company's statement as a condition of employment on this Grant Agreement.

Failure to comply with these requirements may result in suspension of payments under this Grant Agreement or termination of this Grant Agreement or both, and Grantee may be ineligible for award of any future State of California agreements if Agency determines that any of the following has occurred: Grantee has made false certification, or violated the certification by failing to carry out the requirements as noted above (Gov. Code §8350 et seq.).

12. Americans with Disabilities Act

Grantee assures Agency that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA (42 U.S.C. 12101 et seq.).

13. Air/Water Pollution Violation Certification

Under State of California laws, Grantee shall not be: (1) in violation of any order or resolution not subject to review promulgated by the California Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

14. Payee Data Record Form - STD 204

This form must be completed by all Grantees that are not another state agency or other governmental entity.

Exhibit E, Guidelines

See Following Pages

REGIONAL FOREST AND FIRE CAPACITY PROGRAM

GRANT GUIDELINES

PART OF
CALIFORNIA CLIMATE INVESTMENTS

STATE OF CALIFORNIA
NATURAL RESOURCES AGENCY

Final

February 20, 2019



California
**Department of
Conservation**

For additional information, please contact:

California Natural Resources Agency

(916) 651-7591

<http://resources.ca.gov/>

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**Regional Forest and Fire Capacity Program
At-A-Glance**

Program

The Regional Forest and Fire Capacity Program is designed to support the development and implementation of regional priority plans to improve forest health and fire resiliency consistent with the recommendations of the Forest Carbon Plan. This program is administered by the Department of Conservation on behalf of the California Natural Resources Agency.

Funding Source

This program is funded by California Climate Investments.

Critical Dates

Draft Guidelines released for comment—January 24, 2019
Close public comment period—February 8, 2019
Final Guidelines released—February 15, 2019
Funding Recommendations Posted—February 15, 2019
Awards made—February 25, 2019 (proposed, subject to change)

Contact for Questions

California Natural Resources Agency
Regional Forest and Fire Capacity Program Manager
Emma.Johnston@resources.ca.gov
(916) 651-7591

Section 1: Introduction and Program Summary

The Regional Forest and Fire Capacity Program seeks to increase regional capacity to prioritize, develop, and implement projects that improve forest health and fire resiliency, facilitate greenhouse gas emissions reductions, and increase carbon sequestration in forests throughout California. Block grants will be utilized by recipients to support regional planning and implementation of landscape-level forest health projects consistent with the California Forest Carbon Plan and Executive Order B-52-18. To accomplish the program's objectives, block grant recipients will oversee regional distribution of funding and collaborative planning with local entities, including local and tribal governments, nonprofits and non-governmental organizations, land trusts, Resource Conservation Districts, and private partners.

For the purposes of this program, a "region" is the area served by an individual block grant recipient. "Landscape-level" means a heterogeneous area within a region that contains multiple and interacting land-uses, watersheds, and ecosystems. Under this definition of "landscape-level," a landscape is not defined by its size; rather, it is defined by its structures and functions.

The Regional Forest and Fire Capacity Program is a California Natural Resources Agency program administered by the Department of Conservation.

Background

Model

The Regional Forest and Fire Capacity Program is modeled after the Sierra Nevada Conservancy's Watershed Improvement Program. The Watershed Improvement Program serves as an example of a coordinated, integrated, collaborative initiative to restore the health of large watersheds. Launched in 2015, the program works to increase the pace and scale of investments in the Sierra Nevada to address critical watershed needs and has developed a regional strategy to:

- Assess restoration and climate resiliency needs
- Increase investments in the region
- Address key policy issues affecting the region
- Identify and implement projects

The Watershed Improvement Program is endorsed by over twenty-five local, regional, state, and federal organizations currently working to implement this regional strategy.

Forest Carbon Plan

In May 2018, the Forest Climate Action Team, comprised of state, local and federal agencies released the Forest Carbon Plan, which calls for significant increases in the pace and scale of forest and watershed improvements to restore the health and resilience of California's forests by reducing conditions that lead to catastrophic wildfire and ensuring that California's forests remain net carbon sinks that provide a range of ecosystem and social benefits to the state.

The Forest Carbon Plan encourages the protection of California's forested lands, reduction of conversion to non-forest uses, and the pursuit of innovations in wood products and biomass utilization to reduce or offset GHG emissions; promotes land stewardship; and strengthens rural economies and communities. The Forest Carbon Plan provides best available science and recommendations to achieve its goals across all forested regions of the state.

The Forest Carbon Plan emphasizes that leadership at the regional scale, built upon collaboration between diverse entities, is critical to efficiently meet the plan's goals and address variations in forest conditions throughout California. Among other things, the plan calls for:

- Expansion and improvement of forest management to enhance forest health and resilience
- Bolstering capacity for collaborative planning and implementation at the landscape or watershed level
- Coordinated and integrated management of forest health protection, management, and restoration efforts at the regional scale
- Inclusion of local actors in decisions for how to prioritize implementation of forest health protection, management, and restoration practices at the ecoregional level
- Inclusion of local actors as leaders in the collaborative process to develop regional priorities, pursue funding, and implement forest health protection, management, and restoration practices

To meet these goals, the Forest Carbon Plan recommends that, among other things, state and federal agencies:

- Provide training on methods for successful collaboration
- Provide staff or fund contractors to provide facilitation services, collect and analyze data, perform environmental review, and provide other support to collaborative efforts
- Seek support from nongovernmental organizations or other appropriate private sector entities
- Provide cost-share grants or other financial support to allow local governments and nongovernmental organizations to meaningfully participate in collaborative efforts
- Work to strengthen the social and financial connections between downstream water users and forested source watersheds through available mechanisms
- Work to conduct permitting and environmental review processes efficiently, while ensuring that the related environmental protection standards are achieved

Executive Order B-52-18

In response to the Forest Carbon Plan and in the face of the worst wildfires in California's history, Governor Edmund G. Brown, Jr., issued Executive Order B-52-18 directing state agencies to implement these and other recommendations outlined in the Forest Carbon Plan.

Key elements of the Executive Order include:

- Doubling the land actively managed through vegetation thinning, controlled fires, and reforestation from 250,000 acres to 500,000 acres
- Launching new training and certification programs to help promote forest health through prescribed burning
- Boosting education and outreach to landowners on the most effective ways to reduce vegetation and other forest-fire fuel sources on private lands
- Streamlining permitting for landowner-initiated projects that improve forest health and reduce forest-fire fuels on their properties
- Supporting the innovative use of forest products by the building industry
- Expanding programs, training, and other incentives to improve watersheds

The Executive Order directs the California Natural Resources Agency to “take all necessary steps” to double statewide forest treatments within five years.

Forest Management Task Force and Regional Prioritization Groups

Following issuance of Executive Order B-52-18, the Governor formed the Forest Management Task Force comprised of state, federal, and local agencies to implement the Executive Order and the recommendations of the Forest Carbon Plan.

The Task Force created Regional Prioritization Groups to help achieve the directives set forth in the Executive Order and Forest Carbon Plan. The regional focus of these groups will allow them to focus on the specific needs, opportunities, and barriers unique to each region.

California's 2017 Climate Change Scoping Plan

California's 2017 Climate Change Scoping Plan highlights that managing forests throughout the state to be healthy, resilient net sinks of carbon is vital to achieving California's climate change mitigation goals. The 2017 Scoping Plan also directed the California Air Resources Board to develop a Natural and Working Lands Climate Change Implementation Plan., which sets ambitious goals for restoring forested landscapes statewide. The plan emphasizes next steps needed to achieve that goal, including capacity building and collaborative planning at the watershed and large landscape level.

Program Authorization and Funding

SB 856

SB 856 (Committee on Budget and Fiscal Review. Budget Act of 2018), signed on June 27th, 2018, includes significantly augmented funding across multiple programs to implement the goals of the Forest Carbon Plan and Executive Order. This funding package appropriated

\$20 million in California Climate Investments funding to the California Natural Resources Agency for grants to support regional implementation of landscape-level forest health projects to expand Sierra Nevada Conservancy's Watershed Improvement Program model to the Northern, Coastal, and Southern California regions consistent with the recommendations of the Forest Carbon Plan. This funding is available for encumbrance or expenditure until June 30, 2020, with full liquidation until June 30, 2022. Up to five percent (5%) of the appropriation may be used by California Natural Resources Agency for administrative costs. The Regional Forest and Fire Capacity Program will implement this appropriation.

California Climate Investments

AB 32 and related amendments identify climate change as a serious threat to the economic well-being, public health, natural resources, and environment of California. SB 1018, AB 1532, and other statutes require that Greenhouse Gas Reduction Fund monies be used to reduce GHG emissions and further the purposes of AB 32 (Chapter 488, Statutes of 2006, and related amendments). Greenhouse Gas Reduction Fund moneys are disbursed through programs collectively known as California Climate Investments.

The California Air Resources Board (CARB) adopts Funding Guidelines for Agencies that Administer California Climate Investments (CARB's Funding Guidelines) to ensure that all programs that receive California Climate Investments dollars distribute those dollars in accordance with applicable law. All California Climate Investments programs must:

- Facilitate greenhouse gas emissions reductions and further the purposes of AB 32
- Target investments in and benefitting priority populations, with a focus on maximizing disadvantaged community benefits
- Maximize economic, environmental, and public health co-benefits
- Foster job creation and job training, wherever possible
- Avoid potential substantial burdens to disadvantaged communities and low-income communities
- Ensure transparency and accountability and provide public access to program information

California Climate Investments dollars may be distributed on a competitive or non-competitive basis.

AB 2551

AB 2551 (Wood, Statutes of 2018) authorized the California Natural Resources Agency and the California Environmental Protection Agency to utilize funding from the Regional Forest and Fire Capacity Program to jointly develop a plan for forest and watershed restoration investments for the drainages that supply Oroville, Shasta, and Trinity Reservoirs.

The plan was intended to establish a comprehensive understanding of restoration needs and prioritizes investment opportunities that will improve watershed function and resilience, water quality and supply reliability, forest carbon stores, wildlife habitat, and climate adaptation.

Section 2: Scope of Work

Program goals and objectives

The principal goal of the Regional Forest and Fire Capacity Program is to restore health and resilience to forests at the regional scale for multiple benefits, including climate adaptation. This program aims to increase regional capacity to prioritize, develop, and implement landscape-level forest health and wildfire resiliency projects that have broad support by stakeholders in and affected by the region. To that end, block grant recipients will achieve the following objectives:

- Promote and support collaborative planning and implementation of wildfire resiliency and forest health protection, management, and restoration efforts at the landscape or watershed level
- Coordinate and integrate management of wildfire resiliency and forest health protection, management, and restoration efforts at the regional scale
- Identify, prioritize, and implement forestry and wildfire protection projects that meet regional and statewide public safety, ecosystem, and public resource goals, and that are consistent with the Forest Carbon Plan

Block Grant Recipient Responsibilities

Block grant recipients shall:

- Distribute necessary funds through subgrants and/or contracts to create regional plans, develop and permit projects, and implement demonstration projects consistent with these guidelines and the Forest Carbon Plan
- Ensure execution of all project deliverables and requirements outlined in this section within the grant term
- Coordinate and integrate management of wildfire resiliency and forest health protection, management, and restoration efforts within their region
- Coordinate activities with the relevant Regional Prioritization Group of the Governor's Forest Management Task Force to ensure activities are consistent with the goals of the Forest Carbon Plan and Executive Order B-52-18

Deliverables

Block grant recipients must include each the following activities in their scope of work:

1. Develop **Regional Priority Plans** for forestry, fire protection, and forested watershed improvements needed to achieve regional and statewide public safety, climate resiliency, and ecosystem goals included in Executive Order B-52-18, and the California Forest Carbon Plan;
2. Complete **project development and permitting** to generate implementation-ready projects that address regional forest and fire protection priorities for funding

consideration by the various programs represented in the California Forest Management Task Force;

3. Implement forest management **demonstration projects** that showcase scalable models for management, funding, and achieving and quantifying multiple benefits; and
4. Develop **outreach, education, and training** as needed to facilitate and build capacity for implementing the above activities.

Regional Priority Plans

Each block grant recipient must use a portion of this funding to develop a Regional Priority Plan that identifies and prioritizes projects at the landscape or watershed-level to address forest health and wildfire risks within their region. Projects should be prioritized by type, resource, watershed, implementation strategy, or other logical division. Block grant recipients must consider each of the following when prioritizing projects:

- Areas that contribute to high wildfire risk faced by adjacent or nearby communities
- Forests projected to be at risk due to climatically driven stressors
- Forests at greatest risk to high-severity mortality events (e.g., fire, insect outbreak)
- Forests at high risk of type-conversion (e.g., forest to shrub or grass vegetation)
- Areas with high habitat values at risk, such as spotted owl activity centers
- Headwater areas that provide significant water supply
- Areas that need to be reforested after high mortality events
- Forests at risk of conversion to other uses, including development and agriculture
- Opportunities for follow-up “maintenance” treatments via prescribed fire or other fuels reduction techniques
- Availability of adequate workforce and infrastructure to complete projects

Block grant recipients should integrate the above priorities into their plans as appropriate for their region.

Each Regional Priority Plan must be developed in coordination with efforts to identify forest and fire prevention priorities of Governor Newsom's Administration. To do this, block grant recipients should review and consider incorporating projects highlighted in the CAL FIRE project prioritization mandated through Executive Order N-05-19 that fall within each block grant region's jurisdiction into their Regional Prioritization Plan. Further, Regional Priority Plan development must be conducted in coordination with the relevant Regional Prioritization Group of the Governor's Forest Management Task Force. Coordination with the Regional Prioritization Groups is intended to ensure that priorities within each Regional Priority Plan are aligned, where appropriate, with priorities of all state and non-state member agencies of the Task Force and their respective project-funding programs, or identify additional needs not presently funded. The Forest Management Taskforce Science Advisory Panel should be consulted with to provide scientific expertise and input as feasible to develop each Regional Priority Plan. Further, block grant recipients should consider information available from Cal-

Adapt, California's Fourth Climate Change Assessment, the Adaptation Clearinghouse, and other applicable and available resources in the development of their Regional Plan in order to ensure that their plan is consistent with the best available state, regional, and local data. Block grant recipients should work with their respective regional collaborative for climate adaptation to understand and integrate information from the above sources into their Regional Priority Plan.

Regional Priority Plans must be developed with broad participation of regional residents, tribes, federal/state/local governments, landowners, and other organizations. Block grant recipients will lead the development of the Regional Priority Plan for their region, partnering directly with organizations in their region throughout the process. Each block grant recipient should engage priority populations and other stakeholders within their jurisdiction in the development of their Regional Priority Plan. The plan should incorporate actionable components that reduce risk to priority populations from wildfire and other climate-related disasters. Each plan should also increase the ability of priority populations to access statewide public and other grant moneys for climate change mitigation and adaptation projects.

To ensure appropriate consistency across regions in the development of each Regional Priority Plan, block grant recipients and partnering entities will work in coordination with the Agency, Department, and the Statewide Support Entity block grant recipient, who will support the implementation of the Regional Forest and Fire Capacity Program statewide.

Desired outcomes from the development of each Regional Priority Plan include:

- Increased capacity of block grant recipients and their partners to identify, prioritize, and plan for wildfire and forest health needs within their region
- Coordinated fire planning and management efforts across land ownerships
- Development and management of a broad collaborative structure and effective networks of partners and stakeholders
- Attainment of strong regional support for the Regional Priority Plan and identified projects through broad inclusion of stakeholders and partners

Desired outcomes from the priority projects identified in each Regional Priority Plan include:

- Reduced wildfire severity
- Improved forested ecosystem health
- Increased fire recovery efforts
- Improved ecosystem services provided by forested watersheds
- Increased ecosystem service resilience
- Protected cultural resources
- Improved water quality
- Increased water retention in the ecosystem
- Identified material management and labor needs to accomplish prioritized opportunities

- Identified land use agreements and planning needs to accomplish prioritized opportunities
- Attainment of broad regional support and funding for projects
- Increased permitting efficiency to meet scale of need
- Increased regional workforce development opportunities

Where available, block grant recipients will use a measurement tool to assess desired outcomes. If not available, the block grant recipient shall work with Agency to develop methods to assess desired outcomes.

Project Development and Permitting

Block grant recipients must use a portion of this funding to support preliminary project development and permitting activities for the priority projects identified in their Regional Priority Plan or previously contemplated projects that were identified prior to development of the Regional Priority Plan and already have regional support. Developing and completing permitting for these projects should ensure that projects are ready to receive implementation funding from state and non-state programs. These projects should contribute to the desired outcomes for priority projects identified in each Regional Priority Plan and increase ecosystem and adaptive capacities, fire resilience, health, and, and human safety. Block grant recipients must work in collaboration with their Regional Priority Plan partners to develop and permit projects. Project development and permitting may occur in parallel with the development of the Regional Priority Plan pursuant to consultation with the Agency and Department.

Desired outcomes for project development and permitting include:

- Completed project design and permitting
- Established non-state partnerships, support, and funding, as well as broad partnerships with regional stakeholders
- Developed pipeline of multiple years of implementation-ready projects that meet the goals of the Regional Priority Plan available for funding consideration

Demonstration Projects

Block grant recipients must use a portion of their grant to fund at least one demonstration project. The demonstration project may be one identified in the Regional Priority Plan or a pre-identified, shovel-ready project. The demonstration project(s) should maximize(s) desired outcomes of the Regional Forest and Fire Capacity Program and should serve as a model for meeting regional and statewide goals.

Desired outcomes for demonstration projects include:

- Quantified achievement of multiple desired benefits of the program
- Incorporated participation from multiple partners and funding sources

- Replicability and scalability
- Support for regional workforce development opportunities
- Integrated benefits to priority populations
- Increased community outreach, involvement, and education

Demonstration projects will be carried out with the approval of or under the supervision of licensed forester.

Outreach, Education, and Training

Critical to all the above activities, the Regional Forest and Fire Capacity Program intends to achieve outreach to a broad and diverse range of communities within each region to develop a comprehensive understanding of and support for the program. This includes performing outreach to and engaging priority populations in the development of Regional Priority Plans. Further, the Regional Forest and Fire Capacity Program intends to strengthen practitioners' forest health and resilience skills by developing region-wide peer-to-peer training opportunities. Block grant recipients must use funds from this program to further the above goals.

Desired outcomes of outreach, education, and training efforts associated with Regional Forest and Fire Capacity Program block grants include:

- Community-level engagement and education on regional priority planning for forest health and resilience projects.
- Targeted outreach to and engagement of priority populations
- Practitioner-level education and regional coordination
- Regional understanding of the benefits of forest health and resilience projects identified in the Regional Priority Plan
- Broad regional support for Regional Priority Plan
- A collaborative stakeholder structure that can implement the Regional Priority Plan in the long-term

Distribution of Block Grant Funds to Third Parties

As the fiscal administrators of the Regional Forest and Fire Capacity Program, block grant recipients will award subgrants of Regional Forest and Fire Capacity Program funding or enter into contracts to fulfill the scope of work of this program. Subgrantees may be selected to engage in completion of all the deliverables or for discrete tasks. Block grant recipients may award subgrants via competitive or non-competitive processes and may engage subgrantees and contractors to fulfill individual deliverables or multiple deliverables, at their discretion.

Eligible subgrantees include federal, tribal, state and local government agencies; resource conservation districts; special districts; universities, colleges, and research institutions; and California 501c3 non-profit organizations.

Contracts may be entered into with qualified entities in accordance with block grant recipients' internal contracting policies and procedures.

Administrative Activities

Additionally, block grant recipients must participate in all of the following activities:

- An orientation
- Meetings with the relevant Forest Management Task Force Regional Prioritization Group
- Quarterly update meetings with Department and Agency

Note that the orientation will likely occur in Sacramento. Block grant recipients who do not participate in the above activities will risk forfeiting their award.

California Climate Investment Requirements

Greenhouse Gas Emissions Reductions

Recent changes in the California Air Resources Board's 2018 California Climate Investments Funding Guidelines measure GHG emissions reduced or avoided at a programmatic rather than project level. The Regional Forest and Fire Capacity Program will facilitate greenhouse gas emissions reductions and carbon sequestration through:

- Collaborative planning of forest health protection, management, and restoration efforts
- Implementation of forest management demonstration projects

Emissions reductions will be quantified and reported for funded demonstration projects in accordance with the CARB-approved Quantification Methodology for the Forest Health Program, dated April 18, 2018.

Priority Populations Benefits

Assembly Bill 1550 (Chapter 369, Statutes of 2016) directs State and local agencies to make significant investments that improve California's most vulnerable communities. The statute requires that the Greenhouse Gas Reduction Fund investment plan governing all California Climate Investments programs allocate funding to benefit residents of disadvantaged communities, low-income communities, and low-income households¹ (priority populations).

¹ These Guidelines rely on Health and Safety Code Section 39711 for the definition of "disadvantaged communities" and Health and Safety Code Section 39713 for the definitions of "low-income communities" and "low-income households."

This program will maximize benefits to disadvantaged communities and invest in projects that provide direct, meaningful, and assured benefits to priority populations by:

- engaging priority populations in developing actionable plans that address their needs, reduce environmental burdens in their community, and/or improve public health in their community
- incorporating actionable components into each Regional Priority Plan that, when executed, will reduce risk to priority populations from fire or associated disasters

Consistent with CARB guidance, at least ten percent (10%) of total program funds expended under these Guidelines must fund plans, partnerships, or projects that provide direct, meaningful, and assured benefits to low-income communities or low-income households located anywhere in the state.

To count toward these investment targets, block grant deliverables must meet all of the following requirements:

- Fifty percent (50%) or more of the plan, partnership, or project boundary must be located within:
 - A low-income community census tract², as defined in HSC 39713; or,
 - the boundaries of a low-income household
- The plan, partnership, or project must address an important community or household need as outlined in the Technical Assistance & Capacity Building Evaluation Criteria for Providing Benefits to Priority Populations, the Land Restoration and Forest Health Evaluation Criteria for Providing Benefits to Priority Populations, or other CARB-approved checklist applicable at the time of project award (Priority Population Benefits Criteria checklist);
- The plan, partnership, or project must provide direct, meaningful, and assured benefits to a priority population as outlined in the Priority Population Benefits Criteria checklist.

Each block grant recipient must identify investments in and benefits to priority populations and report results as deliverables are completed. To that end, block grant recipients must complete the Priority Population Benefits Criteria checklist and provide supporting documentation for each program deliverable to be completed as part of the grant. Block grant recipients may complete a priority population benefits checklist for each subgrant awarded as part of their block grant in order to track expenditures. Agency in consultation with CARB will make the final determination as to whether distributed funds will be counted toward the investment minimums.

² A mapping tool to determine whether a project location is within a low-income community census tract is available here: <https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm>

Co-Benefits

Pursuant to AB 1532, Greenhouse Gas Reduction Fund monies shall be used to facilitate reductions of greenhouse gas emissions and, where applicable and to the extent feasible, to maximize environmental, economic, and public health benefits for California.

Jobs

Each block grant recipient will be required to project the potential employment benefits associated with their proposal as estimated using the jobs co-benefit assessment methodology developed by CARB. Upon completion of all deliverables, block grant recipients will be required to report on the employment outcomes of the work completed under the Regional Forest and Fire Capacity Program as outlined in CARB's Funding Guidelines.

Reporting

Each block grant recipient will be required to participate in quarterly reporting meetings with the Department and Agency.

In addition, each block grant recipient must participate in the appropriate Regional Prioritization Group of the Forest Management Task Force.

Block grant recipients receiving advanced funds must provide a fiscal report detailing how those funds have been expended on a quarterly basis and along with each subsequent request for an advance. Block grant recipients that receive funding on a reimbursement basis must provide a fiscal report detailing how funds have been expended along with each invoice.

Environmental Compliance

Activities funded under this program must comply with applicable State and federal laws and regulations, including the California Environmental Quality Act (CEQA), National Environmental Policy Act (NEPA), and other environmental permitting requirements. Block grant recipients are responsible for project compliance and grant agreement budgets may include the funding necessary for compliance-related tasks.

Section 3: Grant Awards

Focus Regions and Available Funding

Seven (7) block grants will be awarded on a noncompetitive basis to support implementation of landscape or watershed-level forest health projects in Northern, Coastal, Eastern, and Southern California, as shown in Appendix A. To best ensure efficient planning and strategic inter-agency coordination, the geographic extent of these regions may shift slightly as the regional focus of the Forest Management Task Force develops and Executive Order N-05-19 is implemented. Regional block grant recipients will distribute funds to subgrantees and work to ensure coordinated and integrated management of forest health and resilience activities throughout their region. Block grants will be disbursed regionally as follows:

<u>Region</u>	<u>Number of grants</u>	<u>Grant amount</u>
Northern California	1	\$4.25 Million
Eastern California	1	\$2 Million
Coastal California	1	\$4.25 Million
Southern California	3	\$1.5 Million each

In addition to the six regional grants, one (1) block grant will be awarded in the amount of \$3 million to fund statewide coordination of and technical assistance to regional block grant recipients, as well as to support forest health and resilience efforts in communities and priority areas not covered by the regional block grant recipients.

At Agency's discretion, the remaining \$2 million from the appropriation may be made available for implementation of AB 2551, for administrative purposes, or to increase awards to block grant recipients.

Should additional funding consistent with the purposes of this program become available in future years, Agency may, at its discretion, allocate funding to increase grants funded under these Guidelines.

Block Grant Recipient Selection

Agency has identified seven entities to serve as the fiscal administrators of Regional Forest and Fire Capacity Program block grants.

Statewide and regional entities eligible to receive block grants are: local and tribal governments, state conservancies, joint powers authorities, public agencies, resource conservation districts, special districts, and California 501 c3 non-profit organizations.

Factors considered when selecting regional block grant recipients include:

- Demonstrated ability to coordinate the many entities across their region necessary to meet program goals
- Existing strong regional partnerships and support and capacity to expand these partnerships
- Demonstrated ability to conduct regional planning efforts
- Fiscal and administrative control systems to adequately oversee the expenditure of block grant awards
- Policy and program expertise relevant to meeting program goals

Factors considered when selecting the statewide block grant recipient include:

- Experience and expertise in developing forest health and wildfire protection planning statewide
- Experience and expertise in conducting effective and inclusive outreach across diverse communities
- Experience and expertise in developing peer-to-peer and inter-regional sharing of project implementation strategies and skills
- Strong relationships with primary actors in forest health and wildfire protection planning statewide
- Fiscal and administrative control systems to adequately oversee the expenditure of block grant awards
- Policy and program expertise relevant to meeting program goals

Proposal Development

Selected entities collaborated with Agency to develop grant proposals consistent with the goals and objectives of this program.

Section 4: Grant Agreement and Administration

Overview of grant execution

1. Agency will announce awards.
2. Each block grant recipient must enter into a grant agreement with Agency. The block grant recipient must sign and return two copies of the grant agreement to the Department, within three months of the award date or risk forfeiting their award.
3. The grant agreement is considered fully executed once the Agency's authorized signatory has signed the grant agreement.
4. Once Agency notifies the block grant recipient that the agreement has been fully executed, the grant recipient should promptly commence work.

Performance Period and Grant Term

Block grant recipients need to complete all tasks and deliverables by March 30, 2022 to ensure payment by the termination of the grant agreement term. The grant term will continue until June 30, 2022. The grant may be extended for an additional time at Agency's discretion and with appropriate budget authorization.

Funding and accounting

Payment of grant funds

- Payment will be made on a reimbursement basis.
- Agency may distribute up to 25% of the original grant amount to a block grant recipient in advance at a time per Agency protocols.
- Except for permitted advance payments, payments will be made in arrears.
- Grantees may invoice not more than monthly, and in accordance with the terms and conditions of the Grant Agreement.
- Funds cannot be disbursed until there is a fully executed Grant Agreement between Agency and the Grantee.
- Only those eligible costs incurred as outlined in these Guidelines and in accordance with the Grant Agreement will be eligible for reimbursement.

Accounting of grant funds

It is essential that complete and accurate records be maintained. Grant recipients must maintain an accounting and record keeping system that reflects sound fiscal controls and safeguards. The accounting information must be sufficient so that the total cost of each aspect of the project can be readily determined and records are readily available upon demand. Grant recipients must retain all grant transaction records for a period of four years after final payment.

Any advanced funds must be kept separate in accounting records from block grant recipient's other funds. Interest earnings shall be allocated to the block grant's advanced funds for use on the project or returned to the Agency. Advanced funds that are unused

shall be returned to the Agency promptly upon completion of the project or termination of the grant agreement, whichever occurs first.

Eligible costs

Eligible costs must be incurred during the Grant Term. All costs must be reasonable, as defined in Section 5 of these Guidelines. Eligible costs are:

Staff costs

Block grant recipient, subgrantee, and their contractors' staff costs, including salary at an hourly rate, benefits, taxes, and leave. Administrative costs should not be included in the staff rate or salary. Administrative costs should be budgeted separately and must comply with the requirements outlined below.

Travel costs

In-state travel for block grant recipient, subgrantee and their contractors' staff as necessary to fulfill the deliverables of the program. Costs must meet the requirements outlined below and in the Grant Agreement:

- Accommodation-related travel costs: maximum reimbursement rates based on county as shown here: <http://www.calhr.ca.gov/employees/Pages/travel-lodging-reimbursement.aspx>, with no option for approval of an "excess lodging rate."
- Rental car or mileage for travel directly related to execution of scope of work will be reimbursed at the rental car or Reimbursement Rate Per Mile for Personal Vehicle as shown here: <http://www.calhr.ca.gov/employees/Pages/travel-personal-vehicle.aspx>.
- Rental car, train, or airfare will only be reimbursed to attend those meetings outlined in the Administrative Activities section, and then only if it is the typical method used to get from one location to the other
- No other travel-related costs will be reimbursed through this grant program

Administrative costs

Administrative costs may account for no more than twenty percent (20%) of the total block grant award and may include those costs incurred by the block grant recipient to administer the grant, or costs by subgrantees to perform those tasks necessary to fulfill the deliverables outlined in these guidelines. Administrative costs include:

- Office space
- Supplies and equipment
- Legal or management oversight
- Prorated general liability, Workers' Compensation (may be included in payroll), and automotive insurance

Project development costs and permitting fees

Block grant funding may be used for project development costs:

- Preparing project plans, specifications and cost estimates that will result in a specific project
- Acquiring permits for specific, future on-the-ground projects
- Analysis required to support complete CEQA and or NEPA documentation
- Performing necessary cultural resources, biological, botanical, aquatic, soil, hydrologic, wildlife, timber, or other studies/surveys and/or developing necessary project designs related to a specific site or physical project

Demonstration project implementation costs

Block grant funding may be used for demonstration project implementation costs including:

- Preparation of bid packages and contractor documents
- Performance costs within the scope of the demonstration project including materials and supplies
- Labor and other costs necessary for the physical implementation of the project
- Pre- and post-project monitoring and adaptive management, including preparation of long-term management plan

Outreach, Education, and Training

Block grant funding may be used for Outreach, Education, and Training activities including

- Meeting space
- Materials
- Facilitation

Ineligible costs

Ineligible costs are:

- Costs that are not related to the Regional Forest and Fire Capacity Program
- Costs that occur outside of the Grant Agreement term
- Meals, incidentals, tips, per diems, or refreshments for meetings or travel
- Incentive/participation gifts or payments
- Out-of-state travel and activities

Auditing of fund expenditures

All expenditures of public funds under this program are subject to audit by the State of California. All grant recipients shall maintain books, records, documents and other evidence sufficient to properly reflect the amount, receipt, and disposition of all project funds (including state funds, interest earned, and matching funds by the grant recipient) and the total cost of the project.

Purchasing

Grant recipients are expected to adhere to their competitive bid, internal contracting, and purchasing guidelines. Documentation of the grantee's contracting or purchasing guidelines, processes, and project-specific approvals may be requested in the event of an audit by the State of California.

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, eliminated, or delayed by the Budget Act or through other budget control actions, Agency will have the option to cancel the grant agreement, offer to the grantee a grant agreement amendment reflecting the reduced amount, or suspend work. In the event of cancellation of the grant agreement or suspension of work, Agency will provide written notice to the grantee and be liable only for payment for any work completed pursuant to the grant agreement up to the date of the written notice. Agency will have no liability for payment for work carried out or undertaken after the date of written notice of cancellation or suspension. In the event of a suspension of work, Agency may remove the suspension of work by written notice to the grantee. Agency will be liable for payment for work completed from the date of written notice of the removal of the suspension of work, consistent with other terms of the grant agreement. In no event will Agency be liable to the grantee for any costs or damages associated with any period of suspension, nor will Agency be liable for any costs if, after a suspension, no funds are available and the grant agreement is then cancelled based on budget actions.

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

- Failure to execute an agreement within three months of receiving an official funding notification
- Failure to submit required documentation within the time periods specified in the grant agreement
- Change in project scope, schedule, or budget without prior approval
- Failure to complete the project
- Failure to demonstrate sufficient progress
- Failure to submit evidence of environmental or permit compliance as specified by the grant agreement
- Failure to comply with applicable laws or grant requirements

Confidentiality and Publicity

Details, documents, and any other materials related to this program, such as applications, grant agreements, reports, expenditures, photos, etc., are public records that may be publicly released in accordance with the California Public Records Act (Cal. Gov. Code §§ 6250 et seq.).

All project publicity, including that produced by subgrantees, should acknowledge "California Climate Investments" as a source of funding. All written media-related or public

outreach products, including those produced by subgrantees, should also include the California Climate Investments logo in a manner consistent with the most current version of the California Climate Investments Logo Usage Guidelines. Websites, announcements, press releases, and publications must also include specific California Climate Investments acknowledgement language as delineated in CARB's most recent *Cap-and-Trade Auction Proceeds, Funding Guidelines for Agencies that Administer California Climate Investments* and available through the Department of Conservation.

Grantees should include the email address: CClpress@arb.ca.gov on any distribution lists and post the @CAClimateInvest Twitter link on their website.

The most recent Logo Usage Guidelines are available through the Department and are posted on the California Climate Investments website at <http://www.caclimateinvestments.ca.gov/logo-graphics-request/>.

Section 5: Definitions and Reference Material

Definitions

Agency: California Natural Resources Agency.

Collaboration: Partnership or cooperation involving multiple and diverse stakeholders (including agencies, as appropriate) to improve natural resource conditions within the same watershed in ways that do not duplicate efforts.

Department: California Department of Conservation.

Reasonable costs: A cost that, in its nature and amount, does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. In determining reasonableness of a given cost, consideration must be given to:

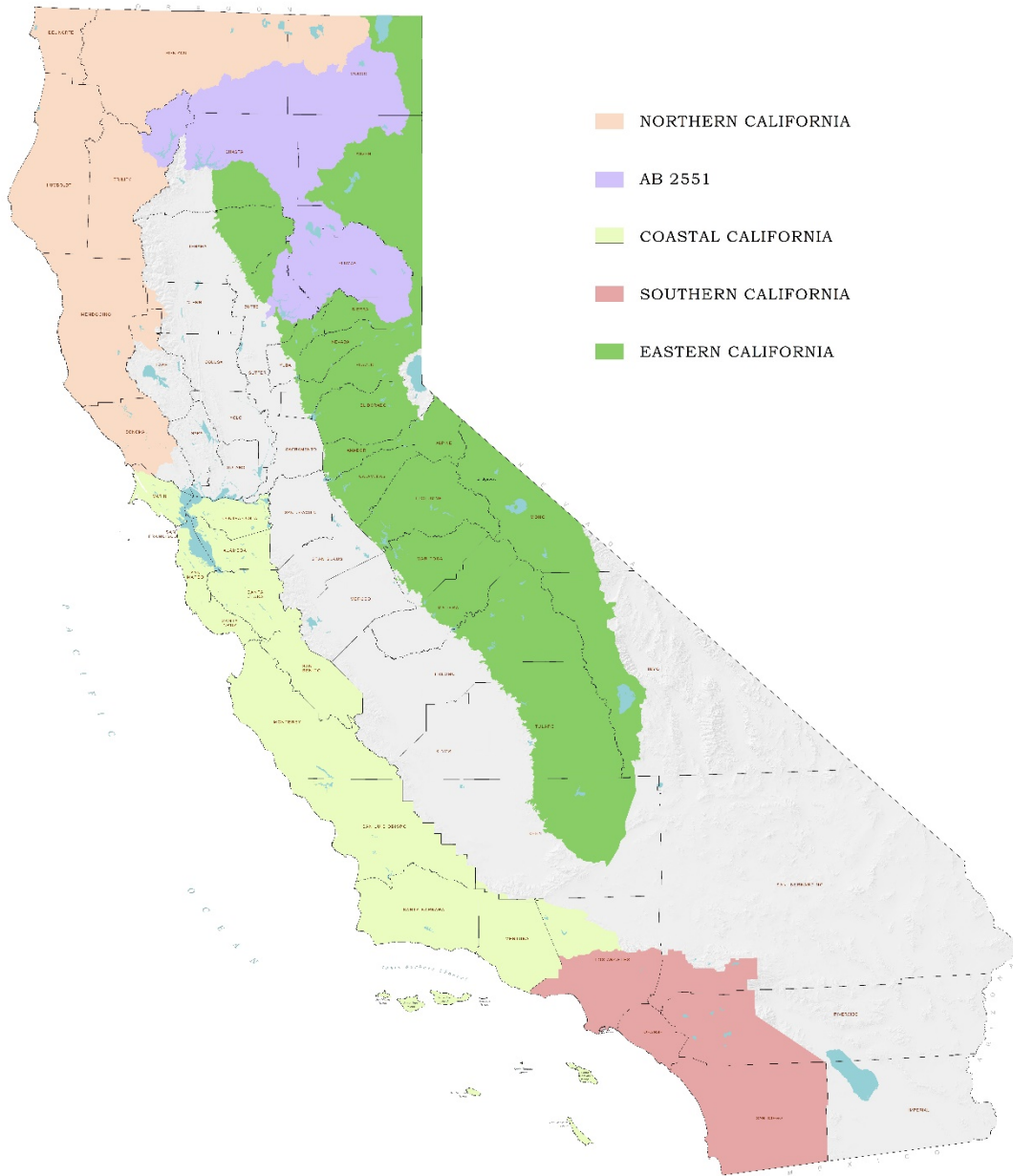
- Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the entity or the proper and efficient performance of the project.
- The restraints or requirements imposed by such factors as: sound business practices; arm's-length bargaining; federal, state, local, tribal, and other laws and regulations; and terms and conditions of this project.
- Market prices for comparable goods or services for the geographic area.
- Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to its employees, the public at large, and the state.
- Whether the cost significantly deviates from the acquiring entity's established practices and policies regarding the incurrence of costs.

Watershed: All land enclosed by a continuous hydrologic drainage divide and lying upslope from a specified point on a stream, river, lake, or other waterbody. Total land areas draining to any point in a stream.

Reference material

- *California Forest Carbon Plan: Managing our Forest Landscapes in a Changing Landscape*, May 2018, California Natural Resources Agency, California Environmental Protection Agency, California Department of Forestry and Fire Protection
- Executive Order B-52-18

Appendix A: Regions Map



The work within the AB 2551 region will be coordinated with the block grant recipients for the Northern and Eastern regions.