

**COUNTY OF HUMBOLDT
WATER STORAGE/CONSERVATION GRANT PROGRAM
GRANT AGREEMENT**

This Grant Agreement (the “Agreement”) dated [REDACTED] 2022 (“Effective Date”) is made and entered into by and between the County of Humboldt, a political subdivision of the State of California (the “County”), and [REDACTED] (“Grantee”). The County and Grantee are hereinafter collectively referred to as the “Parties”.

RECITALS

WHEREAS, on January 22, 2022, Humboldt County and the state Department of Cannabis Control entered into an agreement that make Local Assistance Grant Program funds available for projects that assist cannabis farmers in the transition from provisional cultivation licenses to annual licenses, and for maintenance of annual licenses; and

WHEREAS, up to \$12,300,000 of the Local Assistance Grant Program funds received by Humboldt County was approved to fund a Water Storage/Conservation Grant Program (the “Program”), that assists commercial cannabis licensees to fund transition of water use from surface diversions and hydrologically connected wells during the low-flow periods of the year by increasing rainwater catchment, forbearance, and water conservation to achieve 75% of licensee’s commercial cannabis cultivation water budget consistent with State Water Resources Control Board requirements, and

WHEREAS, the Grantee has submitted an application that meets the minimum requirements of the Program, and the County wishes to enter into this Agreement with Grantee to provide Program funds to assist Grantee with transitioning from provisional cultivation licenses to annual licenses or maintaining their annual licenses into the future.

NOW, THEREFORE, the parties hereto mutually agree as follows:

1. Grant. Subject to the terms and conditions of this Agreement, the County agrees to provide a grant of funds to Grantee in the amount specified below (the “Grant”).

2. Scope of Work. Grantee hereby agrees and understands that the County retains sole and absolute discretion to determine if Grantee has met the requirements for the Grant. The scope of work is that which was included as part of the original application modified as necessary by the County to eliminate the ineligible tasks and attached hereto as **Exhibit A**.

3. Compensation. Grantee hereby agrees to use Grant Program funds only for expenses as specified in the original application modified as necessary by the County to eliminate the ineligible expenses and attached hereto as **Exhibit A**. The maximum payment amount shall not exceed the approved budget amount of \$_____.

4. Time of Performance. The Grant term shall begin on the Effective Date and shall end two full years after the disbursement under this Agreement. All work in the Scope of Work attached hereto as Exhibit A must be completed prior to the end of the Grant term.

5. Payment. The County is anticipating the grant funds will be disbursed to Grantee's within 45 days of execution of this agreement, however, the timing of the disbursement(s) of grant funds to Grantees shall be solely determined by the County.

6. Evaluation, Monitoring and Reporting. Grantee shall be monitored and evaluated by the County for effectiveness and timely compliance with the provisions of this Agreement. Grantee agrees that authorized representatives of the County, may perform on-site and/or fiscal monitoring of Grantee's record-keeping and reporting to assure compliance with this Agreement. Grantee agrees to make its records and facilities available for such review.

7. Compliance with State of California Standards. Grantee shall be responsible for complying with the terms, conditions, and requirements of all local and state laws.

8. Indemnification. Grantee shall hold harmless, defend and indemnify County and its agents, officers, officials, employees and volunteers from and against any and all claims, demands, losses, damages, liabilities, expenses and costs of any kind or nature, including, without limitation, attorney's fees and other costs of litigation, arising out of, or in connection with, Grantee's negligent performance of, or failure to comply with, any of the duties and/or obligations contained herein, except such loss or damage which was caused by the sole negligence or willful misconduct of County. This provision will survive expiration or termination of this Contract.

9. Dispute Resolution. If any dispute arises while fulfilling the terms of this agreement the County and Grantee agree to participate in a good faith attempt to resolve the dispute informally. Both parties shall have a right to request a mediator or some other neutral third-party be present at the meet-and-confer to attempt to settle the dispute. Parties should attempt to agree on who this person shall be. Offers discussed in settlement negotiations shall be considered confidential and shall not be introduced as evidence in any subsequent judicial review.

10. Events of Default and Remedies. The failure to comply with any term of this Agreement, shall constitute a default by Grantee. In the event of a default, County may, in its discretion, take any of the following actions, in addition to any other remedies under this Agreement:

- a. Terminate this Agreement, in whole or in part;
- c. Demand immediate reimbursement of any funds disbursed under this Agreement;

- d. Bring an action for equitable relief (1) seeking the specific performance by Grantee of the terms and conditions of the Agreement, and/or (2) enjoining, abating, or preventing any violation of said terms and conditions, and/or (3) seeking declaratory relief; and/or
- e. Pursue any other remedy allowed by law or in equity.

11. Modification to the Agreement

No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by all parties .

12. Representatives of the Parties and Service of Notices

12.1. The representatives of the respective parties authorized to administer this Agreement, and to whom formal notices, demands, and communications will be given are as follows:

12.2. The representative of County will be the Director or his authorized designee:

John H Ford
 Director of Planning and Building
 3015 H Street
 Eureka, CA 95501

The Grantee:

Name: _____
 Address: _____
 Phone: _____
 Email: _____

12.3 Formal notices, demands, and communications required hereunder by either party will be made in writing and may be effected by personal delivery or by registered or certified mail, postage prepaid, return receipt requested and will be deemed communicated as of the date of mailing.

12.4 If the name of the person designated to receive the notices, demands, or communications, or the address of such person is changed, written notice will be given within five (5) business days of said change.

13. Entire Agreement. This Agreement contains the full and complete Agreement between the parties. No verbal agreement or conversation with any officer or employee of either party will affect or modify any of the terms and conditions of this Agreement. The parties acknowledge that they have read and understood this Agreement and had an opportunity to consult with counsel of their choosing.

This Agreement may be executed in one or more counterparts, and by the parties in separate counterparts, each of which when executed shall be deemed to be an original, but all of which taken together shall constitute one and the same Agreement. The parties further agree that

facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by County) and sent by e-mail shall be deemed original signatures.

[Signatures appear on next page]

COUNTY OF HUMBOLDT, a political subdivision of the State of California

By: _____

Name: John H Ford, or his authorized designee
Title: Director, Department of Planning and Building

Date: _____

GRANTEE

By: _____

Name: _____

Title: An Individual

Date: _____

Send Signature Page to:
Humboldt County
Department of Planning and Building
Grant Agreement for [Grantee]
3015 H Street, Eureka, CA 95501

Exhibit A

Applicant Original Scope of Work & Budget as modified by the County
to eliminate ineligible tasks and/or expenses.