



**Ocean Protection Council
Once-Through Cooling Interim Mitigation Program
DRAFT Award Guidelines**

**Funded by the
Water Quality Control Policy on the Use of
Coastal and Estuarine Waters for Power Plant Cooling**

For public review from August 13 – September 14, 2018

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Section 1: Program Details

1.1 Purpose of Once-Through Cooling Interim Mitigation Program Award Guidelines

The State Water Resources Control Board established the statewide “Water Quality Control Policy on the Use of Coastal and Estuarine Waters for Power Plant Cooling” (Policy)¹ in 2010 requiring power generating facilities to stop using once-through cooling (OTC) technology. The Policy requires that mitigation payments assessed against power plants for use of OTC technology support “mitigation projects directed toward increases in marine life associated with the state’s marine protected areas in the geographic region of the facility.” The Policy directed the Ocean Protection Council (OPC) to develop and implement the Once-Through Cooling Interim Mitigation Program (Program). OPC and the State Water Resources Control Board entered into a Memorandum of Understanding² that allocates \$5.4 million of the annual payments to mitigate the impacts of OTC on California’s Marine Protected Area (MPA) Network.

These funds can be distributed through two funding mechanisms: 1) a competitive award program, and 2) interagency contracts and unsolicited projects. These award guidelines establish the high-level process and criteria that OPC will use to solicit applications, evaluate and select proposals, and distribute awards using OTC interim mitigation funds, consistent with Program priorities as defined in Section 1.2.³ As Program priorities and the amount of interim mitigation funds received may change from year to year, the competitive solicitation released each year will provide more specific details on the types of projects OPC is soliciting and the amount of funding available.

1.2 Once-Through Cooling Interim Mitigation Program Background and Funding Priorities

Once-through cooling technology pulls water from the ocean to cool power generating facilities. Marine animals, seaweeds, and billions of eggs and larvae of fish and invertebrates are taken in with the seawater and killed as they are subjected to thermal, physical, and/or chemical stresses. Larger organisms may also be pinned against seawater intake screens, causing injury or death. These impacts contribute to the decline of fisheries and the degradation of marine habitats near power plants using once-through cooling.

To address these damaging impacts, the State Water Resources Control Board established a Policy requiring power plants to stop using once-through cooling technology. The Policy requires power plants that are not in compliance to make mitigation payments annually based on their annual intake volume of water until they come into compliance. To ensure grid reliability, final compliance dates were negotiated with 10 power plants that are required to make mitigation payments until they come into compliance with the Policy. OPC will receive up to \$5.4 million annually from these annual mitigation payments to distribute through its OTC Interim Mitigation Program. Funds will decrease as power plants come into compliance with the Policy, and the Program is expected to end in 2029 when all power plants are required to be in compliance.

¹ https://www.waterboards.ca.gov/water_issues/programs/ocean/cwa316/docs/otcpolicy_2017.pdf

² http://www.opc.ca.gov/webmaster/media_library/2016/10/Compressed_Acceptance-Use-of-Interim-Mitigation-Funds-for-the-Once-Through-Coolin.pdf

³ Program priorities are defined in Section 1.2, and are also outlined in the staff recommendation for the November 1, 2017 OPC meeting, which can be viewed here:

http://www.opc.ca.gov/webmaster/ftp/pdf/agenda_items/20171101/Item6_OTC_November_1_FINAL.pdf

OPC's Once-Through Cooling Interim Mitigation Program prioritizes mitigation payment investment through four categories:

1. Enforcement of MPA regulations statewide

Enforcement of relevant MPA regulations is essential to ensure a successful MPA network that has the best chance to achieve the ecological goals in the Marine Life Protection Act (MLPA)⁴. Recurring poaching of marine life in MPAs decreases diversity, populations, and reproductive output, and can therefore affect an ecosystem's ability to recover from or mitigate negative impacts.

2. Outreach and education to improve compliance of MPA regulations statewide

Outreach and education to the public is a critical component of establishing and maintaining compliance with MPA regulations. Improved public awareness of MPA regulations can serve as OTC impact mitigation because it increases protection of marine life within MPAs, which in turn maximizes the expected ecological benefits from these areas.

3. Research to understand how existing MPAs may be mitigating for OTC impacts

Research supported by Program funds will help evaluate and quantify the degree to which the existing MPA Network may be mitigating for OTC impacts and document ecological benefits provided by the increasing biomass and reproductive output.

4. Restoration that increases marine life in the geographic region of the facility

A Working Group of the OPC-SAT⁵, convened by the Ocean Science Trust, applied the best science available to help identify an ecological framework that would allow the evaluation of projects that would have a high likelihood of meeting the requirements of the Policy to increase marine life associated with California's MPA network. Their report⁶ determined that due to oceanographic currents connecting locations both inside and outside of MPAs, harmful effects of once-through cooling extends hundreds of kilometers from a power plant's intake pipe. Given the geographic extent of power plants still using once-through cooling, the findings of this report define the areas impacted as the entirety of State waters (3 nautical miles from the coastline) from San Diego to Big Sur coast (near Lucia), including the waters around the Channel Islands.

OPC will allocate the funds across these four categories as determined by an ongoing needs assessment and the MPA Statewide Leadership Team Work Plan⁷. OPC may also direct Program funds to interagency contracts and unsolicited projects as needed. All projects funded by Once-Through Cooling Interim Mitigation Funds will be subject to Council review and approval. A minimum of a 10-day public comment period will be made available prior to the Council meeting for public review of the recommended projects.

⁴ <https://www.wildlife.ca.gov/Conservation/Marine/MPAs/FAQs#27582618-what-is-the-marine-life-protection-act-mlpa>

⁵ <http://www.oceansciencetrust.org/projects/scientific-guidance-for-once-through-cooling-mitigation-funds/>

⁶ <http://www.opc.ca.gov/webmaster/OST-Ocean-Restoration-Methods-Final-HighRes.pdf>

⁷ <http://www.opc.ca.gov/programs-summary/marine-protected-areas/partnerships/>

1.3 Eligible Projects

Proposed projects must be consistent with the State Water Resources Control Board’s “Water Quality Control Policy on the Use of Coastal and Estuarine Waters for Power Plant Cooling”, and fall within at least one of the four Program priorities categories described in Section 1.2. To be eligible, projects must demonstrate how they meet all eligibility criteria listed in Section 2.6. Projects must be ready to start work upon approval and be able to be completed within 1 to 3 years. Specifics on the time to complete the projects will be determined during the proposal development process.

Up to 15% of the amount awarded to a single award can be allocated to eligible planning activities that will lead to the successful design and implementation of projects. These efforts may include project development, implementation strategy development, watershed assessments, and project-specific activities such as design and baseline data collection.

1.4 Ineligible Projects

The list below includes examples of proposed projects that will not be funded under this program. This is not a comprehensive list.

- Projects focused solely on marine pollution or water quality.
- Projects requesting funding to implement mitigation projects that an agency, organization, or company is mandated to complete.
- Projects taking place solely outside of the geographic region of the facilities (100km north and south of the facility). If a project takes place outside of the geographic region of the facilities, the applicant must demonstrate that the projected outcomes are connected to the geographic region (i.e. statewide MPA science curriculum, statewide MPA monitoring, etc.).
- Projects focused solely on planning.
- Costs associated with environmental permitting are not eligible. Projects must comply with applicable State and federal laws and regulations, including the California Environmental Quality Act (CEQA), the National Environmental Policy Act (NEPA), and other environmental permitting requirements. The applicant is responsible for receiving and fulfilling all permitting requirements. (See Section 1.8)

1.5 Applicant Eligibility

Funds can be awarded to public agencies (including local, state, and federal), public or private universities, nonprofit organizations, private entities, federally recognized Indian tribes, and state Indian tribes listed on the Native American Heritage Commission’s California Tribal Consultation List. Nonprofit organizations must be a 501 (c)(3) as verified by the Internal Revenue Service.

1.6 Applicant Capacity

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

- Capacity to manage a state award, including the ability to clearly document accounting activities and having staff dedicated to tracking and reporting financial operations associated with the award.
- Ability to address cash flow processing of reimbursement payments, as OPC will not directly advance any funds. Awards under this Program are paid in arrears and there are restrictions on the types of expenses that can be claimed. All expenses are paid on a reimbursement basis within 45 days of

receiving a properly submitted Request for Disbursement and its associated invoice, receipts, and other required documentation (see Section 2.9).

- Proof of qualified staff or contractors to carry out the project activities.
- A history of success in completing similar projects.
- The applicant's governance structure, with institutional history and any operating laws or procedures, and the commitment to see the project to completion.

1.7 California Native Tribes and Tribal Governments

OPC recognizes the need for the involvement of, and when appropriate, consultation with California Tribes and Tribal Governments regarding projects that occur in areas of traditional use. As such, applicants should make every effort to involve California Tribes and Tribal Governments as appropriate.

1.8 Environmental Documents and Permitting

OPC is required to comply with the California Environmental Quality Act (CEQA). Applicants should consider whether their proposed project will require an environmental impact report, negative declaration, or whether a CEQA exemption applies. How CEQA applies and the status of CEQA compliance must be addressed in the application. Projects must also comply with applicable State and federal laws and regulations, including the National Environmental Policy Act (NEPA), and other environmental permitting requirements. The applicant is responsible for receiving and fulfilling all permitting requirements. The applicant is solely responsible for project compliance.

No project will be approved until the necessary environmental permitting is complete, and OPC reserves the right to require modification to the design, to require additional mitigation, and to ultimately find the project is not consistent with the Program, and therefore remove it from the list of potentially eligible proposals for funding.

1.9 Minimum and Maximum Award Amounts

The minimum award is \$300,000, though OPC may award smaller projects as needed. As sub-awards are allowed, it is highly recommended that applicants with projects under \$300,000 collaborate with others to create a larger proposal and apply as a coalition with one defined administrative lead. Applicants are encouraged to discuss potential small projects with OPC staff in advance of submittal. The maximum award is \$5,400,000, though to encourage a selection of diverse projects that address current needs, it is unlikely that a single award will be receive all of the funds available in a given year.

OPC will issue solicitations annually to initiate a competitive award program. The solicitation will provide details on the minimum and maximum award amounts available per Program priorities category listed in Section 1.2. OPC also has the discretion to direct Program funds to interagency contracts and unsolicited projects as needed. If OPC receives less than \$300,000 in mitigation payments from power generating facilities, OPC may use its discretion not to release an open solicitation, but to disburse funds through other mechanisms.

Section 2: Application Process

2.1 Project Solicitation and Proposal Timing

For the competitive process, the solicitation will detail the amount of funding available, as well as criteria for projects being solicited, based on the following Program priorities categories as described in Section 1.2:

1. Enforcement of MPA regulations statewide
2. Outreach and education to improve compliance of MPA regulations statewide
3. Research to understand how existing MPAs may be mitigating for OTC impacts
4. Restoration that increases marine life in the geographic region of the facility

The amount of Program funding available annually is dependent on the payments collected from the power generating facilities. Funding will decrease as power plants come into compliance with the Policy, and funding to the Program is expected to end in 2029.

Competitive Awards

Solicitation periods for the Program's competitive awards will be posted on the OPC website⁸, and announced via social media⁹ and the OPC email listserv¹⁰, which has close to 3,000 subscribers. OPC may solicit targeted proposals for a specific type of project. If adequate funds are available, there will be one competitive project solicitation period per calendar year. Additional competitive solicitations may occur depending upon the level of applicant interest, funding availability, and capacity of OPC staff and the external review committee. The timing of solicitation periods depends on budget allocations, but will generally be released in the Fall. Applications for competitive solicitations may be submitted during the solicitation periods only. See Appendix A for the Program's competitive award solicitation schedule for 2018-2019.

Interagency Contracts and Unsolicited Projects

OPC may also direct Program funds to interagency contracts and unsolicited projects as needed. These types of projects must meet all eligibility criteria listed in Section 2.6, and will be subject to Council review and approval. Contact OPC's Once-Through Cooling Interim Mitigation Program Manager to discuss how to submit a proposal for an interagency contract or unsolicited project. The Program Manager's contact information will be listed on the Program's website¹¹.

2.2. Transparency and Inclusion

OPC prioritizes transparency and inclusion as critical components to a successful competitive award program. During the open solicitation period, OPC staff will host at least one webinar to answer questions. A "Frequently Asked Questions" document also will be developed to address questions that are raised during the webinar and will be posted on the Program's website.

OPC will work with the MPA Statewide Leadership Team's Tribal Representatives to establish targeted outreach to tribal communities within the timeframe of the open solicitation period. The need for the involvement of, and

⁸ <http://www.opc.ca.gov/once-through-cooling-interim-mitigation-program/>

⁹ https://twitter.com/OPC_California

¹⁰ Click here to subscribe to the OPC listserv:

https://listservice.cnra.ca.gov/scripts/wa.exe?SUBED1=CNRA_OCEANS_PUBLIC&A=1

¹¹ <http://www.opc.ca.gov/once-through-cooling-interim-mitigation-program/>

when appropriate, consultation with California Tribes and Tribal Governments regarding projects that occur in areas of traditional use is integrated into the Program’s scoring criteria.

2.3 Overview of Competitive Proposal Application and Project Selection Process

The Program ensures that proposals are reviewed with fairness and transparency. An overview of the Program is presented in the diagram below. Each step is explained in more detail in sections 2.4 through 2.9.



2.4 Required Proposal Elements

While these award guidelines provide high-level direction on the process and criteria that OPC will use to solicit, evaluate, select proposals, and provide awards, the solicitation is the primary source for detailed guidance on preparing and submitting a proposal to OPC. The solicitation will include information about proposal formatting and page limits, project requirements and criteria, minimum and maximum funding amounts per project, how to submit a proposal, important deadlines, and other useful information.

Letter of Intent

Applicants must submit a Letter of Intent before they are invited to submit a full proposal. The Letter of Intent is an outline of the proposed project. It should be no more than 2 pages of text, and can contain one table for the budget, one table for the timeline, and proof of permits (if required). It may not contain any other graphs, images, or appendices. The Letter of Intent must be submitted in the template provided in the solicitation, and will generally address the following:

- Project description
 - Describe the question, problem, or need that will be addressed.
 - Identify how the project will address the need.
 - Identify how the project aligns with the Policy to increase marine life associated with marine protected areas in the geographic region of the facility.
 - Identify the geographic scope of the project.

- Identify who will benefit from this project.
- Objectives
 - Describe the specific, measurable outcomes of the project.
 - Briefly describe the methods and activities that will take place to achieve the desired outcomes.
- Budget
 - Estimate the expected expenses to carry out the project to your best ability. Consider the following expenditure categories:
 - Personnel
 - Equipment and supplies
 - Travel
 - Consultants or subcontractors
 - Administrative overhead, capped at 15% (except for UC and CSU, which are capped at the currently negotiated rate)
 - Other expenditures as needed
 - Indicate if there are any matching or partial funds available from other sources.
 - OPC staff may recommend that applicants with projects ideas under \$300,000 collaborate with others to combine project ideas to create a larger proposal and apply as a coalition with one defined administrative lead.
- Timeline
 - Make a general list or table of the expected timeline to carry out the project. Projects must be completed within 3 years.
- Permits (if required)
 - Disclose what permits are required, including those for compliance with CEQA and NEPA, and provide proof that the permits have been obtained.

OPC staff will review the Letters of Intent to check that proposed projects meet eligibility requirements listed in Section 2.6. OPC staff may consult with members of the expert review committee, or other experts and partners as deemed necessary. Within 30 days of the Letter of Intent submission deadline, applicants will hear from OPC staff whether or not they are invited to submit a full proposal. OPC staff may ask that applicants amend parts of their proposal in order to submit a full proposal.

Full Proposal

Applicants invited to submit a full proposal must submit a detailed scope of work, schedule, and budget for the project in response to the solicitation. All applicants are required to use the provided application template. A full proposal will contain a complete description of the project, including but not limited to:

- Detailed description of the proposed scope of work, including long-term results and outcomes.
- Project schedule with explicit task completion dates, including a clear depiction of timing of project phases and components.
- Budget that is tied directly to the explicit task list that includes estimated rates, hours, equipment, and potential sub-contractors.
- Resumes or Curriculum Vitae of principal investigators or contractors, including previous projects that reflect sufficient aptitude in the project's focal area.
- Review of all environmental compliance and permitting requirements. (Section 1.8)
- Plans for monitoring and reporting the project. (Section 3.1)
- Letters of support both from within and outside the community where the project will take place.

- Consistency with, and a description of, how the proposed project aligns with the Policy to increase marine life associated with marine protected areas in the geographic region of the facility.

Applicants must submit a complete proposal by the deadline or they will not be evaluated for funding. Proposals will be reviewed for completeness by OPC staff to ensure that all submission criteria are met before being sent to a review committee. Proposals that do not meet all submission criteria and/or are incomplete will be rejected. The solicitation will identify reasons for which a proposal may be returned without review. Rejected proposals are not precluded from applying in future solicitations.

2.5 Evaluation of Proposals

Proposals will be reviewed and scored by a minimum of three professionals with relevant expertise. Reviewers may include state and federal agency staff and others with relevant expertise, including consultants and academic professionals.

Members of the review committee are selected based on their knowledge of one or more of the four program components described above. Reviewers will have an in depth understanding of the California's MPA Network, can identify projects that satisfy broad or specific needs that align with the MPA Statewide Leadership Team Work Plan and other documents that identify current needs, and can appropriately assess the potential for proposed projects to increase marine life associated with MPAs within the geographic region of the facilities.

All reviewers will be required to document that they do not have a conflict of interest in reviewing any proposals. All applicants and individuals who participate in the review of submitted applications are subject to state and federal conflict of interest laws. Any individual who has participated in planning or setting priorities for a specific solicitation or who will participate in any part of the award development and negotiation process on behalf of the public is ineligible to receive funds or personally benefit from funds awarded through that solicitation. State agencies may submit applications for funding. Failure to comply with the conflict of interest laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent award agreement being declared void. Other legal actions may also be taken. Applicable statutes include, but are not limited to, California Government Code section 1090 and Public Contract Code sections 10365.5, 10410, and 10411.

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

These award guidelines identify the scoring criteria to be used by the review committee. Additional scoring criteria may be included in the solicitation. Site visits may be scheduled prior to funding decisions, and may result in ranking adjustments. Partial funding may be considered. After scores are collected, the committee will meet in person to make their final recommendations.

2.6 Evaluation Criteria and Scoring for Proposals

All projects will be evaluated by the following criteria in addition to the category-specific criteria below; however, only competitive solicitations will be scored. Additional scoring criteria may be included in the solicitation. Scoring information of all proposals will remain confidential.

EVALUATION CRITERIA FOR ALL PROPOSALS	
Criteria	Points
<p><u>Clarity and articulation; sound approach</u> Includes complete, reasonable, and well-developed proposal elements, including proposed scope of work (3 points), budget (3 points), and timeline (3 points).</p>	9
<p><u>Project management</u> Demonstrates applicant capacity to execute project, including</p> <ul style="list-style-type: none"> • Applicant has experience successfully implementing similar projects or demonstrates appropriate and necessary partnerships to complete the project. The applicant shows that it can hire or contract with experienced scientific staff in an area of specialty that would improve the potential success of the underlying proposal, when applicable. (4 points) • Applicant has existing infrastructure or administrative capacity to develop, manage, and implement the project successfully. (2 points) 	6
<p><u>Alignment with the Policy</u> Clearly articulates how the project advances the goals and actions of the “Water Quality Control Policy on the Use of Coastal and Estuarine Waters for Power Plan Cooling”, including</p> <ul style="list-style-type: none"> • Project clearly demonstrates how outcomes could increase marine life associated with California’s marine protected areas. (10 points) • Project is focused within the geographic region of the facility, 100km north and south of the power plant, as defined by the OPC Science Advisory Team (OPC-SAT) Working Group report “Ocean Restoration Methods: Scientific Guidance for Once-Through Cooling Mitigation Policy”¹². If the project takes place outside of the geographic region of the facility, the applicant must demonstrate that the projected outcomes are connected to the geographic region. (10 points) <ul style="list-style-type: none"> ○ NOTE: Projects that are focused solely outside of the geographic region of the facility are ineligible. 	20
<p><u>Effectiveness and Innovation</u></p> <ul style="list-style-type: none"> • Employs new, innovative, or proven methods that improves the adaptive management of the State’s MPA Network. (5 points) • Has a clear and reasonable method for measuring and reporting project effectiveness (see Section 3.1). (5 points) 	10
<p><u>Methodology</u> Is consistent with best available science. Applicant demonstrates how relevant science used is up to date and appropriate for projects for the specific topic, as well as the feasibility of proposed work.</p> <ul style="list-style-type: none"> • Contains technical/scientific merit (5 points) • Project completion is feasible in the timeframe and with the budget requested (5 points) • Project has a high likelihood to fulfill its stated goals and objectives (5 points) 	15

¹² <http://www.opc.ca.gov/webmaster/OST-Ocean-Restoration-Methods-Final-HighRes.pdf>

<p><u>Community support</u> Has both local community support and greater than local interest and impact.</p> <ul style="list-style-type: none"> • Project has local community support, as demonstrated by the submittal of letters of support with application (4 points) • Project also has support from outside of the project area, as demonstrated by the submittal of letters of support with application. (2 points) 	6
<p><u>Interactive partnerships</u> Clearly identifies collaboration opportunities with government agencies (including California Tribes and Tribal Governments); conservation, science, or fishing organizations; and other partners. (2 points) Project shows thoughtful plan to include state agency/tribal review throughout the duration of the project, including the initial planning phase, as needed. (4 points)</p>	6
<p><u>Permitting</u> Proposal identifies any permits that may be necessary to complete the project, provides proof that those permits are already acquired, and lays out a clear and reasonable approach and timeline to receive permits if they are not already acquired. If no permits are necessary to complete the project, the proposal must provide sound reasoning to support that statement. (3 points)</p>	3
<p><u>Inclusivity</u> Project benefits disadvantaged communities.¹³ (2 points)</p>	2
<p><u>Additional funding</u> Project leverages private, state, federal, or local funding sources: projects with at least 25% matching funds (1 point); more than 50% matching funds (2 points); or 100% matching funds (3 points).¹⁴</p>	3
<p><u>Data and project upload</u> When applicable, project has clear data management plan that ensures data will meet established metadata standards¹⁵. Raw data, metadata, associated technical reports, and educational materials are required to be uploaded to California Natural Resources Agency Open Data Platform¹⁶ within 1 year of the project end date. (5 points)</p>	5
Total possible points	85

¹³ “Disadvantaged communities” as defined by California Water Code §79505.5a: “Disadvantaged community is a community with an annual median household income that is less than 80% of the statewide annual median household income.” To determine whether a project is located within or near a disadvantaged community, please use the CalEnviroScreen map viewer (<https://oehha.ca.gov/calenviroscreen>) and/or the California ARB map viewer showing designations as per SB 535 and AB 1550 (<https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/lowincomemapfull.htm>). Applicants should state the project’s geographical proximity to specific disadvantaged communities and clearly demonstrate how the project directly benefits those communities.

¹⁴ Funds for completing an environmental review process such as CEQA are not considered matching funds.

¹⁵ http://www.opc.ca.gov/webmaster/media_library/2017/04/DataMetadataStandards_Jan2017-1.pdf

¹⁶ https://data.cnra.ca.gov/dataset/north-coast_state-of-the-region-snapshots-and-supplemental-reports_all-habitats_2013-to-2017

ADDITIONAL SCORING CRITERIA FOR EDUCATION PROPOSALS	
Criteria	Points
<u>Alignment with MPA Statewide Leadership Team Work Plan¹⁷ and Key Documents¹⁸</u> Clearly demonstrates relevance to and addresses specific identified actions locally (3 points), and/or statewide (additional 3 points).	6
<u>Project sustainability</u> Has a projected and measurable impact longer than the award duration. (3 points)	3
<u>Impact</u> Has clear, meaningful, and well-developed evaluation metrics and documentation of project impacts. (6 points)	6
Total possible points	15

ADDITIONAL SCORING CRITERIA FOR ENFORCEMENT PROPOSALS	
Criteria	Points
<u>Alignment with MPA Statewide Leadership Team Work Plan¹⁹ and Key Documents²⁰</u> Clearly demonstrates relevance to and addresses specific identified actions locally (3 points), and/or statewide (additional 3 points).	6
<u>Project sustainability</u> Has a projected and measurable impact longer than the award duration. (3 points)	3
<u>Collaboration with CDFW LED MED</u> Collaboration with and review of materials and products by the California Department of Fish and Wildlife Law Enforcement Division Marine Enforcement District is clearly included in the project work plan and timeline. (6 points)	6
Total possible points	15

ADDITIONAL SCORING CRITERIA FOR MONITORING PROPOSALS	
Criteria	Points
<u>Alignment with MPA Statewide Leadership Team Work Plan²¹ and Key Documents²²</u> Clearly demonstrates relevance to and addresses specific identified actions locally (3 points), and/or statewide (additional 3 points).	6
<u>Collaboration</u> Prior publications/projects of applicant demonstrate ability and capacity to produce quality products and work with others. (3 points)	3

¹⁷http://www.opc.ca.gov/webmaster/ftp/pdf/agenda_items/20150922/Item5_Attach2_MPALeadershipTeam_Workplan_FI_NALv2.pdf

¹⁸ As the MPA Statewide Leadership Team Work Plan and other Key Documents will be regularly updated to stay current with needs assessments, see the project solicitation for more specific information.

¹⁹http://www.opc.ca.gov/webmaster/ftp/pdf/agenda_items/20150922/Item5_Attach2_MPALeadershipTeam_Workplan_FI_NALv2.pdf

²⁰ As the MPA Statewide Leadership Team Work Plan and other Key Documents will be regularly updated to stay current with needs assessments, see the project solicitation for more specific information.

²¹http://www.opc.ca.gov/webmaster/ftp/pdf/agenda_items/20150922/Item5_Attach2_MPALeadershipTeam_Workplan_FI_NALv2.pdf

²² As the MPA Statewide Leadership Team Work Plan and other Key Documents will be regularly updated to stay current with needs assessments, see the project solicitation for more specific information.

Data management plan Project has clear data management plan that ensures data will meet established metadata standards ²³ and raw data and required metadata will be loaded on to California Natural Resources Agency Open Data Platform ²⁴ within 1 year of the project end date. (6 points)	6
Total possible points	15

ADDITIONAL SCORING CRITERIA FOR RESTORATION PROPOSALS	
Criteria	Points
Alignment with OPC-SAT report and other Key Documents²⁵ Clearly demonstrates relevance to and addresses specific recommendations of the Ocean Protection Council Science Advisory Team (OPC-SAT) report entitled “Ocean Restoration Methods: Scientific Guidance for Once-Through Cooling Mitigation Policy” ²⁶ and other Key Documents as identified in the solicitation. (6 points)	6
Project sustainability Project is self-sustaining (i.e. gains achieved are maintained within the range of natural variability) requiring no additional maintenance or manipulations within 3 years from the end of the award duration. (3 points)	3
Ecosystem impact <ul style="list-style-type: none"> • Project is at a scale that provides a measurable impact to the density, diversity, biomass, and function of priority ecosystems²⁷. (2 points) • Project reference points reflect comprehensive understanding of current and future conditions. (2 points) • Project bolsters or increases the integrity of the targeted ecosystem. (2 points) 	6
Total possible points	15

2.7 Staff Recommendations for Awards

To fund as many high-ranking projects as possible, OPC staff may contact applicants to inquire about modifying project scope and budget. OPC staff has discretion on when individual projects will be brought to the Council for consideration, based on project readiness. Any outstanding permitting or design issues that must be resolved before a proposed award can be recommended by staff to the Council. It can take an average of four to six

²³http://www.opc.ca.gov/webmaster/media_library/2017/04/DataMetadataStandards_Jan2017-1.pdf

²⁴https://data.cnra.ca.gov/dataset/north-coast_state-of-the-region-snapshots-and-supplemental-reports_all-habitats_2013-to-2017

²⁵ As Key Documents will be regularly updated to stay current with needs assessments, see the project solicitation for more specific information.

²⁶ <http://www.opc.ca.gov/webmaster/OST-Ocean-Restoration-Methods-Final-HighRes.pdf>

²⁷ Priority ecosystems:

- Rocky intertidal
- Kelp and shallow rock (0-30m)
- Mid-depth rock (30-100m)
- Deep ecosystems and canyons (>100m)
- Soft bottom subtidal (0-100m)
- Nearshore pelagic
- Estuarine and wetlands

months from full proposal submittal to Council approval and then an additional two months for execution of the award agreement. Staff recommendation for funding does not guarantee a project will be approved for funding.

2.8 Approval by Council

The Council must approve the execution of an award at a public meeting in response to a staff recommendation for an award. The Council typically holds four public meetings per calendar year. The agenda for each public meeting will be published on OPC's website at least ten days in advance of the meeting. OPC staff will prepare a staff recommendation for each proposed award presented to the Council at a public meeting. The staff recommendation will describe the project and explain how the project is consistent with the Policy, OPC's enabling legislation, OPC's Strategic Plan, the Program's Award Guidelines, and the evaluation criteria in the Program's Award Guidelines. In addition, the staff recommendation will assess project compliance with CEQA and all relevant permitting requirements when appropriate.

All applicants will be informed that their projects are being recommended to the Council at least 14 days in advance of the Council meeting. To ensure transparency and an opportunity for public feedback on the recommended projects, a minimum of a 10-day public comment period will occur prior to the Council meeting.

2.9 Award Agreement and Required Documentation

Once the Council has approved a project at a public meeting, OPC staff will prepare documents setting forth the terms and conditions of the award. The awardee must sign the required documentation and comply with its conditions to receive funds. It can take an average of four to six months from full proposal submittal to Council approval, and then an additional two months for execution of the award agreement.

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

Typical Award Agreement Conditions

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

- Actual awards are conditional upon funds being available from the State.
- Awardees must submit a detailed project work program including a timeline and budget.
- Funds will only be paid in arrears on a reimbursement basis. Invoices must be submitted only once per quarter, unless otherwise specified in the award agreement.

- OPC will only allow total award administration costs (including indirect costs, CEQA, and overhead) up to 15% of the whole award amount. An alternate negotiated rate will be honored if there is an executed agreement in place between the awardee and the State of California.
- Awardees may be required to reimburse OPC for some or all of the disbursed funds if the project is not completed.
- Awardees must have liability insurance.
- Typically, 10% of each invoice will be withheld to ensure timely completion of all deliverables. The last remaining 10% will be paid upon confirmed receipt of all deliverables.
- Awardees are responsible for operation, maintenance, and monitoring of completed projects for at least 10 years, more often 20-30 years. Term will be specified in award agreement.

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

2.10 Waiver of Sovereign Immunity

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

Section 3: Additional Requirements

3.1 Project Monitoring and Reporting

All applications must include a monitoring and reporting component that explains how the effectiveness of the project will be measured and reported. The plan should include a list of project specific performance measures that will be used to assess project outcomes/trajectories, and should provide sufficient detail of how these performance measures will be quantified and assessed to allow an evaluation of the effectiveness of the proposed action(s) at achieving the stated objectives. Each proposal must also include a description of the processes through which data will be collected, stored, managed in the long term if applicable, and disseminated to participants, stakeholders, the public, and the State. Data may include, but are not limited to, technical information such as designs, feasibility studies, reports, and information gathered for a specific project in any phase of development including the planning, design, construction, operation, and monitoring of a project.

All products and data will be required to be uploaded to the California Natural Resources Agency (CNRA) Open Data Platform²⁸. If alternate methods are going to be used that do not allow the integration of data into existing statewide systems, a thorough explanation of the reason for this is required.

²⁸ <https://data.cnra.ca.gov/>

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

3.2 Land Tenure and Site Control

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

Acquisition Projects

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

Restoration projects

The awardee shall be required to maintain and operate the property restored pursuant to this award for a period of:

- a. Up to 10 years for awards up to \$100,000
- b. At least 20 years for awards up to \$1 million
- c. At least 25 years for awards over \$1 million

All projects

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

natural disasters that destroy the project improvements and render the project obsolete or impracticable to rebuild.

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

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

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

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

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

3.3 Signage and Printed Materials

To the extent practicable, projects should include signage or appropriate printed materials informing the public that the project received funds from the Ocean Protection Council and should display the official California Marine Protected Areas logo as well as the official OPC logo (CWC §79707[g]). All Signage must be compliant with CEQA as well as any relevant environmental laws. These requirements will be addressed in the award agreement. See Appendix C for additional guidance about signage and printed materials.

Appendices

Appendix A: Once-Through Cooling Interim Mitigation Program Project Solicitation Schedule for 2018-2019

Once-Through Cooling Interim Mitigation Program Project Solicitation Schedule for 2018-2019	
Award Guidelines presented to the Ocean Protection Council for approval	October 25, 2018
Request for Proposals released (pending Council approval of Award Guidelines)	November 1, 2018
Letters of Intent due	November 30, 2018
Full proposal due	February 1, 2018
Proposals evaluated	February – April 2019
Select proposals recommended to Ocean Protection Council for approval	May 15, 2019
Approved projects finalize work plans and financial paperwork (work can begin once completed)	Early Summer 2019

NOTE: Dates and deadlines may change. The final schedule will be included in the project solicitation.

Appendix B: State Auditing Requirements

The list below details the documents or records that State Auditors may need to review in the event of an award agreement being audited. Award recipients should ensure that such records are maintained for each State funded project. For additional details including specific audit tasks performed during a bond audit, see the California Department of Finance Bond Accountability and Audits Guide²⁹ and the Bond Audit Bulletins.³⁰

State Audit Document Requirements Internal Controls:

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

State Funding:

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

Agreements:

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

Invoices:

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

Cash Documents:

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

Accounting Records:

1. Ledgers showing receipts and cash disbursement entries for State funding
2. Ledgers showing receipts and cash disbursement entries of other funding sources

²⁹ http://www.dof.ca.gov/Programs/OSAE/Prior_Bond_Audits/documents/BondAccountabilityandAudits.pdf

³⁰ http://www.dof.ca.gov/Programs/OSAE/Prior_Bond_Audits/

3. Bridging documents that tie the general ledger to reimbursement requests submitted to the State for the award agreement

Administration Costs:

1. Supporting documents showing the calculation of administration costs

Personnel:

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

Project Files:

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

Appendix C: Signage and Printed Materials Guidelines

Types of Signs and Printed Materials

- Construction - A sign acknowledging the funding source is required during construction.
- Post Completion - All awardees are required to post a sign at the project site upon completion of the project. The sign must be available for the final inspection of the project and be in place for a minimum of four (4) years from date of project completion. There is no minimum or maximum size other than the minimum size for the logo as long as the sign contains the required wording. If appropriate, the same sign can be used during construction and completion.
- Educational materials – Acknowledgement of funding provided by OPC is required as appropriate on flyers, posters, reports and other educational materials.

Language and Logos for Signs and Printed Materials

The solicitation will provide the minimum language and logos required on signs and printed materials. The name of the director of the local public agency or other governing body may also be added. The sign may include the names (and/or logos) of other partners, organizations, individuals, and elected representatives.

Sign Construction

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

Cost of Signs and Printed Materials

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

Appropriateness of Signs

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

Signs on State Highways

Signs placed within the state highway right-of-way may require a Caltrans encroachment permit. Contact Caltrans³¹ early in the planning phases for more information.

State Approval

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

³¹ <http://www.dot.ca.gov/trafficops/ep/index.html>