

**MEMORANDUM OF UNDERSTANDING
BETWEEN LAKE COUNTY AND THE
HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT FOR THE SUBMITTAL OF A
FLOOD MITIGATION ASSISTANCE GRANT**

This Memorandum of Understanding (MOU) is made and entered into as of the 4 day of August, 2026, by and between Lake County Water Resource Department, a department of Lake County ("County"), and the Hidden Valley Lake Community Services District ("HVLCSO"), a California special district, collectively referred to as the "Parties" and individually as a "Party."

RECITALS

WHEREAS, the Hidden Valley Lake community has experienced an increasing frequency and severity of extreme weather events, which have intensified localized flooding impacts associated with Putah Creek and an unaccredited levee within the Hidden Valley Lake subdivision.

WHEREAS, HVLCSO is in the process of implementing the Hidden Valley Lake Community Services District Stormwater Mitigation Scoping Project ("Project"), which will utilize a feasibility study, consolidating all available data and modeling results, to update the 2000 Master Storm Drainage Plan, which HVLCSO, Hidden Valley Lake Association, and the Lake County Flood Control and Water Conservation District jointly published.

WHEREAS, the updated 2000 Master Storm Drainage Plan will be developed into a comprehensive Stormwater Master Plan that will be used to enhance flood resilience through the identification, evaluation, and development of mitigation projects and strategies.

WHEREAS, the Lake County Water Resources Department and HVLCSO both submitted a Notice of Intent ("NOI") to the California Office of Emergency Services ("Cal OES") in June 2026 for consideration for a Flood Mitigation Assistance Grant ("FMA Grant") to fund 75% of the Project.

WHEREAS, the FMA Grant is offered under the Hazard Mitigation Grant Program ("HMGP") administered in California by Cal OES and administered annually by the Federal Emergency Management Agency ("FEMA").

WHEREAS, Cal OES contacted HVLCSO and the County to explain that, although HVLCSO is not an eligible applicant due to its failure to meet FEMA National Flood Insurance Program ("NFIP") participation requirements, the County is eligible to apply and may submit a joint application with HVLCSO for the FMA Grant program.

WHEREAS, the County has agreed to submit a joint application with HVLCSO for the FMA Grant program.

WHEREAS, the purpose of this MOU is to establish the roles and responsibilities in submitting a joint application for the FMA Grant program.

In consideration of the promises, terms, conditions, and covenants contained herein, the parties to the MOU hereby agree as follows:

1. **Recitals Incorporated.** The foregoing recitals are hereby incorporated by reference.
2. **Description of the Project.** The Project will utilize a feasibility study to update the 2000 Master Storm Drainage Plan, which will be developed into a comprehensive Stormwater Master Plan to enhance local flood resilience through the identification, evaluation, and development of mitigation projects and strategies. Except as otherwise provided herein, HVLCSO will implement all aspects of the Project as detailed in the FMA Grant NOI, attached to this MOU as **Exhibit A** and incorporated herein by reference.
3. **Local Cost Share.** HVLCSO shall be responsible for providing the required Match Commitment for the FMA Grant as described in **Exhibit A**. In no event shall the County be responsible for any portion of the Match Commitment for the FMA Grant. Prior to the County's acceptance of the FMA Grant, HVLCSO shall provide assurances to FEMA that HVLCSO possesses sufficient funds to meet its obligation to provide the required Match Commitment. Should HVLCSO fail to provide sufficient assurances to FEMA, the County may decline to accept the FMA Grant and terminate this MOU with 15 days' written notice to HVLCSO.
4. **Maintenance.** HVLCSO shall be responsible for maintaining the Project for the period of time required by the FMA Grant, as described in **Exhibit A**. In no event shall the County be responsible for maintaining or contributing funding toward the maintenance of the Project.
5. **Party Responsibilities.** Subject to the requirements of the FMA Grant, the County will be the recipient and manager for the FMA Grant. Responsibilities of HVLCSO and the County will be as designated in the table below, or as otherwise jointly agreed to by HVLCSO and the County through an amendment to this MOU.

Project Element	Defined Roles and Responsibilities
Environmental Review	County will act as the lead agency responsible for ensuring compliance with all environmental laws and regulations applicable to the Project (e.g., CEQA, NEPA).
Engineering	HVLCSD will act as the responsible entity for preparing all Preliminary and Final Engineering drawings and Plans, Specifications, and Estimates ("PS&E") associated with the Project.
Grant Management – Reimbursement Funding	County will act as the responsible entity associated with Grant Reimbursement, including receiving and distributing FMA Grant funds. HVLCSD will provide the County with the necessary invoices and other documentation required for reimbursement under the FMA Grant. County will, in turn, deliver this information to Cal OES to initiate reimbursement of funds. Upon receiving reimbursement funding, County will provide the funds to HVLCSD within 30 business days.
Grant Management – Reporting	County will act as the responsible entity associated with Grant Reporting requirements, including project closeout. HVLCSD will provide County with all required documentation pursuant to the FMA Grant reporting requirements. County will, in turn, be responsible for submitting all reporting associated with the FMA Grant to the funding entity.
Cost Share Requirement	HVLCSD will act as the responsible entity associated with Grant Cost Share Requirements. County will submit required documentation on behalf of HVLCSD pursuant to this requirement.
Responses to Requests for Information (RFI)	HVLCSD will be responsible for responding to any RFIs associated with the Project as it pertains to the FMA Grant.

6. Cost Reimbursement. The HVLCSD shall be solely responsible for advance funding the costs of the Project (including any retention amounts withheld by Cal OES until final completion of the Project and acceptance by FEMA), subject to reimbursement through the FMA Grant. In the event any cost reimbursement requests are disallowed following the exhaustion of applicable appeals procedures, HVLCSD shall be solely responsible for the disallowed costs.

7. Administrative Expenses. To reimburse the County for the costs of administration of the FMA Grant, Parties agree that County is to receive 3% of the administrative/grant

management-related funding under the FMA grant. County's administrative costs shall be included in the Parties' joint FMA grant application and, if awarded, allocated and reimbursed in accordance with the terms and conditions of the FEMA grant agreement and applicable federal requirements.

- 8. Records.** Parties shall keep and maintain all ledgers, books of account, invoices, vouchers, canceled checks, and other records and documents evidencing or relating to this MOU for a minimum period of three years (or for any longer period required by law) from the date of final reimbursement to HVLCSO under this MOU. With timely notice to HVLCSO, County and Cal OES may inspect and audit such books and records, including source documents, to verify all charges, payments and reimbursable costs under this MOU. In accordance with California Government Code section 8546.7, the Parties acknowledge that this MOU, and performance and payments under it, are subject to examination and audit by the California State Auditor for three years following final payment under the MOU.
- 9. Indemnification.** To the furthest extent allowed under State law, each Party shall defend, indemnify, and hold harmless each of the other Parties, their officers, employees, and agents from any and all liability, loss, penalty, expense (including reasonable attorneys' fees), or claims for injury or damages arising out of the performance of this MOU but only in proportion to and to the extent such liability, loss expense, attorney's fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions by the indemnifying Parties. This provision shall survive the termination or expiration of this MOU.
- 10. Communication and Reporting.** Parties shall at all times maintain regular communication, including regular status meetings on the progress of the actions contemplated under this MOU. Parties shall have a duty to communicate any information that is relevant to the actions contemplated under this MOU to the other Party.
- 11. Notices.** Any notice, demand, invoice or other communication required or permitted to be given under this Agreement must be in writing and delivered either (a) in person, (b) by prepaid, first class U.S. mail, (c) by a nationally-recognized commercial overnight courier service that guarantees next day delivery and provides a receipt, or (d) by email with confirmed receipt. Such notices, etc. shall be addressed as follows:

TO THE COUNTY:

Attn: Pawan Upadhyay
Director
Lake County Water Resource Department

255 N. Forbes Street, RM.309
Lakeport, CA 95453
Pawan.Upadhyay@LakeCountyCA.gov
707-263-2344

TO THE HVLCSO:

Attn: Paul Kelley
General Manager
19400 Hartmann Rd
Hidden Valley Lake, CA 95467
pkelley@hvlHVLCSO.org
707-987-9201

Notice given as above will be deemed given (a) when delivered in person, (b) three days after deposited in prepaid, first class U.S. mail, (c) on the date of delivery as shown on the overnight courier service receipt, or (d) upon the sender's receipt of an email from the other party confirming the delivery of the notice, etc. Any party may change its contact information by notifying the other party of the change in the manner provided above.

12. Resolution of Disputes. If a dispute arises relating to this MOU, the Parties shall first attempt to resolve it through informal discussions involving both Parties. Either Party may convene such discussions by written notice, and each Party shall reasonably accommodate the other Party with respect to scheduling. If the dispute is not resolved in this manner within thirty (30) days from the date one Party first contacts the other to commence informal discussions hereunder, either Party may submit the matter to mediation by providing written notice to the other Party. The cost of such mediation shall be borne equally by the Parties.

13. Governing Law. This MOU must be construed according to its fair meaning and as if prepared by both Parties. This MOU must be construed in accordance with the laws of the State of California. The county and federal district court where County's office is located shall be venue for any state and federal court litigation concerning the enforcement or construction of this MOU.

14. Compliance with Laws. All actions contemplated in this MOU shall be performed in compliance with all applicable federal, state and local laws and regulations.

15. Confidentiality. Each Party shall treat any confidential information disclosed by the other Party during the course of this MOU as strictly confidential and shall not disclose such information without prior written consent, except as may be required

by applicable law, including, but not limited to, the Public Records Act. If a third party demands disclosure of any confidential information from Parties, the party receiving the demand shall promptly inform the other party of it and Parties shall consult and mutually determine a response to the demand.

16. Severability. If any provision of this MOU is found by any court or other legal authority, or is agreed upon by the Parties, to be in conflict with any law or regulation, then the conflicting provision shall be considered null and void but the remainder of this MOU shall be severable and shall continue in full force and effect.

17. Entire Agreement. This MOU and any amendments to it constitute the entire MOU between the Parties concerning the subject matter hereof. This MOU may only be amended by a written document signed by the parties.

18. Counterparts. Parties agree that this MOU may be executed and delivered in counterparts which, when taken together, shall constitute a fully-executed document. In addition, this MOU may be executed via electronic pdf transmission, and any such pdf signature shall be deemed to be an original signature.

19. Effective Date. This MOU shall be effective upon execution by both Parties.

20. Contract Administrator. The County officer or employee with responsibility for administering this MOU is Pawan Upadhyay, Director of Water Resources, or successor.

21. Term and Termination. This MOU shall become effective as of the Effective Date and shall remain in effect until all actions contemplated by this MOU have been completed, unless earlier terminated in accordance with this Section. This MOU may be terminated only (i) by the Parties' mutual written agreement or (ii) by a Party for the other Party's material breach of this MOU. A Party alleging a material breach shall provide the breaching Party with written notice describing the breach in reasonable detail. The breaching Party shall have 15 days after receipt of such notice to cure the breach. If the breach is not cured within the 15-day cure period, the non-breaching Party may terminate this MOU upon written notice to the breaching Party. In the event of an early termination, the Parties shall cooperate in good faith to complete any pending submissions or other obligations contemplated under this MOU to the extent reasonably practicable.

22. Approval of MOU. This MOU must be approved by the respective governing bodies of the District and the County prior to its execution by the Parties. The foregoing MOU is hereby consented to and authorized by the County and HVLCS.

Lake County, Water Resources Department

Dated _____ 2026

Signature _____

Name _____

Hidden Valley Lake Community Services District

Dated _____ 2026

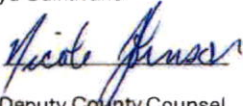
Signature _____

Name _____

Approval as to Form

County Counsel

Lloyd Guintivano

By. 

Sr. Deputy County Counsel

Nicole Johnson

Exhibit A

Hidden Valley Lake Community Services District Stormwater Mitigation Scoping Project
(Project) Notice of Interest (NOI)

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PA-00003822

Information

Pre-App Number	PA-00003822	Record Type	FMA
Disaster	FMA 2024	Owner	Seojin Choi
First Name of Person Completing NOI	Linda	Last Name of Person Completing NOI	Rosas-Bill
Subapplicant Name (Entity)	Lake County	Subapplicant Entity	Hidden Valley Lake Community Services District
Requestor	Linda Rosas-Bill	Subapplicant Type	County
EIN (For Private Non-Profits)		UEI	PMJGFQ26A8A8
Sub-Application Due Date	6/26/2026	FIPS	033-00000

NOi Status

NOi information

Subapplication Type	Capability and Capacity Building (C&CB)	Project Type	Project Scoping
Hazard	Flood	HMA Program	FMA

Address Information

Street Address	255 N. Forbes Street	County	Lake
City	Lakeport	Region	Coastal
State	CA	Zip Code	95453

Project/Plan Information

Project/ Plan Title	Hidden Valley Lake Community Services District Stormwater Mitigation Scoping Project	Brief Summary	The Hidden Valley Lake community is adjacent to Putah Creek and an unaccredited levee. The increased frequency and intensity of extreme weather events has exacerbated damage caused by localized flooding. The Stormwater Mitigation Scoping Project will increase resilience to flooding by developing a prioritized mitigation plan. The first step includes the possible formation of a partnership of key stakeholders to incorporate a community-wide mitigation strategy. In the final step, a feasibility study will consolidate all available data and modeling results and finalize a Stormwater Master Plan update. This will consolidate all findings and help prioritize mitigation actions that will directly support flood reduction to NFIP-insured properties and enhance community flood resistance.
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Activity Location 38°47'11"N 122°33'8"W

Project Duration (in Months) 36

Previous Subapplication Information

Subapplication previously submitted? No

Previously Submitted under this Program:

Project number of previous submission

Potential for Duplication of Programs

Another Federal entity has authority? No

If yes, identify the Federal Entity

Work Started/Authority

Physical project work already started? No

Description of work started/completed

Subapplicant is responsible for asset? No

Entity Responsible For Operation

Hidden Valley Lake Community Services District

Feasibility

Independent mitigation activity? Yes

Mitigation is dependent on

Planning studies or feasibility reports? No

If yes, what is available?

Design documents for this project? No

If yes, what is available?

Is activity repair or maintenance? No

Is there increased level of protection?

National Flood Insurance Program (NFIP) 060090

Structures included in subapplication

Yes

Project mitigate Severe Repetitive Loss Repetitive Loss(RL)

Problem Statement

Describe the problem to be mitigated

Lower portions of the Hidden Valley Lake community are in the Special Flood Zone Hazard Area and have been plagued with flooding for the last several decades. These floods have caused extensive damage to the Hidden Valley Lake Community Services District's (HVLCSO) water and wastewater infrastructure - most notably in 2006, 2009, 2017, and 2019 - and threaten public health and safety by causing service interruptions and introducing to the community sewer-inundated floodwaters. Due to Putah Creek's proximity to critical infrastructure, including State Route 29, there is also concern that flooding in this both this area and immediately surrounding areas could disrupt traffic systems and isolate certain populations. Water quality is also threatened by flooding since contaminated stormwaters eventually find their way back into the ecosystem and into water storage reservoirs. One of these reservoirs includes Lake Berryessa which supplies potable water for a significant number of people.

Confusion over on how to address flooding in this area exists because levee ownership is shared by several entities and there is currently no public or private partnership that exists to address the whole community approach. Also, the current Stormwater Master Plan (the Master Storm Drainage Plan of 2000) is outdated and lacks current problem identification and solutions.

Solution Description

What is the mitigation action?

Mitigation actions include both organizing interested parties and updating the Stormwater Master Plan (which is currently titled the Master Storm Drainage Plan).

Clear methods of communication and partnerships must be formed between stakeholders and local landowners/entities if proper stormwater management is to occur amongst the several landowners. This

should occur early on in the project because it will increase community resilience and provide a strong foundation for determining potential mitigation actions. Such relationships will be developed in conjunction with the initiation of an updated engineering study and revision to the current Stormwater Master Plan. This updated Stormwater Master Plan will include a feasibility study, alternatives analysis, and an implementation plan which will prioritize the most effective and optimal mitigation actions based on both the District's and the overall partnership's prioritization matrix. Eventually, the Master Plan will facilitate the development of technically sound, environmentally compliant, and shovel-ready designs that can be implemented through future funding opportunities.

**Protection From
Future Natural
Hazards**

The formation of community partnerships will form a foundation for future flood prevention activities by designating proper roles and responsibilities. Currently, such partnerships are lacking and impacting overall mitigation efforts which are fragmented.

The benefits of the Master Plan alone before any mitigation actions are implemented include that the community can plan and begin to financially prepare for the mitigation activities and perform any simple activities immediately (if any are available). Once the recommendations of the Master Plan are implemented, the improvements will mitigate against all floods in the project benefitting area. This includes protection from both current and future flood incidents, ideally up to a 100-year flood event level.

**Implementation Plan
For Mitigation**

Potential partners and stakeholders will be prompted to form a working partnership. This team will work together to procure an expert engineering firm in the field of stormwater mitigation. Expected deliverables for the contracted firm include an updated Stormwater Master Plan that includes a feasibility study, alternatives analysis, and an implementation plan. To maximize benefits, the Master Plan will provide both green and grey infrastructure solutions at the appropriate scale and properly size infrastructure and improvement plans for the appropriate hydrologic unit (HU). If the budget allows, the most beneficial actions will be designed to a 65% level.

Phase Determination

Is (are all) Project
Site(s) identified?

No

What is the
percentage level of
design?

0%

Is this project
phased?

No

Benefit Cost Analysis

Do you have
documented past
damage/loss?

If yes, what is
available?

Do you have data on
the extent of risk?

If yes, what is
available?

Activity Cost

Total Activity Cost \$600,000.00

**Non-Federal Cost
Share** \$150,000.00

Federal Request
Share \$450,000.00

**Percentage of
Subapplicant Match** 25.0%

Percentage of Federal
Request Share 75.0%

**Source of
subapplicant match** In-kind services, cash

Local Hazard Mitigation Plan Information

Does your entity have
an active LHMP? Yes

LHMP Approval Date 12/31/2026

LHMP Development
Status Adopted

Activity in Mitigation
Plan Yes

Created By Linda Rosas-Bill, 5/27/2026, 1:47 PM

Last Modified By Seojin Choi, 6/15/2026, 7:51 AM

Applications

AP-02339

Contact Roles