

MINUTE ITEM

This Calendar Item No. 49
was approved as Minute Item
No. 49 by the State Lands
Commission by a vote of 3
to 0 at its 3/26/87
meeting.

CALENDAR ITEM

A 58
S 27

49

03/26/87
BLA 137
R 00286
WP 496Q
W 30024
PRC 4735
Gorfain
Lien
Fossum

APPROVE THE EXECUTION OF A MEMORANDUM OF AGREEMENT

PARTY: United States Army Corps
of Engineers Waterways
Experiment Station
P. O. Box 631
Vicksburg, Mississippi 39180

BACKGROUND:

The State Lands Commission and Signal Landmark, Inc. (Signal) are parties to a Boundary Settlement and Exchange Agreement BLA 137 covering certain lands in the Bolsa Chica area of Orange County which, in addition to vesting ownership of 327.5 acres in the State, would give the State an additional 230 acres of land provided that the following major conditions are met:

- (1) The State obtains sufficient funding for construction of the ocean entrance channel within specified time limits.
- (2) The ocean entrance channel is completed within specified time limits.

By fulfilling the terms of the option agreement, which is also calendared for this meeting for purposes of extending the "time" conditions the State would acquire fee ownership of the additional acres. This would allow the State to construct income-producing facilities such as a marina and attendant commercial facilities on at least a portion of the 230 acres.

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(ADDED 03/20/87)

Revenue from this source, in turn, could be used to offset State costs incurred in constructing and maintaining the ocean entrance and provide revenue for restoration and continuing maintenance of the ecological reserve presently owned by the State plus an additional 600+ acres to be conveyed to the State pursuant to the Bolsa Chica Land Use Plan conditionally adopted by the Coastal Commission in January 1986. It would also create needed public boat berthing and other recreational facilities for the public.

The proposed construction of the ocean entrance will additionally require an engineering feasibility study and environmental review to be performed by the United States Corps of Engineers which would ultimately be involved in the construction of it. The United States Corps of Engineers requires that the project have a local sponsor to fund and support the feasibility study and project. State Lands Commission participation in the "Work for Others Program" as a local sponsor will enable WES to proceed with the expedited portion of the feasibility study for the ocean entrance. However, such involvement does not commit the State to meet any additional financial demands beyond those in the 1973 Boundary Agreement.

CURRENT SITUATION:

The State Lands Commission at February 17, 1987 meeting authorized the execution of a Reimbursement Agreement with Signal. That Agreement, contract Number R00286, which was executed by both parties on February 23, 1987, provides funding to the Commission for costs to be incurred as local sponsor of the "Work For Others Program" to be conducted by WES. The study proposed to be conducted by WES is intended to analyze the physical and environmental effects of a proposed ocean entrance system for the Bolsa Chica Area of Orange County, California. The cost to the State Lands Commission to act as the local sponsor will be negligible since Signal will fully reimburse the State for its participation which is expected to cost an estimated \$640,000 in addition to State Lands Commission staff costs. It should be noted that completion of the "Work for Others Program" may also provide the County of Orange with certain information which it needs to present to the Coastal Commission in order to gain confirmation of their Land Use Plan for the area.

AB 884: N/A.

(ADDED 03/20/87)

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OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that this activity is exempt from the requirements of the CEQA under the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The staff believes there is no possibility that this project may have a significant effect on the environment.

Authority: 14 Cal. Adm. Code 15061(b)(3).

- EXHIBITS:
- A. Site Map.
 - B. Reimbursement Agreement.

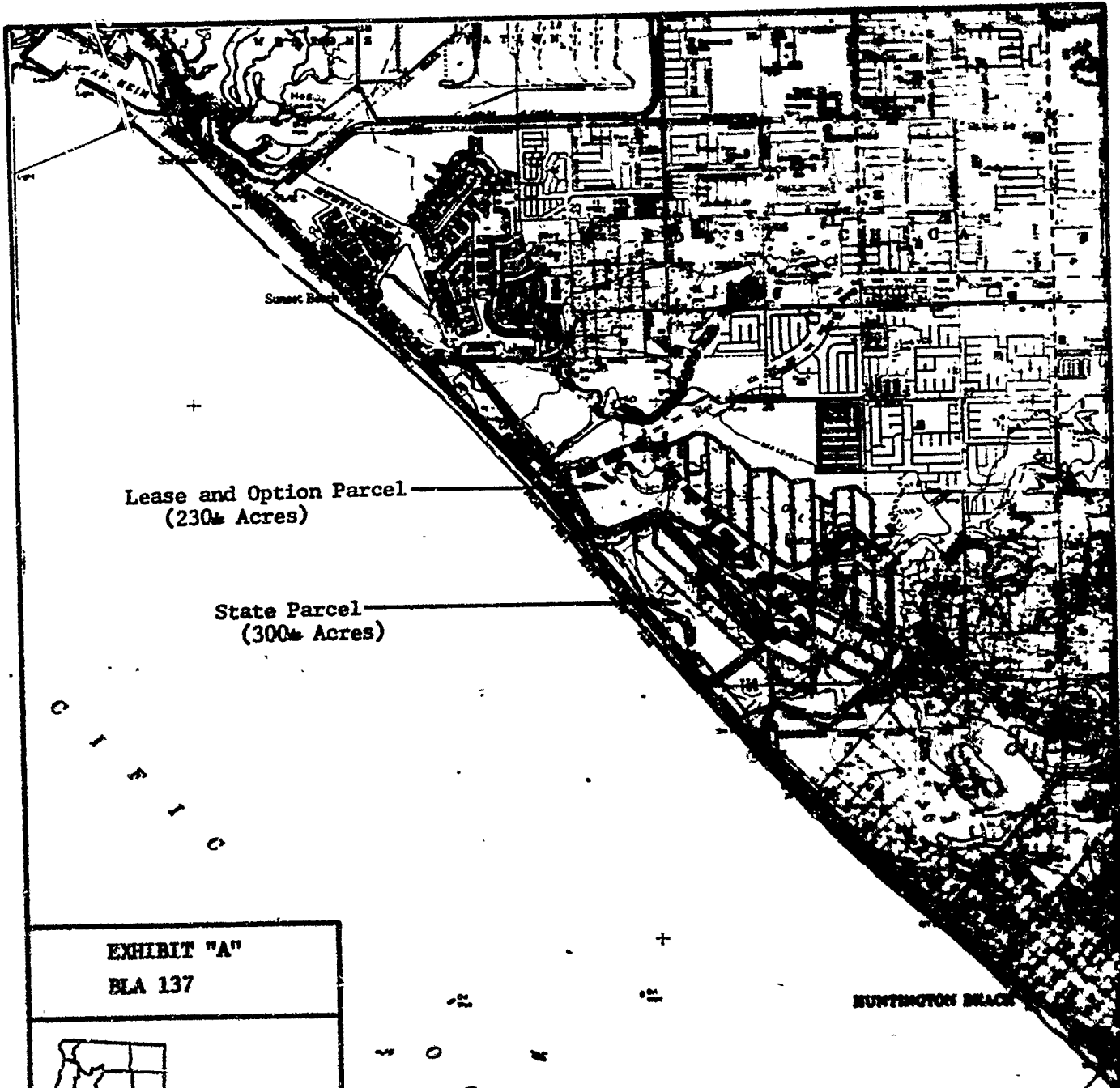
IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 BECAUSE THERE IS NO POSSIBILITY THAT THE ACTIVITY MAY HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT. (14 CAL. ADM. CODE 15061(b)(3))
2. AUTHORIZE THE EXECUTION OF A MEMORANDUM OF AGREEMENT WITH THE UNITED STATES ARMY CORPS OF ENGINEERS WATERWAYS EXPERIMENT STATION, VICKSBURG, MISSISSIPPI SUBSTANTIALLY IN THE FORM ATTACHED AS EXHIBIT "B" TO CONDUCT STUDIES OF THE PHYSICAL AND ENVIRONMENTAL EFFECTS OF A PROPOSED OCEAN ENTRANCE SYSTEM IN THE SUNSET HARBOR/BOLSA CHICA AREA OF ORANGE COUNTY, CALIFORNIA.

(ADDED 03/20/87)

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Lease and Option Parcel
(230± Acres)

State Parcel
(300± Acres)

EXHIBIT "A"
ELA 137



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EXHIBIT "B"

MEMORANDUM OF AGREEMENT
BETWEEN
STATE OF CALIFORNIA, STATE LANDS COMMISSION
AND
U.S. ARMY CORPS OF ENGINEERS WATERWAYS EXPERIMENT STATION

THIS AGREEMENT is entered into this _____ day of _____, 1987, by and between the UNITED STATES OF AMERICA represented by the Commander and Director, U.S. Army Corps of Engineers Waterways Experiment Station, Vicksburg, Mississippi (hereinafter referred to as "WES"), and the State of California, State Lands Commission (hereinafter referred to as "SLC").

RECITALS

WHEREAS, Signal Landmark, Inc. is proposing a new navigable ocean entrance system through State and private property in connection with the development by Signal Landmark, Inc. of a multi-use residential, commercial and recreational project including marinas in the Bolsa Chica area of the County of Orange, California (hereinafter referred to as "the Project");

WHEREAS, the County of Orange is preparing a Land Use Plan, Local Coastal Program (hereinafter referred to as "LUP") for the Bolsa Chica area in accordance with the California Coastal Act of 1976 for certification by the California Coastal Commission;

WHEREAS, in order to comply with Policy 24 of the LUP (a copy of which is attached hereto as Appendix A), and to satisfy the California Coastal Commission requirements for confirmation of the LUP, the U.S. Army Corps of Engineers (COE) must be requested to conduct certain modeling studies for the Project;

WHEREAS, the SLC has requested WES to analyze information, conduct necessary studies including, but not limited to, numerical shoreline response modeling to examine, among other things, the net longshore transport of littoral material at the proposed location of the Project and resulting shoreline erosion from jetty and possibly near water construction and to assist SLC and others to develop information to develop a report and plan for the Project that meets the criteria set forth in Policies 23-27 of the LUP (hereinafter referred to as "the Studies") which relate to the technical/environmental assessment of a navigable ocean

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entrance system as conditionally approved in the LUP ("Preferred Alternative") and a non-navigable ocean entrance system as conditionally approved in the LUP as a secondary alternative ("Secondary Alternative");

WHEREAS, the Corps of Engineers is currently studying the feasibility of constructing an advanced entrance system in the Bolsa Chica area, and determining the extent, if any, of federal participation (hereinafter referred to as "Feasibility Study"), a portion of which may include modeling studies; and

WHEREAS, WES is ready, willing and able to perform such services in a timely manner in accordance with the schedule set forth in Appendix B to enable the County of Orange to seek confirmation of the LUP during the first quarter of 1988.

NOW THEREFORE, in consideration of the mutual covenant and agreements herein contained, the parties hereto do mutually agree as follows:

1. PURPOSE OF STUDIES.

It is understood and acknowledged by both parties that all of the studies conducted pursuant to this Agreement are being undertaken to: a) assist SLC to evaluate the engineering, environmental and economic feasibility of an ocean entrance system at Bolsa Chica; and b) provide the County of Orange with information necessary to address the requirements of the Bolsa Chica LUP policies of the California Coastal Commission (CCC) as set forth in Appendix A.

The studies, analyses, and reports will also be made available to the Corps of Engineers for use in its separate, but related, Feasibility Study as appropriate and consistent with Federal laws, regulations, and policies.

2. STUDY AREA.

The Study Area shall include the Bolsa Chica LUP study area and associated shoreline, wetlands, and offshore areas of the Pacific Ocean, in particular, the coastal area lying between the Anaheim Bay Jetties and the Huntington Beach pier, in compliance with WES criteria and Corps regulations.

3. SCOPE OF WORK AND SCHEDULE.

WES shall perform work pertaining to the Studies as specified below and in Appendix B and Appendix C.

It is understood and acknowledged by both parties that each Task Description includes all work necessary to supervise, administer, coordinate, report, revise and conduct all work required to complete the work product and execute all Tasks to the satisfaction of SLC, and that as of the date hereof the budget outlined in Appendix B should be sufficient to cover the costs of all work (with the exception of work and travel conducted under Task 8 below), including appearances before local and state agency proceedings to present and support the studies.

The parties agree that preliminary study and analysis may lead the parties to conclude that sound engineering practice requires either a greater or a lesser degree of data gathering and analysis to reach valid engineering conclusions about the proposed project. The parties therefore agree that the final products of the study (Tasks 1, 2, 3, 4, 5, 6, 7, and 8) may, by mutual written consent of the parties, be modified as dictated by the results of such preliminary study and analysis.

The studies to be performed by WES shall include, but not be limited to, the following tasks:

Task 1: Preliminary Shoreline Response Model.

WES shall, at a minimum, conduct the following work:

- a. Collect and review existing wave and shoreline processes data at and adjacent to the Project site;
- b. Develop and calibrate a shoreline response prediction model to estimate the impacts of, and develop mitigation methods for, the proposed navigable and non-navigable entrance channels on adjacent beaches by use of existing data. (This model shall be developed in such a manner that it can be run in more detail with the more detailed wave data developed in Tasks 2 and 3 of this scope);
- c. Prepare a preliminary report on findings and present and support findings to local agencies;
- d. Prepare a final report on the Preliminary Shoreline Response Model study; and
- e. In performing the studies, the appropriate island-sheltered National Marine Consultants (NMC), Marine Advisors (MA), and wave gage data sets shall be used and modified to account for seasonal changes in wave climate to develop the initial wave simulation (time series) at the

Project site. Sand management techniques, including bypassing, nourishment, and backpassing, shall be considered as means of mitigating impacts on the adjacent shorelines.

Estimated Completion Date: Six months after the date first set forth above ("Date of Execution of the Agreement").

Task 2: Wave Information Studies.

WES shall develop, in conjunction with the Wave Information Study ("WIS"), data required to describe the incident island-sheltered northern and southern hemisphere waves that approach the Bolsa Chica region (Anaheim jetties to Newport Beach entrance) for a twenty-year period and a 10 nautical mile ("n.m.") grid. The WIS data shall include the major storms of January through March 1983. WES shall also develop nearshore wave data on a 5-n.m. grid for the Bolsa Chica site from Anaheim jetty to Newport jetty if required, and provide data at 30-ft depth for input to Task 3. Detailed wave transformation studies for up to 50 days of critical wave conditions on a 1-n.m. grid will be made to define local effects.

Estimated Completion Date: The wave hindcast 10-n.m. grid study will be completed eight months after the Date of Execution of the Agreement. The wave hindcast 5-n.m. grid will be completed ten months after the Date of Execution of the Agreement.

Task 3: Wave Refraction/Diffraction Analyses and Numerical Estimation of Longshore Transport.

WES shall conduct wave refraction and diffraction analyses and estimate longshore sediment transport potential for the reach of shoreline from Anaheim jetties to Huntington Beach pier, and further downcoast if necessary, using the WIS data. WES shall prepare a report with data to be used in a detailed comprehensive shoreline response model.

Estimated Completion Date: Twelve months after the Date of Execution of the Agreement.

Task 4: Comprehensive Shoreline Response Computer Simulation Modeling.

WES shall conduct a comprehensive shoreline response computer simulation model. WES shall, at a minimum, conduct the following work:

a. Calibrate the existing conditions with known history of beach response and nourishment activities in the reach from Anaheim jetties to Huntington Beach pier, and further downcoast if necessary;

b. Model both (1) navigable entrance options which include jetties with and without an offshore breakwater and (2) a non-navigable entrance and provide comparative analysis of the two entrances;

c. Simulate sand management techniques, including bypassing, backpassing and nourishment techniques, that will manage the sand and shoreline fluctuation on adjacent beaches to mitigate the impacts of both the navigable and the non-navigable entrance, and provide comparative analysis of the shoreline impacts of the two alternative entrances; and

d. Prepare a detailed report and present and support the report before local and state agency proceedings.

Estimated Completion Date: Fourteen months after the Date of Execution of the Agreement.

Task 5: Tidal Circulation Model.

WES shall, at a minimum, undertake the following work:

a. Conduct a tidal circulation model of (a) a navigable and (b) a non-navigable entrance to the proposed Bolsa Chica marina and wetlands;

b. Incorporate the actual bathymetry and topography in the model;

c. Use prototype data for calibration of existing conditions, including the Huntington Harbour complex and U. S. Seal Beach Naval Weapons Stations wetlands (including new wetlands being developed by the Port of Long Beach);

d. Calculate water surface elevations, current velocities, and phase differences at all major features;

e. Include the effect of tide gate structures;

f. Model proposed wetland tide ranges and elevations consistent with information to be provided by SLC; and

g. Prepare and support a report on the methodology and findings in connection with any local and state agency proceedings.

Estimated Completion Date: Eight months after the Date of Execution of the Agreement.

Task 6: Water Quality Modeling.

WES shall, at a minimum, undertake the following work:

- a. Assemble and synthesize existing water quality data;
- b. Collect and evaluate water quality data concurrently with tidal elevation and current velocity field studies;
- c. Calculate transport and dispersion of conservative tracers on existing conditions and with proposed navigable and non-navigable entrance channels; and
- d. Prepare and support a report on this Task in connection with any local or state agency proceedings.
- e. Evaluate the quality of the present water supply provided by existing conditions in the ecological reserve with the quality of water to be provided with the proposed navigable and non-navigable entrance channels both in terms of water quality parameters and water parcel residence times.

Estimated Completion Date: The Reconnaissance and Analysis Task will be completed five months after the Date of Execution of the Agreement. The Transport and Dispersion Task will be completed fourteen months after the Date of Execution of the Agreement.

Task 7: Physical Model.

WES shall, at a minimum, undertake the following work:

- a. Construct, and conduct studies by use of, a physical hydraulic model of the proposed navigable entrance channel and structures to optimize the breakwater and jetty locations, orientation, type, and dimensions;
- b. Develop a plan that has acceptable wave climate in the channels and basins;
- c. Qualitatively study the tidal (and flood flows from Wintersburg Channel) current circulation patterns and sediment transport paths in the vicinity of the structures;

d. Conduct the model at an undistorted scale ranging between 1:50 and 1:75;

e. Input wave data developed through the WIS program shall be used to develop interior wave climates;

f. WES shall conduct tours of the model and shall maintain the model ready for additional testing at no additional charge to SLC for a period of one year after completion of testing, and thereafter, upon a request from SLC, maintain the model at a cost of approximately \$10,000 per year until the space is required for Corps studies; and

g. WES shall document its procedures, analyses and findings in a report and shall support the report in connection with any local or state agency proceedings.

In performing this Task, WES shall test designs for the structures consistent with mitigating any adverse effects on adjacent beaches by reflections off structures and shoaling in the entrance channel. The data shall be used in conjunction with the comprehensive shore response model.

Estimated Completion Date: Twelve months after the date wave data are available.

Task 8: Additional Services/Travel.

In addition to the Scope of Work, contained in Tasks 1-7 above, WES shall, on a cost reimbursable basis as agreed to by the parties, undertake to:

a. Conduct additional limited studies or review at the request of SLC;

b. Attend and participate in meetings as designated by SLC. The cost of such meetings shall be reimbursed to the extent that it exceeds the amount budgeted for such purposes in the original Scope of Work, including four 3-day trips to California, averaging four persons each; and

c. Any other tasks not within the scope of the present Agreement, and with written agreement and consent of both parties.

Funding for any work or travel under this task will be provided to WES by SLC prior to initiation of work or travel.

4. RESPONSIBILITIES OF WES.

WES shall:

a. Perform all work described in the Scope of Work and in Appendix B and in Appendix C and will use its best effort to complete each individual task within the budget and time frames set forth herein. Although WES is not now aware of any events or conditions which would prohibit or interfere with their performing the work within the time period and costs set forth herein, it is recognized that WES cannot warrant or guarantee that such can be accomplished within these constraints. In this regard, WES also agrees to promptly notify SLC of any potential delays or increase in costs which may be foreseen or encountered during the progress of the work. It is further understood and agreed that there will be no increase in cost or extension of time for completion without the express written agreement of both parties.

b. Coordinate all work closely with SLC and appointed representatives to ensure the timely completion of the Studies. WES shall, at a minimum, perform the following:

- (1) Provide monthly status reports to SLC on each task;
- (2) Provide monthly statements as required by Paragraph 6 indicating the expenditure of funds for the prior month and the amount remaining in the authorized budget for completing the work;
- (3) Devote its best effort to make available any and all personnel necessary to ensure the timely completion of the tasks and studies;
- (4) Devote its best effort to make available any and all personnel for meetings with SLC and its appointed representatives which may be requested from time to time by SLC and its appointed representatives; and
- (5) Provide for the timely review of all comments received from SLC and its appointed representatives on any and all WES work and respond to the concerns expressed by SLC and its appointed representatives.

(c) Within two weeks of execution of the MOA, WES shall provide the SLC with a proposed Study Management Plan as outlined in Appendix C.

(d) WES numerical modeling results shall be provided in a graphical format, when possible, to aid understanding of the findings. WES shall provide photographic documentation of physical model test results including 35mm color slides, black and white still photography, and 3/4 and 1/2 inch video footage of model testing. All photographic documentation shall be appropriately identified, and a written narrative provided, so that it is suitable for presentation at public meetings, etc.

5. RESPONSIBILITIES OF SLC.

SLC shall:

a. Provide funding for each Task as set forth in Paragraph 7 of this Agreement;

b. Furnish all data available which may be of beneficial use to WES;

c. Coordinate all work necessary for the completion of the Studies with WES;

d. Provide background information and guidance on alternatives to be studied;

e. Review all monthly status reports, monthly budget statements, Preliminary Reports (as defined in Paragraph 7.a.) and any and all other reports or information that may be prepared by WES in performance of the Studies and provide to WES comments, revisions, criticisms and suggestions on these documents on a timely basis;

f. Review, reject or approve, as applicable, all final reports prepared and submitted by WES. In the event SLC rejects a final report, WES shall make every reasonable effort to revise said report to the satisfaction and approval of SLC at no extra cost to SLC;

g. Assume responsibility for keeping other public agencies including the County of Orange and state agencies, and the principal landowner (hereinafter collectively referred to as "Local Interests") and federal agencies informed regarding the WES work. This responsibility shall include providing to the Local Interests copies of draft and final reports, and meeting with the Local Interests on a regular basis to discuss the status of the WES work;

h. Retain consultants, at its discretion, to assist in coordinating and reviewing the WES Studies;

i. Ensure that WES makes its best effort to complete the Studies within the time and budget set forth in Appendix B and Appendix C; and

j. Within one week of execution of the MOA, SLC shall submit to WES a detailed description of project alternatives for a navigable entrance to be analyzed in this study. The SLC shall submit project alternatives for a non-navigable entrance in sufficient time as not to delay WES's study of the non-navigable alternatives.

6. COST.

Best efforts will be employed to assure that all Tasks described in the Scope of Work are completed within the budget amounts set forth in Appendix B. The costs and Scope of Work shall not be revised except upon written approval by both SLC and WES.

7. BILLING INSTRUCTIONS.

a. Upon execution of this Agreement and prior to the commencement of Studies, SLC will provide to WES the sum of money designated in Appendix B for the first Phase (Phase I, Appendix B) of work. SLC understands that WES cannot proceed with work prior to receipt of funds, and that any delay in receiving funds beyond one week after signing of the MOA or one week after initiation of a new Phase may impact the work schedule given in Appendix B.

b. Each Phase, as that term is used in this Agreement, shall consist of three calendar months. Phase I shall commence on the Date of Execution of the Agreement and terminate three months thereafter.

c. WES shall perform the Studies in accordance with the Task Schedule in Appendix B. It is understood by both parties that in any given month, several Tasks or portions of Tasks may be performed concurrently by WES.

d. WES shall provide to SLC within ten days after the end of the preceding month the following information and documents regarding the status of the Studies on a monthly basis:

1. A report summarizing the work conducted for each separate Task item; and

2. An itemized invoice of the actual costs incurred for each Task conducted during the month as

described in the report described in paragraph d.1. above.

e. SLC shall review the monthly reports and monthly invoices for each Phase, and based upon such review shall, in its discretion, provide the funds designated in Appendix B for the next Phase of Studies prior to the commencement date of the next Phase.

f. At the completion of each Task, WES shall provide to SLC a report summarizing the work performed as part of each Task as described in the Scope of Work and the information developed (hereinafter referred to as "Preliminary Report").

g. The amount designated for payment in each Phase of Appendix B is based upon WES's calculations of the costs to be incurred in performing each of the Tasks. Any monies not spent at the conclusion of each Phase, shall be carried forward and credited to the next Phase of Studies. Any monies not spent by WES at the completion of all the Studies shall be refunded to SLC.

h. The SLC will make the payments to WES by checks made payable to the Finance and Accounting Officer, Waterways Experiment Station, Corps of Engineers, P.O. Box 631, Vicksburg, Mississippi 39180-0631. A photocopy of the check shall be sent by SLC to the WES Project Manager.

i. All billings and notices described above will be sent to the State of California, State Lands Commission, 1807 - 13th Street, Sacramento, California 95814 and shall include a reference to W30029.1/R0028G.

8. TERM.

This Agreement shall be effective on the Date of Execution of the Agreement and shall continue in full force and effect through the 30th day of September, 1988, unless terminated earlier in accordance with the provisions of Paragraph 13 of this Agreement.

The term of this Agreement may be extended only by the mutual consent of the parties hereto as deemed reasonably necessary for the performance of any obligations hereunder.

9. QUALITY OF WORK.

WES agrees to prosecute all work under this Agreement continuously and diligently, and employ its best effort to comply with the schedule and budget set forth in the Scope of

Work and Appendix B and Appendix C. WES shall be responsible for the supervision and inspection of, and the technical accuracy and coordination of all data and work pursuant to this Agreement, and shall produce a product satisfying the requirements contained herein and meeting professional standards of quality and methodology which can be used for the purposes described in Paragraph 1. WES shall promptly and fully correct (a) errors in its work under its control and (b) revise its reports appropriately in accordance with the standards contained in this Agreement without any additional compensation from SLC and shall remain liable in accordance with applicable law (Federal Tort Claims Act) for its negligence in performance of any services under this Agreement.

10. MEMORANDUM REPRESENTATIVES.

The following individuals are designated as Project Manager under this Agreement for their respective parties.

SLC	Daniel Gorfain, MS, PE, AICP State Lands Commission 1807 - 13th Street Sacramento, California 95814 Phone (916) 322-7829
WES	Steven A. Hughes, PhD, PE U.S. Army Corps of Engineers Waterways Experiment Station P.O. Box 631 Vicksburg, Mississippi 39180-0631 Phone (601) 634-2026

The following individuals are designated as Alternates for the Project Managers listed above.

SLC	Lance S. Kiley, J.D., PE, LS State Lands Commission 1807 - 13th Street Sacramento, California 95814 Phone (916) 445-1012
WES	Lyndell Z. Hales, PhD, PE U.S. Army Corps of Engineers Waterways Experiment Station P.O. Box 631 Vicksburg, Mississippi 39180-0631 Phone (601) 634-3207

Should any of these individuals become unavailable during the period of performance, personnel of equivalent

capability shall be assigned to the Project, subject to written notice to the other party.

11. RELEASE.

To the extent permitted by law, the SLC shall hold and save WES, its officers, agents, and employees, harmless from liability of any nature or kind, for or on account of any claim for damages that may arise either before, during, or after the prosecution of the work, except through the fault or negligence of WES.

12. OFFICIALS NOT TO BENEFIT.

No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this Agreement or to any benefit that may arise therefrom.

13. TERMINATION.

This Agreement may be terminated by SLC prior to the completion of the Studies as described in the Scope of Work effective upon written notice to WES pursuant to Paragraph 16. Should termination occur, WES shall be reimbursed for all reasonable costs incurred to the date of termination and for the costs incurred by WES in terminating the work. Should WES default in the performance of work listed in Paragraph 3 above, SLC shall notify WES of the default in writing and grant WES fifteen days to take corrective action after the receipt of said notice. If WES fails to correct the default, SLC shall have the right to immediately terminate this Agreement.

14. ASSIGNABILITY.

This Agreement may not be assigned in whole or in part by either party without the prior written consent of the other party. WES may with the prior approval of SLC, subcontract portions of the work to qualified individuals.

15. MERGER.

This Agreement and the appendices attached hereto, including a detailed breakdown of the technical work outlined in Paragraph 3 to be provided at a later date, embody the entire agreement of the parties. There are no promises, conditions, or obligations referring to the subject matter, other than those contained herein or incorporated herein by reference.

16. NOTICE.

All notices and demands which any party is required or desires to give to the other party shall be given in writing to the individual at the address set forth in Paragraph 10 and shall be effective upon receipt.

17. RECORDS.

Upon five working days' notice, the WES records relating to its costs shall be available for audit by SLC in the WES office in Vicksburg, Mississippi. Said audit shall take place only during regular business hours of WES. Payment of costs by SLC shall not constitute a waiver of its rights to audit nor an acknowledgment by SLC of the validity of the costs that have been paid. Nothing herein shall be deemed to require WES or any consultants or subcontractors it may engage, to maintain books, records, or documents other than those usually maintained by them, provided that such books, records and documents reasonably segregate and identify the cost for which payment is required hereunder. As used herein, "WES records" include any audit of any consultant or subcontractor that may be engaged by WES in the performance of the Studies under this Agreement.

18. POTENTIAL CREDIT FOR SLC EXPENDITURES.

Results of model studies conducted under this Agreement may be utilized for other feasibility and design studies which may culminate in a Federal Project. In such an event, the SLC intends that appropriate related SLC costs and expenditures be considered for credit against the non-Federal cost sharing responsibilities of any such Federal studies and/or projects. However, it is understood that such determination and/or approvals lie outside the scope of this Agreement and that WES has no authority whatsoever to make such determination.

19. FINAL REPORTS.

All preliminary information, results, analysis, or reports prepared by WES pursuant to this Agreement shall be provided to SLC for dissemination. Accordingly, prior to final publication and public release and subject to compliance with applicable law, WES may, with the written consent of SLC, divulge to or discuss with other parties any information, results, analysis, or reports prepared as part of the Studies. This Paragraph shall survive termination of this Agreement or the provision of services hereunder.

IN WITNESS HEREOF, the parties hereto have executed
this Agreement as of the day and year first above written.

BY THE UNITED STATES OF AMERICA

Commander and Director
U.S. Army Corps of Engineers
Waterways Experiment Station

BY THE STATE OF CALIFORNIA

Executive Officer
State Lands Commission

APPENDIX C
STUDY MANAGEMENT PLAN

WES shall provide that following management information to SLC:

a. Management Structure:

- (1) A listing and organization of WES's study management team.
- (2) Interim milestones and the associated deliverable products.
- (3) A schedule for monthly progress reports.
- (4) SLC review and approval cycle for each delivered product.
- (5) Interrelationship and dependence among tasks and subtasks.
- (6) Procedure for adherence to budget, schedule and maintenance of quality control.
- (7) Anticipated schedule and location of meetings between WES and SLC to discuss progress and present results. It is SLC's responsibility under the Agreement to coordinate with WES the scheduling of meetings with members of the general public or Local Interests concerning the work and of WES's attendance at such public meetings or hearings.

b. Personnel:

A listing and organization of all study personnel, including their resumes, role in the study, and proposed level of effort.

c. Final Study Report:

A preliminary detailed outline of the final study report, including a brief description of all appendices, if any.