

PROJECT FUNDING AGREEMENT (WRF-06-021)

Interagency Partnerships to Facilitate Water Reuse

BETWEEN

THE WATERREUSE FOUNDATION
1199 North Fairfax Street, Suite 410
Alexandria, VA 22314

and

BAY AREA CLEAN WATER AGENCIES (BACWA)
6114 La Salle Avenue, #456
Oakland, CA 94611-2802

January 17, 2007

Interagency Partnerships to Facilitate Water Reuse (WRF-06-021)

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This Project Funding Agreement (hereafter referred to as the “Agreement”) for the project titled *Interagency Partnerships to Facilitate Water Reuse (WRF-06-021)* is effective as of **[Date agreement is signed]** by and between WateReuse Foundation (hereafter referred to as the “Foundation”), a California nonprofit corporation whose principal place of business is located at 1199 North Fairfax Street, Suite 410, Alexandria, Virginia 22314 and **BAY AREA CLEAN WATER AGENCIES (BACWA)** (hereafter referred to as the “Contractor”), located at 6114 La Salle Avenue, Oakland, CA 94611-2802.

* * *

The parties hereby agree to the following:

I. DEFINITIONS

For purposes of this Agreement, the terms and definitions detailed below and throughout this Agreement shall control:

A. The term “Derivative Work” is defined as a work of authorship that is based on any pre-existing written report, study, test result or other work of authorship, and that modifies, transforms, or recasts that pre-existing work so as to alter it in any way.

B. The term “Educational Purpose” is defined as use of the Foundation’s Intellectual Property that is primarily noncommercial and non-profit in nature including, but not limited to, using the Foundation’s Intellectual Property (i) to conduct research, or (ii) to inform the water reuse community, water reuse utility personnel and the general public of the outcome of this Project.

C. The “Foundation” was established in 1993 to advance the science of water reuse and to increase public awareness and understanding of water recycling, reuse and reclamation. The Foundation shall be defined to include all officers, directors, employees, volunteers, Project Advisory Committee, Research Advisory Committee, affiliates, agents and related entities of the Foundation.

D. The term “Foundation’s Intellectual Property” shall be defined as the intellectual property owned by the Foundation as set forth in Art. II, Paragraph 14a.

E. The “Contractor” shall be defined as **BAY AREA CLEAN WATER AGENCIES (BACWA)** including its trustees, officers, directors, employees and agents.

F. The “Principal Investigator” shall be defined as the Contractor’s employee, as specifically designated herein, with primary responsibility for ensuring that all terms and conditions of this Agreement are met and to whom notice of insufficiencies shall be given by the Foundation.

G. The “Project” shall be defined as the work to be completed by the Contractor and any Subcontractors, as defined in Art. I, Paragraph J, pursuant to this Agreement and as described more specifically in the Project Proposal, as discussed in Art. II, Paragraph 1.

H. The “Project Advisory Committee” or “PAC” shall be defined as a group of volunteers assembled by the Foundation to provide technical review, guidance, assistance and expertise to the Foundation during the course of the Project.

I. The “Project Manager” shall be defined as the Foundation’s employee(s), as specifically designated herein, with responsibility for reviewing all actions taken by the Contractor and who has authority to communicate all Foundation decisions concerning the process, procedures, scheduling requirements, funding requirements and deliverables generated by the Contractor.

J. A “Subcontractor” shall be defined as any individual or entity, with whom the Contractor shall separately contract to complete one or more specific tasks required by the Project and which the Foundation has approved.

II. AGREEMENT

1. Project Proposal. The “Project Proposal” shall be defined as the initial request by the Contractor for funding and shall include all relevant correspondence and/or other written communications subsequent to that request but prior to the execution of this Agreement. The Contractor shall perform research and prepare written reports concerning that research as detailed by the Project Proposal attached as Exhibit A to this Agreement.

2. Scope of Work. The Contractor shall prepare a Scope of Work document, which may be a Derivative Work of the Project Proposal. It shall be submitted to the Foundation within thirty (30) days of the execution of this Agreement. The Scope of Work shall be used by the Foundation for informational and outreach purposes. In the event any conflict exists between this Agreement and the Project Proposal or the Scope of Work, the terms of this Agreement shall control.

3. Project Personnel. The Contractor Principal Investigator shall be **Mr. Eric Rosenblum**.. No changes or substitutions for this position shall be made for any reason without the prior written approval of the Foundation including, but not limited to, sabbatical or other extended absences. Further, changes in any essential personnel (co-investigators, subcontractors, etc.) identified in the Project Proposal, require prior written approval from the Foundation.

The Foundation’s Project Manager shall be **Anna Durden** (703-548-0880 ext. 105). The Foundation, however, may change the Project Manager as deemed necessary without the Contractor’s approval. All technical, contractual, or administrative communications by the Contractor to the Foundation shall be conducted through the Principal Investigator and shall be directed to the Project Manager.

4. Time of Performance. All Project tasks, reports and other obligations shall be completed by the Contractor as detailed on Exhibit B to this Agreement unless amended by the mutual written agreement of the parties.

5. Surveys. Any and all questionnaires and/or survey instruments to be used in this Project must be submitted to the Foundation for review and approval prior to distribution.

6. Progress Reports. “Progress Reports” shall include “Status” and “Budget” Information and shall include “Outreach” Information as necessary. Progress Reports shall be defined as written summaries submitted **quarterly** throughout the Project by the Contractor and to the Foundation pursuant to the schedule detailed in Exhibit B. The Contractor shall provide one

copy of the Report by email on the due date to the Project Manager. The format (e.g., paper, electronic) for additional copies of the Progress Reports shall be determined by the Project Manager in conjunction with the Contractor in order to determine the most appropriate format(s) for distribution to the PAC. Each Progress Report shall include Status Information, Budget Information and Outreach Information (as applicable) as discussed in Art II Paragraphs 6.a, 6.b and 6.c. respectively. Progress Reports must provide sufficient information to allow the PAC and Foundation staff to evaluate, at their reasonable discretion, the progress and quality of the work completed as detailed by Art. II, Paragraphs 6.a and 6.b. The Progress Report shall follow the format shown in Exhibit F.

a. Status Information. The purpose of the Status Information in the Progress Report is to record the work completed and document the execution of the tasks and activities described in this Agreement. The Status Information shall describe the progress of the Project, document the tasks accomplished, detail any problems encountered by the Contractor and provide a brief overview of the next period's work to be completed. The report shall include a technical summary of methods and materials, results, analyses of data, significant findings, and discussion regarding the applicability of results to the water reuse industry. Progress reports shall address Foundation, including PAC, comments on previous Progress Reports. Extensive data or supporting information should be reported as an appendix. The report must be sufficiently detailed to allow the Foundation to monitor the Contractor's performance on the Project. The Status Information shall include a one (1) page summary of the Progress Report suitable for distribution by the Foundation to its Subscribers on the Internet. The one page summary should be provided via electronic mail or on a computer disk using Microsoft Word® word processing format.

b. Budget Information. The Budget Information of the Progress Report, which is not an invoice (as discussed in Art. II Paragraph 12a), shall include the form detailed by Exhibit C to this Agreement. Any changes in budget line item(s) as described in Exhibit C of whichever is less, either greater than ten percent (10%) of the line item or more than one thousand dollars (\$1,000), must be approved in writing by the Foundation. All expenses, whether for cash or in-kind services, must be detailed in these Reports. The Budget Information submitted in the Final Progress Report must reconcile all payments made, Project costs incurred and all in-kind contributions as detailed in the Project Proposal and subsequent correspondence.

c. Outreach Information. The purpose of the Outreach Information in the Progress Report is to provide information related to the Project including but not limited to presentations, papers and reports. A comprehensive list of presentations made or papers, reports, etc. submitted during the course of the Project, including a copy of any such presentation, paper, or report must be included in this section and updated for each period including information on where and when presented or submitted.

7. Project Reports and other Deliverables. The Contractor shall submit all Draft, Revised, Final Reports, and other deliverables pursuant to the schedule detailed by Exhibit B.

a. Format. The Draft, Revised, and Final Reports shall follow the Foundation's *Format-Style Guide for Preparing Research Reports*, as edited and updated.

b. Draft and Revised Draft Reports. The Contractor shall submit a Draft Report and Revised Draft Reports for review, in the format detailed by Art. II, Paragraph 7.a,

pursuant to the schedule detailed in Exhibit B. The Contractor shall submit an electronic copy of the entire report in Microsoft Word®, one (1) unbound original, and six (6) bound copies of the Draft Report and Revised Draft Reports. Additional drafts of this report may be required by the Foundation pursuant to Art. II, Paragraph 9 of this Agreement, in order to address the Foundation's comments and questions.

c. Final Report. The Final Report shall be the acceptable revised Draft Report. For the Final Report, the Contractor shall provide an electronic copy of the entire report in Microsoft Word® and two (2) unbound camera-ready copies, pursuant to the schedule detailed in Exhibit B, and with all the explanations and revisions requested by the Foundation pursuant to Art II, Paragraph 9 of this Agreement.

d. Published Report. The Foundation reserves the right to determine which of several processes shall be used to publish the Final Report.

e. Other Deliverables. The Contractor will submit other deliverables or hold events as listed in Exhibit B pursuant to the schedule in Exhibit B.

8. Project Profile. The Project Profile shall be provided to the Foundation in the format detailed by Exhibit D. This two (2) page profile will be edited and formatted for inclusion in the Foundation's Project Profile Notebook. The parties agree that the target audience for this Project Profile is the water reuse community. As a result, the profile must include a clearly identified section explaining the practical benefits of the Project results to water reuse projects.

9. Review of all Written Materials and Changes. All Draft, Revised Draft and Final Reports shall be reviewed by the Foundation. The Foundation shall have the right to require the Contractor to respond to the Foundation's technical review of written material, including the PAC review, either by providing explanations of technical information or by responding to reasonable requests for revisions. The Foundation shall also have the right to require grammatical, stylistic or syntax revisions in any versions of technical reports submitted to the Foundation. Furthermore, the Contractor agrees to respond to all technical and/or editorial comments made by the Foundation within the time periods detailed on Exhibit B of this Agreement. In the event that the Foundation requests that the Contractor make changes to any document detailed in Exhibit B, the Contractor shall be required to submit another draft of the requested document, with the requested changes, within six (6) weeks of any such request. Whether a new draft is required shall be determined at the sole discretion of the Project Manager.

10. Accuracy of Testing. The Contractor shall use its best efforts to ensure that all data developed during the course of this Agreement and data, information and beliefs included, or relied upon, in the Project are accurate to the best of its knowledge. Environmental measurements shall be made in accordance with recognized quality assurance protocols, where applicable. In the event the Contractor obtains any data or information derived from such data, or other information to be included in the Project from in-kind or funding contributors or any Subcontractor, the Contractor shall utilize reasonable and customary efforts to ensure the quality and accuracy of this information.

11. Participating In-Kind or Funding Contributor Review. The Contractor shall, with each participating contributor, be responsible for (a) describing in full the understanding of the parties for entering into a cooperative relationship for purposes of this Project, (b) granting participating contributors the right to review the Project deliverables, (c) providing participating contributors copies of Progress Reports, and (d) provide participating contributors with the

reasonable opportunity to correct, or if correction will take an unreasonably long time, to respond to any problems or difficulties uncovered by the data and/or information, all of which must occur prior to the completion of the Final Report.

12. Compensation. The total to be paid by the Foundation to the Contractor for completing the scope of work in accordance with Art. II, Paragraph 2 shall be **Thirteen Thousand Dollars (\$13,000)** in United States currency and **Three Thousand (\$3,000)** of in-kind services. In no event shall compensation exceed this amount. All disbursements shall be utilized solely for the purposes detailed by this Agreement. The Contractor and its funding partners agrees to provide **Sixteen Thousand Dollars (\$16,000)** in United States currency and **Twenty Eight Thousand (\$28,000)** of in-kind services contributions for the Project. All disbursements to the Contractor shall be mailed to the following address:

BAY AREA CLEAN WATER AGENCIES
(BACWA)
P.O. Box 24055, MS 402
Oakland, CA 94623

a. Payments. Subject to the withholding provisions described in the next paragraph, payments shall be based on submission of **monthly** invoices that track with the Progress Reports as discussed see Art. II, Paragraph 6, which detail work efforts performed and summarize expenses in the budget line items in Exhibit C. The Contractor can identify and document in-kind contributions in the invoice, but the Contractor shall identify and document in-kind contributions in the Budget Information of the Progress Report as discussed in Art. II Paragraph 6b. The Contractor shall submit invoices for payment by the **15th day of each month** for the previous month's services. Payment may be held by the Foundation unless and until Progress Reports are received and accepted as detailed by Art. II, Paragraphs 6.a, 6.b, and 6.c. Payment shall be disbursed to the Contractor within five (5) business days after the Foundation has received payment from the U.S. Bureau of Reclamation as applicable to this Agreement. The final request for payment must reconcile all payments made, costs incurred and in-kind and cash contributions.

The Foundation shall withhold the final twenty percent (20%) of the total compensation from disbursement to the Contractor and shall disburse this final twenty percent (20%) based on the delivery of the Draft Report and the Final Report. The Foundation shall make payments for the first eighty percent (80%) of the total compensation based on the Contractor's invoices. The Foundation shall make payments for the final twenty percent (20%) based on the following schedule: 1) once the Draft Report is submitted, the Foundation shall make payments for an additional ten percent (10%), based on the Contractor's invoices; and 2) once the Final Report is submitted and Contractor has performed all tasks as detailed in this Agreement, the Foundation shall make payments for the second ten percent (10%), based on the Contractor's invoices.

b. Payment of Subcontractors. Payment for services of any and all Subcontractors shall be the Contractor's sole obligation and responsibility. The Contractor hereby agrees to defend, indemnify and hold harmless the Foundation, its officers, directors, employees and volunteers from any and all liability concerning any such Subcontractor payment(s).

c. Property/Equipment. No equipment, material, or test apparatus shall be purchased with Foundation funds, nor shall any improvement, modification or construction of real

or personal property be made with Foundation funds, unless such purchase or expenditure has been specifically approved in writing by the Foundation.

13. Accounting. The Contractor and all Subcontractors shall maintain accurate accounting information and financial records regarding the Project in conformity with generally accepted accounting principles. The Foundation and/or its agents shall have access to such records at any reasonable time during normal business hours during the entire course of this Agreement and for a reasonable period thereafter.

14. Intellectual Property. The Foundation's primary purpose in funding the Contractor is to further scientific and technological knowledge in the area of research covered by this Project.

a. Foundation's Intellectual Property. Parties intend that the Foundation shall own all U.S. and worldwide copyrights for the Scope of Work, all Progress Reports, the Project Profile, the format sample, the Draft Report, Revised Draft Report(s), and Final Report, all drafts of these deliverables, all computer software and electronic files developed as deliverables for this Project, and all other deliverables pursuant to this Agreement and that such items shall be considered works for hire. Such property is hereafter referred to as the "Foundation's Intellectual Property." None of the Foundation's Intellectual Property shall be distributed by the Contractor without the prior written approval of the Foundation except as otherwise required by law. The Contractor shall execute whatever documents are required in order to comply with this Paragraph, including, but not limited to, assignments as necessary for any worldwide copyright protection. In addition:

(1) The Foundation hereby grants the Contractor a royalty-free, nonexclusive license to reproduce, distribute, and prepare Derivative Works based upon, and publicly display and perform the Foundation's Intellectual Property for Educational Purposes as defined in Art. I, Paragraph B above. Such license does not extend to the use of the Foundation's name, logo, or service or trademarks.

(2) Except as specified in Art. II, Paragraph 14.a(1) above, any reproduction, distribution, presentation, performance, or publication of the Foundation's Intellectual Property or preparation of Derivative Works based upon the Foundation's Intellectual Property may not occur without the prior written authorization of the Foundation.

b. Contractor shall have the right to publish, disclose, disseminate and use, in whole or in part, data and information developed by Contractor under this Research Agreement.

c. Assignment. To assure the Foundation's ownership of the Intellectual Property above, the Contractor hereby assigns all right, title and interest in and to any and all of the documents detailed in Art. II, Paragraph 14.a above to the Foundation, including, but not limited to, the right to apply for registration of any copyright with the United States Copyright Office or similar official repositories world-wide. The Contractor agrees to execute whatever documents are required in order to comply with this Agreement.

d. Publications and Presentations. The Foundation encourages the Contractor to publish based on this Project and to utilize Foundation's Intellectual Property for Educational Purposes as detailed in Art. I, Paragraph B. Any publication of Foundation Intellectual Property must comply with the requirements of Art. II, Paragraph 14.a(1) and

(2) above. The Contractor agrees to comply with the following steps prior to such distribution, presentation, or publication:

(1) The Contractor hereby agrees to provide to the Foundation copies of any such publication or presentation at least three (3) weeks prior to submission of such publication or presentation.

(2) The Contractor agrees and understands that it shall not dispose of or injure the Foundation's rights to the Foundation's Intellectual Property, including, but not limited to, any computer software, by any presentation or publication of such property and shall take all steps necessary to preserve such rights of the Foundation.

(3) Contractor's Acknowledgment. Any public presentation or publication by the Contractor, including a student writing a thesis, dissertation, or report, based on the Project of the Foundation's Property, shall include the following, or a similar, statement acknowledging the Foundation and its funding partner U.S. Bureau of Reclamation for providing financial and administrative support: *The [Contractor] gratefully acknowledges that the WasteReuse Foundation's financial, technical, and administrative assistance in funding and managing the project through which this information was discovered. The [Contractor] acknowledges the financial assistance from the Foundation.*

e. Student Thesis. In the event a college or graduate student is employed by Contractor to work on the Project contemplated by this Agreement and that student completes a thesis, dissertation or report relating to this Project, solely for Educational Purposes, the student shall own the copyright in that thesis or report. In the event a portion of the Foundation's Intellectual Property is included in that thesis or report, the Foundation hereby grants the student a limited, revocable, nonexclusive license to utilize the Foundation's Intellectual Property for the specific thesis or report only.

f. Disclaimer. All publications and presentations utilizing the Foundation's Intellectual Property shall include the following disclaimer: *The comments and views detailed herein may not necessarily reflect the views of the WasteReuse Foundation, its officers, directors, employees, affiliates or agents.*

g. Subcontracts. All subcontracts shall include provisions acceptable to the Foundation to implement the provisions of Art. II, Paragraph 14.

15. Publicity/Press Releases. No publicity releases, including news releases as advertising, relating to this Agreement and the Project shall be issued by the Contractor or by any Subcontractor without the prior written approval of the Foundation. Such approval shall not be unreasonably withheld. Any inquiry the Contractor receives from news media concerning this Agreement shall be referred to the Foundation for coordination prior to response.

16. Originality. The Contractor shall warrant that it, and its Subcontractors, is (are) the sole creator(s) and originator(s) of all the Foundation's Intellectual Property and Contractor's Intellectual Property as defined herein and none of those rights have been bargained, sold, or conveyed in any other manner to any person or entity, except as detailed and permitted by this Agreement. Further, the Contractor shall use its best efforts to ensure that no portion of this Project, including any portion completed by Subcontractors, infringes upon the Intellectual

Property rights of any other person or entity or violates the common law or statutory right, title, or interest of any person or entity.

17. Termination. This Agreement, except for those provisions which, by their own terms, extend beyond the life of this Agreement, shall terminate upon the Foundation's approval of the final report and the completion of all scheduled events as detailed in Exhibit B or upon the Contractor's receipt of a Notice to Stop Work, whichever comes earlier. The Termination Date shall be the date upon which all scheduled events have occurred and no further work remains to be completed pursuant to this Agreement. This Agreement, however, may be terminated earlier if both parties agree that the Project is no longer technically feasible or if the Contractor has failed to comply with the terms and conditions of this Agreement.

a. Breach/Below standard performance. If the Foundation reasonably determines that the Contractor, or any Subcontractor, is not in compliance with its contractual obligations under this Agreement, the Foundation may so notify the Contractor in writing at any time.

b. Failure to cure. If upon written notice from the Foundation the Contractor fails to eliminate problems detailed by the Foundation, or fails to cure a breach of this Agreement by the Contractor or subcontractors, within thirty (30) days of the Foundation's notice, this Agreement may be terminated by the Foundation. The Termination Date shall be the date on which the thirtieth (30th) day falls. At such time, any obligations on the part of the Foundation to make further payments under this Agreement shall terminate.

18. Return of Property. In the case of early termination for any reason, the Contractor shall return anything owned by the Foundation prior to the execution of this Agreement which was being utilized for the specific purpose of the research conducted in accordance with the scope of work incorporated in this Agreement, including, but not limited to, all Foundation's Intellectual Property and Foundation's proprietary or confidential information, data, or documentation.

19. Survival. The responsibilities detailed by this Agreement to protect the parties' respective Intellectual Property rights and proprietary and confidential information, data and documents shall continue throughout this Agreement and shall remain in effect after its termination.

20. Indemnification. In addition to the responsibilities detailed elsewhere in this Agreement, each of the parties shall have the responsibilities detailed below:

a. Foundation Indemnification. The Foundation shall defend, indemnify and hold harmless the Contractor, its officers, directors, employees and authorized agents from and against any and all claims, actions, causes of action, judgments, liabilities, losses, damages, penalties, expense (including reasonable attorneys' fees and court costs), or claims for injuries or damages to persons or property arising out of or related to the performance of this Agreement but only in proportion to and to the extent such claims, actions, causes of action, judgments, damages, penalties, liabilities, losses, expenses, attorneys' fees, or claims for injury or damages to persons or property are caused by or result from the negligent or intentional acts or omissions of the Foundation, its officers, directors, authorized agents, or employees.

b. Contractor Indemnification. Contractor shall defend, indemnify and hold harmless the Foundation, its officers, directors, employees, and authorized agents from and against any and all claims, actions, causes of action, judgments, liabilities, losses, expenses (including reasonable attorneys' fees and court costs), or claims for injuries or damages to persons or property arising out of or related to the Contractor's performance and/or its subcontractors of this Agreement but only in proportion to and to the extent such claims, actions, causes of action, judgments, liabilities, losses, expenses, attorneys' fees, or claims for injuries or damages to persons or property are caused by or result from the negligent or intentional acts or omissions of Contractor, its officers, directors, employees, and authorized agents.

c. Responsibilities of the Foundation. In the event of any liability, obligation, damage, loss, cost, claim, lawsuit, cause of action, judgments, penalties, or demands whatsoever of any kind or nature against the Foundation, its officers, directors, employees, authorized agents, and volunteers arising from any actions taken by or failure to act on the part of the Contractor, or its Subcontractors, pursuant to this Agreement, the Foundation's responsibility shall be limited to providing the Contractor with the notice of a claim.

d. Responsibilities of Contractor. At all times, all obligations performed by Contractor or by any Subcontractors pursuant to this Agreement shall be performed in a manner consistent with reasonable standards of care and performance governing such services.

e. Insurance. The Contractor shall, at its sole cost and expense, maintain a program of self-insurance or commercially purchased comprehensive general liability insurance covering unfair competition claims and all reckless, intentional and negligent actions or omissions of any and all of Contractor's officers, directors, employees, agents and independent contractors and/or Subcontractors in the amount of one million dollars (\$1,000,000). The Foundation shall be listed on any such insurance as a third-party insured. Proof of such insurance shall be presented to the Foundation pursuant to the schedule detailed by Exhibit B.

f. Worker's Compensation. The Contractor shall, at its sole cost and expense, maintain Worker's Compensation insurance which complies with the applicable state laws. Proof of such insurance shall be presented to the Foundation pursuant to the schedule detailed by Exhibit B. In the event Contractor utilizes Subcontractors during the course of this Project, the Contractor shall obtain proof that such Subcontractors maintain Worker's Compensation, which proof shall be provided to the Foundation as well.

g. Subcontractor Acceptance of Agreement. Contractor shall require any and all Subcontractors to comply with the following Paragraphs of Article II of this Agreement prior to working on the Project in any manner: 5. Surveys; 10. Accuracy of Testing; 13. Accounting; 14. Intellectual Property; 15. Publicity/Press Releases; 16. Originality; 20. Indemnification; 22. Equal Opportunity; and 26. Governing Law. Contractor shall inform any and all Subcontractors of the following Paragraphs of Article II of this Agreement between the Contractor and the Foundation prior to working on the Project in any manner: 4. Time of Performance; 11. Participating In-Kind or Funding Contributor Review; 12. Compensation; 17. Termination; 21. Breach/Damages; 23. Relationship of the Parties; 24. Modification in Writing; 25. Transferability; and 27. Exhibits. The Contractor shall execute a statement, as detailed by Exhibit E, ensuring that all

Subcontractors have executed an agreement with the Contractor regarding such compliance. Copies of all executed Subcontractor Agreements shall be provided to the Foundation promptly upon the Contractor engaging the services of any Subcontractor.

21. Breach/Damages. The specific remedies detailed in this Agreement shall not operate as a waiver of any and all other rights and remedies available to the Foundation at law or equity. In the event the Contractor fails to comply with this Agreement, or one of the Contractor's Subcontractors fails to comply with its agreement with the Contractor, and thus causes a breach of this Agreement, the Foundation may, in its reasonable discretion, remove that Contractor from eligibility for receiving any and all funding for future research projects.

22. Equal Opportunity. The Foundation is an equal opportunity employer and, as such, does not discriminate on the basis of age, sex, race, religion, color, national origin, physical or mental disability or veteran status. Upon execution of this Agreement, the Contractor agrees to: (a) support the Foundation's nondiscrimination policy and requires all Subcontractors to support this policy; and (b) abide by all laws, rules, and executive orders governing equal employment opportunity. The Contractor also agrees to make available to the Foundation, upon reasonable request, proof of its efforts, as well as all Subcontractors' efforts, to comply with this Paragraph.

23. Relationship of the Parties. The Parties agree that the Contractor is an independent contractor with respect to the Foundation. Nothing in this Agreement shall be construed to make the Parties partners or joint ventures or to create an employment relationship between the Parties. Any and all relationships created relating to Subcontractors shall be between the Contractor and such Subcontractors only, and shall not create any relationship between such Subcontractors and the Foundation.

24. Modification in Writing. This Agreement may not be modified or amended, nor may any term or provision be waived or discharged, including this particular Paragraph, except in writing, signed and executed by both parties. Any modification must be executed by both the Foundation and the Contractor to be effective.

25. Transferability. This Agreement shall not be assignable by the Contractor without the prior written authorization of the Foundation.

26. Governing Law. This agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia, excluding choice of law provisions.

27. Exhibits. All Exhibits attached to or made part of this Agreement are incorporated and agreed upon by the parties. In the event a conflict occurs between the terms of an Exhibit and this Agreement, the terms of this Agreement shall control.

28. Authority. The individuals executing this Agreement on behalf of their respective parties hereby represent and warrant that they have the right, power, legal capacity, and appropriate authority to enter into this Agreement on behalf of the entity for which they sign below.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the day and year as indicated below.

<p>WATEREUSE FOUNDATION</p> <hr/> <p>By: G. Wade Miller</p> <p>Title: Executive Director</p> <p>Date: _____</p> <p>Federal I.D. #: 680309391</p>	<p>BAY AREA CLEAN WATER AGENCIES (BACWA)</p> <hr/> <p>By: Dave Williams</p> <p>Title: Chair</p> <p>Date: _____</p> <p>Federal I.D. #: 94-3389334</p>
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**Exhibit A
Project Scope
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Interagency Partnerships to Facilitate Water Reuse (WRF-06-021)

The following materials are incorporated by reference:

- December 2006 Proposal Submitted to the WaterReuse Foundation.
- January 10, 2007 WaterReuse Foundation Award Memorandum.
- Response to WaterReuse Foundation Award Memorandum
- All subsequent correspondence

**Exhibit B
Project Schedule
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Interagency Partnerships to Facilitate Water Reuse (WRF-06-021)

Task	Due Date
Begin Project	February 1, 2007
Contractor presents Proof of Insurance(s) or Certificate of Self Insurance (II.20.e) and Proof of Worker's Compensation Insurance (II.20.f)	February 1, 2007
Foundation receipt of all Subcontractors' approvals of Project Agreement (II.20.g)	February 1, 2007
Scope of Work (II.2)	February 1, 2007
Progress Report encompassing the time period February 1, 2007 through April 30, 2007 (II.6)	May 15, 2007
Facilitated Workshop	April 1, 2007
Draft Report (II.7)	June 30, 2007
Revised Draft Report and Draft Project Profile (II.7 and II.8)	August 31, 2007
Final Report and Final Project Profile (II.7 and II.8)	October 31, 2007
Execution of Assignment Documents for Foundation Intellectual Property (II.14.c)	October 31, 2007
Completion Date (II.17)	October 31, 2007

[Insert Exhibit C, Project Budget]

Exhibit D
Project Profile
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Interagency Partnerships to Facilitate Water Reuse (WRF-06-021)

Preparing Project Profile

The Foundation requires that the Principal Investigator provide a Project Profile as detailed in Article II, Paragraph 8.

The purpose of a profile for each WateReuse Foundation research report is to assist water professionals in deciding the usefulness of the full report. Profiles of all reports are made available to all subscribing utilities, consultants, and manufacturers.

The Principal Investigator submits a completed Project Profile Form with the revised draft final project report. Please note that the report itself will still contain an Executive Summary. In writing the Project Profile, the Principal Investigator uses few abbreviations, symbols or equations. However, if such terms are used, their definitions are clearly stated the first time the terms are mentioned.

The Profile is no more than two (2) pages of text in the format shown on the Project Profile Form on the following pages.

Project Profile Information Form

Project Title: Interagency Partnerships to Facilitate Water Reuse
Project Number: WRF-06-021
Principal Investigators:

Objectives (State the relevant objectives of the project; *75 words or less.*)

Background (Provide background information; *75 words or less.*)

Highlights (Provide “at a glance” the main findings of the research [minimum of three]; *100 words or less.*)

Approach (Describe the research approach for this project. May use subject subheads; *125 words or less.*)

Results/Findings (Describe the results/findings of the research. May use subject subheads; *200 words or less.*)

Impact (Describe the relevant impacts that the research results may have on the water industry. Use general subheads such as recommendations or benefits. Subheads more specific to the project may also be used, such as treatment, analytical development, regulatory implications, and so forth; *100 words or less.*)

Participating Utilities (if applicable; maximum of five)

Exhibit E
Subcontractor Agreement
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Interagency Partnerships to Facilitate Water Reuse (WRF-06-021)

Each Subcontractor to **BAY AREA CLEAN WATER AGENCIES (BACWA)** on this project agrees to comply with the following Paragraphs of Article II of the Project Funding Agreement between **BAY AREA CLEAN WATER AGENCIES (BACWA)** and the WaterReuse Foundation prior to working on the project in any manner:

- 5. Surveys;
- 10. Accuracy of Testing;
- 13. Accounting;
- 14. Intellectual Property;
- 15. Publicity/Press Releases;
- 16. Originality;
- 20. Indemnification;
- 22. Equal Opportunity; and
- 26. Governing Law.

Each Subcontractor also agrees to read and be aware of the following Paragraphs of Article II of the Project Funding Agreement prior to working on the project in any manner:

- 4. Time of Performance;
- 11. Participating In-Kind or Funding Contributor Review;
- 12. Compensation;
- 17. Termination;
- 21. Breach/Damages;
- 23. Relationship of the Parties;
- 24. Modification in Writing;
- 25. Transferability; and
- 27. Exhibits.

BAY AREA CLEAN WATER AGENCIES (BACWA) will return copies of this form signed and dated by each Subcontract.

Subcontractor:

Signature: _____

Name [Print]:

Title:

Date:

Address:

Exhibit F
Quarterly Progress Report Format
Page 1 of 1

Interagency Partnerships to Facilitate Water Reuse (WRF-06-021)

- 1. Title Page – 1 page**
 - Project Title and Number
 - Principal Investigator and Organization
 - Participating Utilities and Organizations
 - Quarterly Progress Report Number (1, 2, ...)
 - Date

- 2. Status Summary**
 - Summary of tasks completed and accomplishments in reporting period
 - Assessment of actual versus planned progress for each task
 - Tasks proposed to be completed in upcoming period
 - Problems encountered
 - Rationale for propose changes (if any) to the scope of work
 - Technical summary (use appendix for extensive data or supporting information):
 - o Response to Foundation's (including the PAC) questions and comments on previous progress reports
 - o Methods and materials
 - o Data and analysis
 - o Significant findings

- 3. Budget Summary**
 - Updated Exhibit C from contract (this can also be submitted with invoices)
 - Reporting of in-kind services (if not reported in invoices)

- 4. Outreach Summary**
 - Presentations, paper, and reports
 - o List of submitted/published reports
 - o Copy of submitted/published reports and presentations

**Exhibit C: Project Budget
 Interagency Partnerships to Facilitate Water Reuse
 Project Number WRF-06-021**

Personnel (Prime Contractor)					Contract Budget		
					Total Cost	In-Kind	WRF Cost
Name	Project Role	Hours	Rate (\$/hour)	Fringe Benefits			
					0.00	0.00	0.00
					0.00	0.00	0.00
					0.00	0.00	0.00
					0.00	0.00	0.00
					0.00	0.00	0.00
					0.00	0.00	0.00
Subtotal					0.00	0.00	0.00

Other Direct Costs (Use Additional Pages if Itemization is Necessary)				Total Cost	In-Kind	WRF Cost
Equipment						
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
Subtotal				0.00	0.00	0.00

Supplies						
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
Subtotal				0.00	0.00	0.00

Subcontracts						
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
Subtotal				0.00	0.00	0.00

Disadvantaged Business						
Subtotal				0	0	0

Travel						
				0.00	0.00	0.00
				0.00	0.00	0.00
				0.00	0.00	0.00
Subtotal				0.00	0.00	0.00

Other Costs						
Subtotal				0.00	0.00	0.00

Total Direct Cost	0	0	0
Total Indirect Cost	Included Above		
Fee (if applicable)	0	0	0
TOTAL	0	0	0