



**ENGINEERING, OPERATIONS, AND
WATER RESOURCES
COMMITTEE MEETING
OF THE BOARD OF DIRECTORS
INLAND EMPIRE UTILITIES AGENCY*
AGENCY HEADQUARTERS, CHINO, CALIFORNIA**

**WEDNESDAY, SEPTEMBER 11, 2019
9:45 A.M.**

CALL TO ORDER

PUBLIC COMMENT

Members of the public may address the Board on any item that is within the jurisdiction of the Board; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) of Section 54954.2 of the Government Code. Those persons wishing to address the Board on any matter, whether it appears on the agenda, are requested to complete and submit to the Board Secretary a "Request to Speak" form which is available on the table in the Board Room. Comments will be limited to three minutes per speaker. Thank you.

ADDITIONS TO THE AGENDA

In accordance with Section 54954.2 of the Government Code (Brown Act), additions to the agenda require two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted.

1. ACTION ITEMS

A. MINUTES

The Committee will be asked to approve the Engineering, Operations, and Water Resources Committee meeting minutes of August 14, 2019.

**B. RP-1 MECHANICAL RESTORATION AND IMPROVEMENTS PROJECT
CONSTRUCTION CONTRACT AWARD**

Staff recommends that the Committee/Board:

1. Award a construction contract for the RP-1 Mechanical Restoration and Improvements Project to Kiewit Infrastructure West Co., in the amount of \$6,627,000;
2. Approve a contract amendment to Stantec Consulting Services Inc., for engineering services during construction for the not-to-exceed amount of \$430,000; and

3. Authorize the General Manager to execute the contract and contract amendment, subject to non-substantive changes.

C. SAN BERNARDINO LIFT STATION IMPROVEMENTS CONSTRUCTION CONTRACT AWARD

Staff recommends that the Committee/Board:

1. Award a construction contract for the San Bernardino Lift Station Facility Improvements, Project No. EN19041, to AToM Engineering Construction, Inc., in the amount of \$118,398; and
2. Authorize the General Manager to execute the contract, subject to non-substantive changes.

D. PROJECT MANAGEMENT DOCUMENTATION SYSTEM CONTRACT AWARD

Staff recommends that the Committee/Board:

1. Approve a contract award to CIPO Cloud Software, LLC for support and services on the Project Management Documentation System (CIPO) for a not-to-exceed amount of \$718,500 for a term of seven years;
2. Approve a budget amendment in the amount of \$210,000 in the Regional Wastewater Improvement Fund; and
3. Authorize the General Manager to execute the contract and budget amendment, subject to non-substantive changes.

E. RP-1 FLARE IMPROVEMENTS CONSULTANT CONTRACT AMENDMENT

Staff recommends that the Committee/Board:

1. Approve the consulting contract amendment for the RP-1 Flare Improvements, Project No. EN18006, to Lee & Ro, Inc., for a not-to-exceed amount of \$76,524; and
2. Authorize the General Manager to execute the consulting engineering services amendment, subject to non-substantive changes.

F. SANTA ANA RIVER CONSERVATION & CONJUNCTIVE USE PROGRAM (SARCCUP) SUB GRANTEE AGREEMENT

Staff recommends that the Committee/Board:

1. Approve the Sub-Grantee Agreement between SAWPA and IEUA; and
2. Authorize the General Manager to execute the Sub-Grantee Agreement, subject to non-substantive changes.

G. **RESOLUTION 2019-9-1 CONTRIBUTING CAPACITY TO THE BRINE LINE LEASE CAPACITY POOL**

Staff recommends that the Committee/Board adopt Resolution No. 2019-9-1, committing an additional 0.3 MGD of Pipeline and 0.3 MGD of Treatment and Disposal Capacity to the Inland Empire Brine Line Lease Capacity Pool.

2. **INFORMATION ITEM**

A. **PLANNING & ENVIRONMENTAL RESOURCES UPDATE (ORAL)**

B. **SEMI-ANNUAL LABORATORY UPDATE**

RECEIVE AND FILE INFORMATION ITEM

C. **ENGINEERING AND CONSTRUCTION MANAGEMENT PROJECT UPDATES (POWERPOINT)**

3. **GENERAL MANAGER'S COMMENTS**


4. **COMMITTEE MEMBER COMMENTS**

5. **COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS**

6. **ADJOURN**

*A Municipal Water District

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Board Secretary (909-993-1736), 48 hours prior to the scheduled meeting so that the Agency can make reasonable arrangements.

Proofed by: 

DECLARATION OF POSTING

I, April Woodruff, Board Secretary/Office Manager of the Inland Empire Utilities Agency, A Municipal Water District, hereby certify that a copy of the agenda has been posted by 5:30 p.m. in the foyer at the Agency's main office, 6075 Kimball Ave., Building A, Chino, CA and to the IEUA Website at www.ieua.org on Thursday, September 5, 2019.


April Woodruff

**ACTION
ITEM
1A**



**MINUTES
ENGINEERING, OPERATIONS, AND WATER RESOURCES
COMMITTEE MEETING
INLAND EMPIRE UTILITIES AGENCY*
AGENCY HEADQUARTERS, CHINO, CA**

**WEDNESDAY, AUGUST 14, 2019
9:45 A.M.**

COMMITTEE MEMBERS PRESENT

Michael Camacho, Chair
Kati Parker

COMMITTEE MEMBERS ABSENT

None

STAFF PRESENT

Shivaji Deshmukh, General Manager
Randy Lee, Executive Manager of Operations/AGM
Shaun Stone, Acting Executive Manager of Engineering/AGM
Christina Valencia, Executive Manager of Finance & Administration/AGM
Adham Almasri, Senior Engineer
Pietro Cambiaso, Deputy Manager of Planning & Environmental Resources
Andy Campbell, Groundwater Recharge Coordinator/Hydrogeologist
Carolyn Echavarria, Administrative Assistant II
Laura Mantilla, Executive Assistant
Daniel Solorzano, Technology Specialist I
Travis Sprague, Senior Associate Engineer
Wilson To, Technology Specialist II
Teresa Velarde, Manager of Internal Audit
April Woodruff, Board Secretary/Office Manager
Jamal Zughbi, Senior Engineer/Project Manager, P.E.

OTHERS PRESENT

Jasmin Hall, IEUA

The meeting was called to order at 9:47 a.m. There were no public comments received or additions to the agenda.

ACTION ITEMS

The Committee:

- ◆ Approved the Engineering, Operations, and Water Resources Committee meeting minutes of July 10, 2019.

◆ Recommended that the Board:

1. Approve consultant services contract amendments for the following contracts for an aggregate amount of \$600,000; and
 - 4600002051 Wallace & Associates Consulting, Inc.
 - 4600002052 Carollo Engineers, Inc.
 - 4600002152 MWH Constructors
 - 4600002054 GK & Associates
2. Authorize the General Manager to execute the contract amendments, subject to non-substantive changes;

as a Consent Calendar Item on the August 21, 2019 Board meeting agenda.

◆ Recommended that the Board:

1. Approve a consulting engineering services contract amendment for the RP-5 Expansion, Project No. EN19001 and EN19006 to Parsons Water and Infrastructure Inc., in the amount of \$517,494; and
2. Authorize the General Manager to execute the consulting engineering services contract amendment, subject to non-substantive changes;

as a Consent Calendar Item on the August 21, 2019 Board meeting agenda.

◆ Recommended that the Board:

1. Approve a construction change order for the RP-1 Digester 6 Repairs, Project No. EN1042 to W.A. Rasic Construction Inc., for the not-to-exceed amount of \$160,000; and
2. Authorize the General Manager to execute the change order, subject to non-substantive changes;

as a Consent Calendar Item on the August 21, 2019 Board meeting agenda.

◆ Recommended that the Board:

1. Ratify the emergency project approval for the RP-1 Digester Gas Repairs in the amount of \$111,600; and
2. Authorize the General Manager to approve the emergency task order, subject to non-substantive changes;

as a Consent Calendar Item on the August 21, 2019 Board meeting agenda.

◆ Recommended that the Board:

1. Award Task Order No. 001 to Bucknam Infrastructure Group for a not-to-exceed amount of \$101,394; and
2. Authorize the General Manager to execute the task order, subject to non-substantive changes;

as a Consent Calendar Item on the August 21, 2019 Board meeting agenda.

◆ Recommended that the Board:

1. Ratify Contract Amendment No. 4600002733-01 to Jeremy Harris Construction, Inc., for the Ely Basin Infiltration Restoration Services for \$280,500 and a not-to-exceed total contract value of \$529,050; and
2. Approve a budget amendment for FY 2018/19 Groundwater Recharge professional fees budget in the amount of \$280,500 to support the proposed cost of the Ely Basin cleaning;

as a Consent Calendar on the August 21, 2019 Board meeting agenda.

◆ Recommended that the Board:

1. Ratify Contract Amendment No. 4600002713-002 with Jeremy Harris Construction, Inc., in the amount of \$89,443.28 for the RP-3 Basin Infiltration Restoration Services; and
2. Authorize the General Manager to execute the amendment;

as a Consent Calendar Item on the August 21, 2019 Board meeting agenda.

INFORMATION ITEMS

The following information items were presented or received and filed by the Committee:

- ◆ Planning & Environmental Resources Update
- ◆ Engineering and Construction Management Project Updates

GENERAL MANAGER'S COMMENTS

There were no General Manager comments.

COMMITTEE MEMBER COMMENTS

There were no Committee member comments.

COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS

There were no Committee member requests for future agenda items.

With no further business, Director Camacho adjourned the meeting at 10:19 a.m.

Respectfully submitted,

April Woodruff
Board Secretary/Office Manager

*A Municipal Water District

APPROVED: SEPTEMBER 11, 2019

Draft

**ACTION
ITEM
1B**



Date: September 18, 2019

To: The Honorable Board of Directors

From: Shivaji Deshmukh, General Manager SDW

Committee: Engineering, Operations & Water Resources

09/11/19

Finance & Administration

09/11/19

Executive Contact: Shaun Stone, Acting Executive Manager of Engineering/AGM

Subject: RP-1 Mechanical Restoration and Improvements Project Construction Contract Award

Executive Summary:

Regional Water Recycling Plant No.1 uses conventional activated sludge to treat wastewater in three parallel systems. Two pump station buildings convey the sludge for the entire treatment process. The scope of the project is to replace mechanical (pumps, valves, piping, etc.) and electrical equipment (motor control centers, breakers, conductors, etc.) in both buildings, which are at the end of their useful life; due to corrosion or unavailability of replacement components. In addition, grinders are being installed at two locations to mitigate clogging at the sludge transfer pumps.

On August 6, 2019, IEUA received five construction bids from a group of seven pre-qualified contractors. Kiewit Infrastructure West Co., was the lowest responsive, responsible bidder with a bid price of \$6,627,000; Engineer's estimate was \$8,075,000. The construction contract award was unanimously recommended for IEUA Board approval by the Regional Technical and Policy Committees. For continuity, staff requests the existing contract with Stantec Consulting Inc., be amended by \$430,000 to include engineering design services during construction, increasing the contract from \$583,287 to \$1,013,287 (73% increase).

Staff's Recommendation:

1. Award a construction contract for the RP-1 Mechanical Restoration and Improvements Project to Kiewit Infrastructure West Co., in the amount of \$6,627,000;
2. Approve a contract amendment to Stantec Consulting Services Inc., for engineering services during construction for the not-to-exceed amount of \$430,000; and
3. Authorize the General Manager to execute the contract and contract amendment, subject to non-substantive changes.

Budget Impact *Budgeted (Y/N):* Y *Amendment (Y/N):* N *Amount for Requested Approval:*

Account/Project Name:

EN17082/RP-1 Mechanical Restorations and Improvements

Fiscal Impact (explain if not budgeted):

None.

Prior Board Action:

On November 21, 2018, the Board of Directors awarded an amendment to Stantec's contract for consultant engineering services for the RP-1 Mechanical Restoration and Improvements for the not-to-exceed contract amount of \$113,400.

On October 18, 2017, the Board of Directors awarded a consultant engineering services contract for the RP-1 Mechanical Restoration and Improvements to Stantec for the not-to-exceed amount of \$469,887.

Environmental Determination:

Categorical Exemption

CEQA identifies certain categories of projects as exempt from more detailed environmental review because these categories have been deemed to have no potential for significant impact on the environment. This project qualifies for a Categorical Exemption Class 1 as defined in Section 15301(b) of the State CEQA Guidelines.

Business Goal:

The RP-1 Mechanical Restoration and Improvements Project is consistent with IEUA's Business Goal of Wastewater Management specifically the Asset Management objective that IEUA will ensure the treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use.

Attachments:

Attachment 1 - PowerPoint

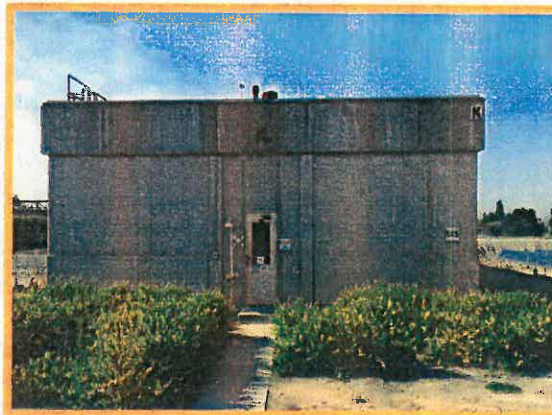
Attachment 2 - Construction Contractor Contract

Attachment 3 - Consultant Engineering Amendment

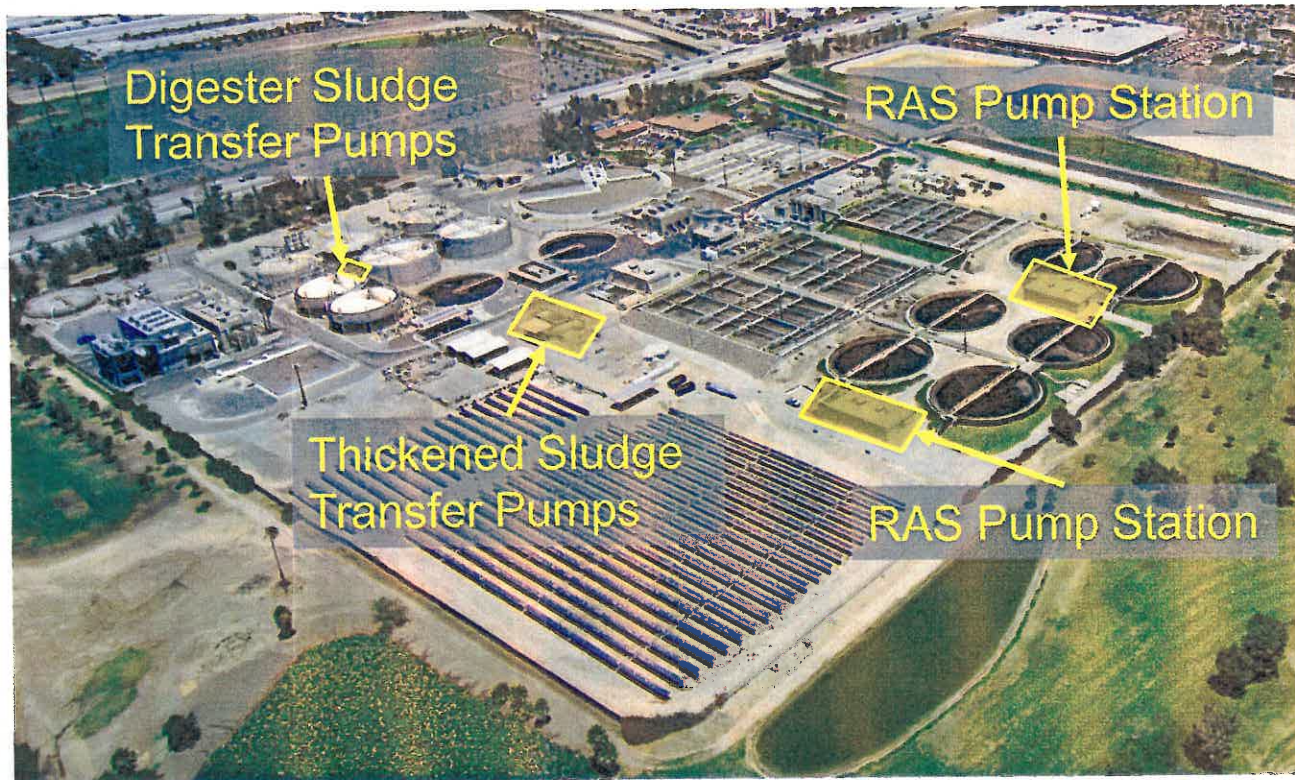
Attachment 1

RP-1 Mechanical Restoration and Improvements Construction Contract Award

Project No. EN17082

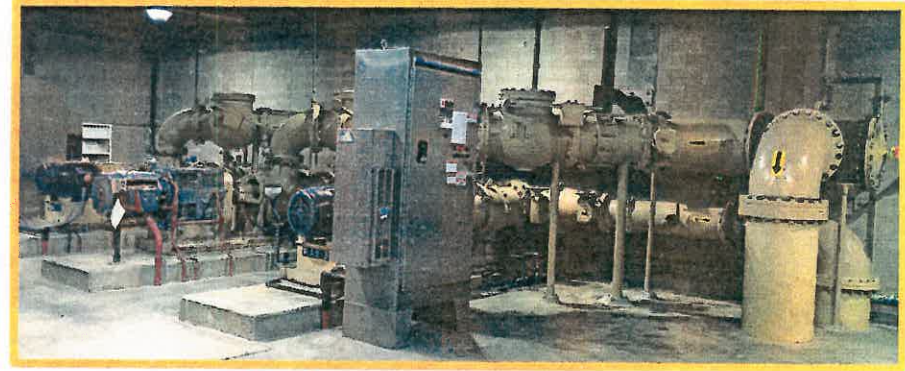


Project Location

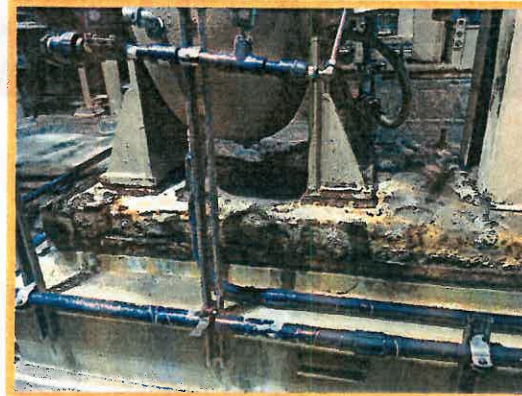


The Project

- Mechanical equipment is inefficient
- Piping showing signs of corrosion
- Electrical equipment not being supported by manufacturer
- Scope of Work:
 - Replace all sludge pumps, scum pumps, and piping
 - Upgrade inefficient motor drives
 - Replace motor control centers
 - Install grinders on sludge transfer pumps



Return Activated Sludge Pump Equipment



Corroded Sludge Pump Base



Existing Motor Control Center

Contractor Selection

Five bids were received on August 6, 2019:

Bidder's Name	Final Bid Amount
Kiewit Infrastructure West Co.	\$6,627,000
GSE Construction Company	\$6,820,500
J.F. Shea Construction, Inc.	\$7,118,000
Stanek Constructors	\$7,405,000
W.A. Rasic Construction Co., Inc.	\$8,130,288
Engineer's Estimate	\$8,075,000

Project Budget and Schedule

Description	Estimated Cost
Design Services	\$797,639
Design Consultant Contract	\$583,287
IEUA Design Services (actuals)	\$214,352
Construction Services	\$893,890
Engineering Services During Construction (this action)	\$430,000
IEUA Construction Services (estimate)	\$463,890
Construction	\$7,289,700
Construction Contract (this action)	\$6,627,000
Contingency (~10%)	\$662,700
Total Project Cost:	\$8,981,229
Total Project Budget:	\$10,652,639

Project Milestone	Date
Construction	
Construction Contract Award	September 2019
Construction Completion	March 2021

Recommendation

1. Award a construction contract for the RP-1 Mechanical Restorations and Improvements Project to Kiewit Infrastructure West Co., in the amount of \$6,627,000;
2. Approve a contract amendment to Stantec Consulting Services Inc., for engineering services during construction for the not-to-exceed amount of \$430,000; and
3. Authorize the General Manager to execute the contract and contract amendment, subject to non-substantive changes.

The RP-1 Mechanical Restoration and Improvements Project is consistent with *IEUA's Business Goal of Wastewater Management*, specifically the Asset Management objective that IEUA will ensure the treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use.

Attachment 2

SECTION D - CONTRACT AND RELEVANT DOCUMENTS

1.0 CONTRACT

THIS CONTRACT, made and entered into this ____ day of _____, 2019, by and between Kiewit Infrastructure West Co., hereinafter referred to as "Contractor," and The Inland Empire Utilities Agency, a Municipal Water District, located in San Bernardino County, California, hereinafter referred to as "Agency".

WITNESSETH:

That for and in consideration of the promises and agreements hereinafter made and exchanged, the Agency and the Contractor agree as follows:

1. Contractor agrees to perform and complete in a workmanlike manner, all work required under the bidding schedule of said Agency's specifications entitled **Specifications For the Construction of the RP-1 Mechanical Restoration and Improvements Project EN17082**, in accordance with the specifications and drawings, and to furnish at their own expense, all labor, materials, equipment, tools, and services necessary, except such materials, equipment, and services as may be stipulated in said specifications to be furnished by said Agency, and to do everything required by this Contract and the said specifications and drawings.
2. For furnishing all said labor, materials, equipment, tools, and services, furnishing and removing all plant, temporary structures, tools and equipment, and doing everything required by this Contract and said specifications and drawings; also for all loss and damage arising out of the nature of the work aforesaid, or from the action of the elements, or from any unforeseen difficulties which may arise during the prosecution of the work until its acceptance by said Agency, and for all risks of every description connected with the work; also for all expenses resulting from the suspension or discontinuance of work, except as in the said specifications are expressly stipulated to be borne by said Agency; and for completing the work in accordance with the requirements of said specifications and drawings, said Agency will pay and said Contractor shall receive, in full compensation therefore, the price(s) set forth in this Contract.
3. That the Agency will pay the Contractor progress payments and the final payment, in accordance with the provisions of the contract documents, with warrants drawn on the appropriate fund or funds as required, at the prices bid in the Bidding and Contract Requirements, Section C - Bid Forms and accepted by the Agency, and set forth in this below.

Total Bid Price \$ Six Million, Six Hundred Twenty-Seven Thousand Dollars

and Zero Cents.

If this is not a lump sum bid and the contract price is dependent upon the quantities

constructed, the Agency will pay and said Contractor shall receive, in full compensation for the work the prices named in the Bidding and Contract Requirements, Section C - Bid Forms.

4. The Agency hereby employs the Contractor to perform the work according to the terms of this Contract for the above-mentioned price(s), and agrees to pay the same at the time, in the manner, and upon the conditions stipulated in the said specifications; and the said parties for themselves, their heirs, executors, administrators, successors, and assigns, do hereby agree to the full performance of the covenants herein contained.
5. The Notice Inviting Bids, Instructions to Bidders, Bid Forms, Information Required of Bidder, Performance Bond, Payment Bond, Contractors License Declaration, Specifications, Drawings, all General Conditions and all Special Conditions, and all addenda issued by the Agency with respect to the foregoing prior to the opening of bids, are hereby incorporated in and made part of this Contract, as if fully set forth.
6. The Contractor agrees to commence work under this Contract on or before the date to be specified in a written "Notice To Proceed" and to complete said work to the satisfaction of the Agency five-hundred and fifty (550) calendar days after award of the Contract. All work shall be completed before final payment is made.
7. Time is of the essence on this Contract.
8. Contractor agrees that in case the work is not completed before or upon the expiration of the contract time, damage will be sustained by the Agency, and that it is and will be impracticable to determine the actual damage which the Agency will sustain in the event and by reason of such delay, and it is therefore agreed that the Contractor shall pay to the Agency the amount of four thousand (\$ 4,000) dollars for each day of delay, which shall be the period between the expiration of the contract time and the date of final acceptance by the Agency, as liquidated damages and not as a penalty. It is further agreed that the amount stipulated for liquidated damages per day of delay is a reasonable estimate of the damages that would be sustained by the Agency, and the Contractor agrees to pay such liquidated damages as herein provided. In case the liquidated damages are not paid, the Contractor agrees that the Agency may deduct the amount thereof from any money due or that may become due to the Contractor by progress payments or otherwise under the Contract, or if said amount is not sufficient, recover the total amount.
9. In addition to the liquidated damages, which may be imposed if the Contractor fails to complete the work within the time agreed upon, the Agency may also deduct from any sums due or to become due to the Contractor, penalties and fines for violations of applicable local, state, and federal law.
10. That the Contractor will pay, and will require subcontractors to pay, employees on the work a salary or wage at least equal to the prevailing salary or wage established for such work as set forth in the wage determinations and wage standards applicable to this work, contained in or referenced in the contract documents.

11. That, in accordance with Section 1775 of the California Labor Code, Contractor shall forfeit to the Agency, as a penalty, not more than Fifty (\$50.00) Dollars for each day, or portion thereof, for each worker paid, either by the Contractor or any subcontractor, less than the prevailing rates as determined by the Director of the California Department of Industrial Relations for the work.
12. That, except as provided in Section 1815 of the California Labor Code, in the performance of the work not more than eight (8) hours shall constitute a day's work, and not more than forty (40) hours shall constitute a week's work; that the Contractor shall not require more than eight (8) hours of labor in a day nor more than forty hours of labor in a week from any person employed by the Contractor or any subcontractor; that the Contractor shall conform to Division 2, Part 7, Chapter 1, Article 3 (Section 1810, et seq.) of the California Labor Code; and that the Contractor shall forfeit to the Agency, as a penalty, the sum of Twenty-Five (\$25.00) Dollars for each worker employed in the execution of the work by Contractor or any subcontractor for each day during which any worker is required or permitted to labor more than eight (8) hours in violation of said Article 3.
13. That the Contractor shall carry Workers' Compensation Insurance and require all subcontractors to carry Workers' Compensation Insurance as required by the California Labor Code.
14. That the Contractor shall have furnished, prior to execution of the Contract, two bonds approved by the Agency, one in the amount of one hundred (100) percent of the contract price, to guarantee the faithful performance of the work, and one in the amount of one hundred (100) percent of the contract price to guarantee payment of all claims for labor and materials furnished.
15. The Contractor hereby agrees to protect, defend, indemnify and hold the Agency and its employees, agents, officers, directors, servants and volunteers free and harmless from any and all liability, claims, judgments, costs and demands, including demands arising from injuries or death of persons (including employees of the Agency and the Contractor) and damage to property, arising directly or indirectly out of the obligation herein undertaken or out of the operations conducted by the Contractor, its employees agents, representatives or subcontractors under or in connection with this Contract to the extent permitted by law.


The Contractor further agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands or suit at the sole expense of the Contractor.

IN WITNESS WHEREOF, The Contractor and the General Manager of Inland Empire Utilities Agency*, thereunto duly authorized, have caused the names of said parties to be affixed hereto, each in duplicate, the day and year first above written.

Inland Empire Utilities Agency,*
San Bernardino County, California.

By _____
General Manager

Contractor
Kiewit Infrastructure West Co.

By  _____
Title

Terrence L. Robinson, Senior Vice President

*A Municipal Water District

Attachment 3



**CONTRACT AMENDMENT NUMBER: 4600002418-003
FOR
RP-1 MECHANICAL RESTORATION
AND IMPROVEMENTS, PROJECT NO. EN17082**

THIS CONTRACT AMENDMENT THREE is made and entered into this ___ day of _____, 2019, by and between the Inland Empire Utilities Agency, a Municipal Water District, organized and existing in the County of San Bernardino under and by virtue of the laws of the State of California (hereinafter referred to as "IEUA" and "Agency") and Stantec Consulting Services, Inc., with offices located in Irvine, California and Denver, Colorado (hereinafter referred to as "Consultant"), for the provision of professional design services in support of the RP-1 Mechanical Restoration and Improvements Project No. EN17082, and shall revise the Contract as amended:

SECTION FOUR, SCOPE OF WORK AND SERVICES, ADDS THE FOLLOWING PARAGRAPH: Consultant's additional services and responsibilities shall be in accordance with Consultant's proposal dated May 16, 2019, which is attached hereto, referenced herein, and made a part hereof as **Exhibit A**.

SECTION SIX, COMPENSATION, ADDS THE FOLLOWING PARAGRAPH: In compensation for the additional work represented by this Contract Amendment, Agency shall pay Consultant a **NOT-TO-EXCEED MAXIMUM of \$1,013,287.00** for all services provided. This represents an increase of **\$430,000.00** in accordance with **Exhibit A** and as approved by SAP Purchase Requisition 10050350.

ALL OTHER PROVISIONS OF THIS CONTRACT REMAIN UNCHANGED

The parties hereto have mutually covenanted and agreed as per the above amendment item, and in doing so have caused this document to become incorporated into the Contract Documents.

INLAND EMPIRE UTILITIES AGENCY:
**A MUNICIPAL WATER DISTRICT*

STANTEC CONSULTING SERVICES INC.:

Shivaji Deshmukh
General Manager

(Date)

Robert S Reid

Robert S. Reid
Principal-in-charge

8/20/19

(Date)

Exhibit A



Stantec Consulting Services Inc.
38 Technology Drive, Irvine CA 92618-5312

16 May 2019
File: 224501142

Attention: John Scherck

Inland Empire Utilities Agency
6075 Kimball Avenue
Chino, CA 91708

Dear John,

Reference: RP-1 Mechanical Restoration and Improvements Project, EN 17082 – Proposal for Contract Amendment 3 – Engineering Services During Construction

Dear John,

As requested, Stantec is providing you with this proposal for engineering support services during the construction of the RP-1 Mechanical Restoration and Improvements Project, EN17082. The scope of work provided is based on the similar ongoing support services being performed by Stantec for the 1158 RWPS Upgrades (EN14042) project.

Scope

Task 1- Meetings and Site Visits

1.1 Pre-Construction Meeting

We will attend a pre-construction meeting and will present an overview of project scope, Stantec's role and responsibilities during the course of construction of the project.

1.2 Construction Workshops

We will attend the following workshops to provide assistance to the contractor or contractor's representative as required throughout the estimated 18 months duration of construction for the project to include:

- Overall System, Demo, and Construction Sequencing (2)
- Mechanical (including process piping, pipe supports, pumping & grinding equipment), Concrete
- Electrical and Instrumentation & Control
- Architectural and HVAC System
- Coatings and Installation Observations
- Process Control and SCADA (assumed to be conducted by TSI)
- 70% Completion
- As-built
- Testing, Training, Start-Up and Commissioning

Reference: RP-1 Mechanical Restoration and Improvements Project, EN 17082 – Proposal for Contract Amendment 3 – Engineering Services During Construction

A total of up to ten (10) workshops are anticipated. Each of these workshops are assumed to be approximately 3-hours in duration.

1.3 Weekly Construction Progress Meetings

We will attend weekly construction progress meetings. We assume that the majority of these meetings will be via conference call. However, there may be meetings attended in person as required. For budgetary purposes, we anticipate seventy (70) weekly conference calls, with eight (8) additional progress meetings attended in person.

Task 2- Submittal Reviews

We will catalog information, review and process submittals per IEUA standard conditions using CIPO. We anticipate up to 180 submittals and up to 60 resubmittals.

Task 3 - Respond to Requests for Information (RFIs)

We will respond to Contractor's RFI's using CIPO for all documentation. However, simple items may be discussed via conference call. We assume up to eighty (80) RFI's will require our response.

Task 4 - Review of Construction Change Order Requests

We will assist with construction change order requests by reviewing the change order requests for validation of the quotes received from the contractor. We assume up to ten (10) such reviews.

Task 5 - Startup and Testing Assistance

We will provide written start-up protocol and assistance with facilities integration upon construction. Specifically, we will provide:

- Guidance and Review of Contractors step-by-step Shut down tie-in plans
- Guidance and Review of Contractors step-by-step Startup plans

Task 6 - Preparation of Record Drawings

We will prepare record drawings, or as-built drawings, based on the information provided to us. We assume the following:

- As-built changes will be created in AutoCAD from mark-ups made on the conformed set of plans provided by the Contractor redline as-built markups and IEUA's construction manager's markups
- We assume one (1) review set of record drawings by IEUA before finalizing
- We will submit final record drawings electronically in AutoCAD and PDF format

Task 7- Project Management

We will perform the necessary project management activities such as, regular communications; monthly progress reports submitted with project invoice, scope and budget tracking with effort based on anticipated duration for construction. If applicable, we will assist IEUA with development of an Asset List.

Reference: RP-1 Mechanical Restoration and Improvements Project, EN 17082 – Proposal for Contract Amendment 3 – Engineering Services During Construction

Exclusions

- Survey and construction staking services are not included in this scope of services
- Full Inspection services

Budget

To perform the above scope of services, Stantec respectfully requests a budget of \$430,000 to be amended to the current contract. We have attached a breakdown of the proposed labor hours and costs for each task described above.

Regards,

Stantec Consulting Services Inc.



Jeff Dunn, PE
Senior Project Manager, Civil
Phone: (949) 923-6974
Fax: (949) 923-6121
jeff.dunn@stantec.com



Robert Reid, PE
Senior Associate
Phone: (949) 923-6071
Fax: (949) 923-6121
Robert.reid@stantec.com

Attachment: Labor Hours Breakdown by Task

c. Ruoren Yu, Travis Sprague

dj v:\2042\active\22450114210_framework\6_change_orders\amendment#3_esdc\et_amendment_3_esdc_en17082_mech_restoration_rev2.docx

**Inland Empire Utilities Agency
 Contract Amendment No. 3 - RP-1 Mechanical Restorations Project No. EN17082
 Engineering Services During Construction
 Proposed Labor Hours and Budget**



	LABOR HOURS											TOTAL STANTEC LABOR FEES	Orde2	Other Direct Costs	TOTAL FEES	
	QA/QC	Project Manager Jeff Dunn	Project Engineer Ruoren Yu	Mechanical Lead Ed Pascua, PE	Mechanical Designer / CAD	Architectural Lead Elizabeth Navarro	HVAC Lead Arman Khalighi	HVAC Designer / CAD	Electrical Engineer Mary Armenta	Instrumentation & Controls Engineer John Nel	Electrical Designer / CAD					TOTAL STANTEC LABOR HOURS
1 Meetings and Site Visits	0	40	214	50	0	12	24	0	96	30	0	466	\$ 91,050	\$3,465	\$8,743	\$ 103,258
1.1 Pre-Construction Meeting		4	4						8			16	\$ 3,296		\$703	\$ 3,999
1.2 Construction Workshops (10)		20	90	20		6	8		40	10		184	\$ 37,946	\$920	\$2,040	\$ 40,975
1.3 Weekly Construction Progress Meetings (78)		16	120	30		5	16		48	20		236	\$ 49,808	\$2,475		\$ 52,283
2 Submittal Reviews (240)	12	40	300	100		40	40	2	120	40		694	\$ 135,612	\$920		\$ 136,532
3 Respond to RFI's (80)	12	42	160	50		16	16		100	16		412	\$ 82,068	\$1,380		\$ 83,448
4 Review of Construction Change Order Requests (10)	8	12	24	12			8		24			88	\$ 17,968			\$ 17,968
5 Startup and Testing Assistance			40	16					40	16		112	\$ 22,720		\$4,690	\$ 27,410
6 Preparation of Record Drawings	4		64		60	6	4	24	24		42	228	\$ 38,906	\$230		\$ 39,136
7 Project Management		80	24									104	\$ 22,248			\$ 22,248
Total Base Hours	36	214	826	228	60	74	82	26	404	102	42	2,104				
Total Base Fees	\$8,964	\$48,150	\$146,202	\$51,300	\$9,120	\$13,098	\$14,536	\$3,952	\$85,244	\$22,950	\$7,056		\$ 410,572	\$5,995	\$13,433	\$ 430,000

**ACTION
ITEM
1C**



Date: September 18, 2019

To: The Honorable Board of Directors

From: Shivaji Deshmukh, General Manager SDM

Committee: Engineering, Operations & Water Resources

09/11/19

Executive Contact: Shaun Stone, Acting Executive Manager of Engineering/AGM

Subject: San Bernardino Lift Station Improvements Construction Contract Award

Executive Summary:

The San Bernardino Lift Station conveys approximately three million gallons a day (3 MGD) of sewage to the Regional Water Recycling Plant No. 4 (RP-4) through two force-mains. The goal of the project is to increase operational flexibility and reliability by installing a 4-inch drain line on each force-main and two 24-inch isolation valves between both force-mains.

On August 22, 2019, IEUA received eight construction bids from the "two-million and under" pre-qualified contractor list. AToM Engineering Construction, Inc. was the lowest responsive and responsible bidder with a bid price of \$118,398, which was under the engineer's estimate of \$135,500.

Staff's Recommendation:

1. Award a construction contract for the San Bernardino Lift Station Facility Improvements, Project No. EN19041, to AToM Engineering Construction, Inc. in the amount of \$118,398; and
2. Authorize the General Manager to execute the contract, subject to non-substantive changes.

Budget Impact *Budgeted (Y/N): Y* *Amendment (Y/N): N* *Amount for Requested Approval:*

Account/Project Name:

EN19041/San Bernardino Lift Station Facility Improvements Project

Fiscal Impact (explain if not budgeted):

None.

Prior Board Action:

None.

Environmental Determination:

Statutory Exemption

The project is statutorily exempt based on the CEQA General Rule found in Section 15061(b)(3) of the State CEQA Guidelines.

Business Goal:

The San Bernardino Lift Station Facility Improvements Project is consistent with IEUA's Business Goal of Wastewater Management specifically the Asset Management objective that IEUA will ensure the treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use.

Attachments:

Attachment 1 - PowerPoint

Attachment 2 - Construction Contractor Contract

Attachment 1

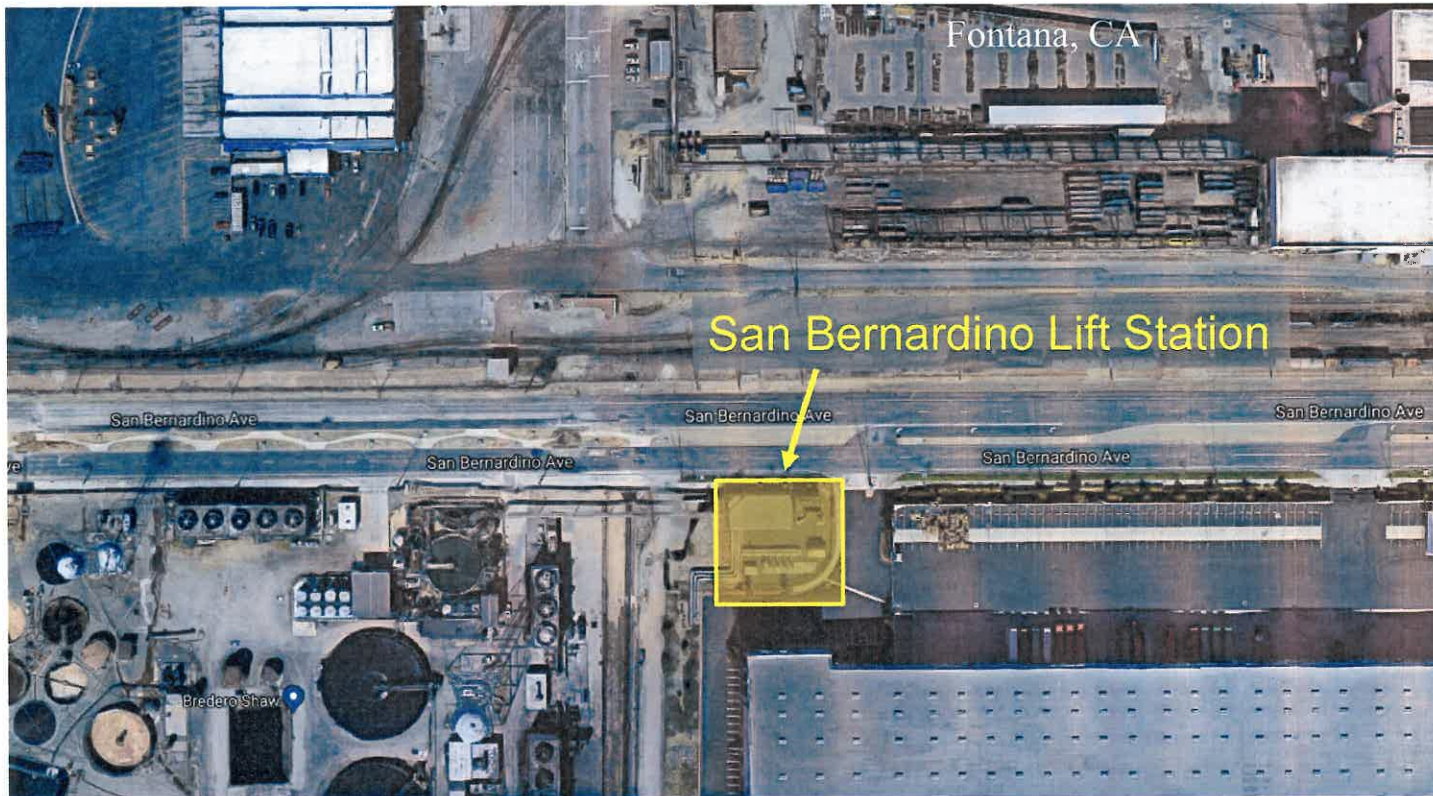
San Bernardino Lift Station Facility Improvements Construction Contract Award

Project No. EN19041



Travis Sprague
September 2019

Project Location



The Project

- Isolation of force-mains needed for routine maintenance
- Draining the force-mains is time consuming and inefficient
- Lose half the pumps at the station when a force-main is isolated
- Scope includes:
 - Install 4-inch PVC drain system
 - Install two (2) 24-inch isolation valves



San Bernardino Lift Station Force Mains



Proposed Drain Line Location

Contractor Selection

Eight bids were received on August 22, 2019:

Bidder's Name	Final Bid Amount
AToM Engineering Construction, Inc.	\$118,398
Ferreira Coastal Construction Co.	\$122,940
Genesis Construction	\$131,620
Tharsos, Inc.	\$132,878
W.A. Rasic Construction	\$133,520
Canyon Springs Enterprises	\$133,750
Humphrey Constructors	\$135,000
MNR Construction, Inc.	\$193,300
Engineer's Estimate	\$135,500

Project Budget and Schedule

Description	Estimated Cost
Design Services	\$40,685
Design Consultant Contract	\$36,455
IEUA Design Services (actuals)	\$4,230
Construction Services	\$14,208
Engineering Services During Construction (7%)	\$8,288
IEUA Construction Services (5%)	\$5,920
Construction	\$136,158
Construction Contract (this action)	\$118,398
Contingency (15%)	\$17,760
Total Project Cost:	\$191,051
Total Project Budget:	\$200,000

Project Milestone	Date
Construction	
Construction Contract Award	September 2019
Construction Completion	April 2020

Recommendation

1. Award a construction contract for the San Bernardino Lift Station Facility Improvements, Project No. EN19041, to AToM Engineering Construction, Inc. in the amount of \$118,398;
2. Authorize the General Manager to execute the contract, subject to non-substantive changes.

The San Bernardino Lift Station Facility Improvements Project is consistent with **IEUA's Business Goal of Wastewater Management** specifically the Asset Management objective that IEUA will ensure the treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use.

Attachment 2

SECTION D - CONTRACT AND RELEVANT DOCUMENTS

1.0 CONTRACT

THIS CONTRACT, made and entered into this _____ day of _____, 20____, by and between AToM Engineering Construction, Inc., hereinafter referred to as "CONTRACTOR," and The Inland Empire Utilities Agency, a Municipal Water District, located in San Bernardino County, California, hereinafter referred to as "IEUA".

WITNESSETH:

That for and in consideration of the promises and agreements hereinafter made and exchanged, IEUA and the CONTRACTOR agree as follows:

- A. CONTRACTOR agrees to perform and complete in a workmanlike manner, all Work required under these Bid Documents FOR San Bernardino Lift Station Facility Improvements Project No. EN19041, in accordance with the Bid Documents, and to furnish at their own expense, all labor, materials, equipment, tools, and services necessary, except such materials, equipment, and services as may be stipulated in said Bid Documents to be furnished by IEUA, and to do everything required by this Contract and the said Bid Documents.
- B. For furnishing all said labor, materials, equipment, tools, and services, furnishing and removing all plant, temporary structures, tools and equipment, and doing everything required by this Contract and said Bid Documents; also for all loss and damage arising out of the nature of the Work aforesaid, or from the action of the elements, or from any unforeseen difficulties which may arise during the prosecution of the Work until its acceptance by IEUA, and for all risks of every description connected with the Work; also for all expenses resulting from the suspension or discontinuance of Work, except as in the said Bid Documents are expressly stipulated to be borne by IEUA; and for completing the Work in accordance with the requirements of said Bid Documents, IEUA will pay and said CONTRACTOR shall receive, in full compensation therefore, the price(s) set forth in this Contract.
- C. That IEUA will pay the CONTRACTOR progress payments and the final payment, in accordance with the provisions of the Contract Documents, with warrants drawn on the appropriate fund or funds as required, at the prices bid in the Bidding and Contract Requirements, Section C - Bid Forms and accepted by IEUA, and set forth in this below.

Total Bid Price \$ One Hundred Eighteen Thousand, Three Hundred Ninety Eight Dollars and Zero Cents.

- D. IEUA hereby employs the CONTRACTOR to perform the Work according to the terms of this Contract for the above-mentioned price(s), and agrees to pay the same at the time, in the manner, and upon the conditions stipulated in the said Bid Documents; and the said parties for themselves, their heirs, executors, administrators, successors, and assigns, do hereby agree to the full performance of the covenants herein contained.
- E. The Notice Inviting Bids, Instructions to Bidders, Bid Forms, Information Required of Bidder, Performance Bond, Payment Bond, Contractor's License Declaration, Specifications, Drawings, all General Conditions Special Conditions and all Project Requirements, and all Addenda issued by IEUA with respect to the foregoing prior to the opening of bids, are hereby incorporated in and made part of this Contract, as if fully set forth.
- F. The CONTRACTOR agrees to commence Work under this Contract on or before the date to be specified in a written "Notice To Proceed" and to complete said Work to the satisfaction of IEUA two hundred ten (210) calendar days after award of the Contract. All Work shall be completed before final payment is made.
- G. Time is of the essence on this Contract.
- H. CONTRACTOR agrees that in case the Work is not completed before or upon the expiration of the Contract Time, damage will be sustained by IEUA, and that it is and will be impracticable to determine the actual damage which IEUA will sustain in the event and by reason of such delay, and it is therefore agreed that the CONTRACTOR shall pay to IEUA the amounts as set forth in General Conditions, Section C – Changes to the Contract for each day of delay, which shall be the period between the expiration of the Contract Time and the date of final acceptance by IEUA, as liquidated damages and not as a penalty. It is further agreed that the amount stipulated for liquidated damages per day of delay is a reasonable estimate of the damages that would be sustained by IEUA, and the CONTRACTOR agrees to pay such liquidated damages as herein provided. In case the liquidated damages are not paid, the CONTRACTOR agrees that IEUA may deduct the amount thereof from any money due or that may become due to the CONTRACTOR by progress payments or otherwise under the Contract, or if said amount is not sufficient, recover the total amount.
- I. In addition to the liquidated damages, which may be imposed if the CONTRACTOR fails to complete the Work within the time agreed upon, IEUA may also deduct from any sums due or to become due to the CONTRACTOR, penalties and fines for violations of applicable local, state, and federal law.

- J. That the CONTRACTOR shall carry Workers' Compensation Insurance and require all subcontractors to carry Workers' Compensation Insurance as required by the California Labor Code.
- K. That the CONTRACTOR shall have furnished, prior to execution of the Contract, two bonds approved by IEUA, one in the amount of one hundred (100) percent of the Contract Price, to guarantee the faithful performance of the Work, and one in the amount of one hundred (100) percent of the Contract Price to guarantee payment of all claims for labor and materials furnished.
- L. The CONTRACTOR hereby agrees to protect, defend, indemnify and hold IEUA and its employees, agents, officers, directors, servants and volunteers free and harmless from any and all liability, claims, judgments, costs and demands, including demands arising from injuries or death of persons (including employees of IEUA and the CONTRACTOR) and damage to property, arising directly or indirectly out of the obligation herein undertaken or out of the operations conducted by the CONTRACTOR, its employees agents, representatives or subcontractors under or in connection with this Contract to the extent permitted by law.

The CONTRACTOR further agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands or suit at the sole expense of the CONTRACTOR

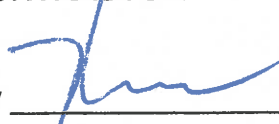
IN WITNESS WHEREOF, The CONTRACTOR and the General Manager of Inland Empire Utilities Agency*, thereunto duly authorized, have caused the names of said parties to be affixed hereto, each in duplicate, the day and year first above written.

- M. The CONTRACTOR, by signing the contract does swear under penalty of perjury that no more than one final unappeasable finding of contempt of court by a Federal court has been issued against the CONTRACTOR within the immediately preceding two year period because of the CONTRACTOR's failure to comply with an order of a Federal court which orders the CONTRACTOR to comply with an order of the National Labor Relations Board (Public Contract Code 10296).

Inland Empire Utilities Agency*,
San Bernardino County, California.

By _____
General Manager

CONTRACTOR

By  _____
Secretary
_____ Title

* A Municipal Water District

**ACTION
ITEM
1D**



Date: September 18, 2019

To: The Honorable Board of Directors

From: Shivaji Deshmukh, General Manager

Committee: Engineering, Operations & Water Resources

09/11/19

Finance & Administration

09/11/19

Executive Contact: Shaun Stone, Acting Executive Manager of Engineering/AGM

Subject: Project Management Documentation System Contract Award

Executive Summary:

Since 2008, Engineering and Construction Management has been utilizing Construction Management Capital Improvement Program Office System (CIPO) for project documentation control. CIPO has proven to be an efficient and cost-effective website-based system, reducing turnaround of time-sensitive documents such as requests for information, submittals, change orders, and other critical project related items. CIPO provides the ability to generate various types of reports which keep the project team apprised of issues that require attention.

A Project Documentation System is extremely important to a successful execution of the adopted Ten-Year Capital Improvement Plan (TYCIP). With the current CIPO contract set to expire in June 2021, staff researched several other documentation systems, including eBuilder, Procure, and Lydon Solutions. Staff found CIPO to be the most effective, cost-efficient, system. Staff is recommending CIPO Version 3.0 System seven-year service agreement contract be awarded in the amount of \$718,500. A budget amendment is needed to fund the contract for the current Fiscal Year in the amount of \$210,000, which includes the yearly license fee of \$90,000 plus \$120,000 for six months of implementation. A dual-payment will be made for Version 2.0 and Version 3.0 until all active projects are completed and archived from Version 2.0 which is anticipated for June 2021.

Staff's Recommendation:

1. Approve a contract award to CIPO Cloud Software, LLC for support and services on the Project Management Documentation System (CIPO) for a not-to-exceed amount of \$718,500 for a term of seven years;
2. Approve a budget amendment in the amount of \$210,000 in the Regional Wastewater Improvement Fund; and
3. Authorize the General Manager to execute the contract and budget amendment, subject to non-substantive changes.

Budget Impact *Budgeted (Y/N):* N *Amendment (Y/N):* Y *Amount for Requested Approval:*

Account/Project Name:

1000/118100/10900/50000/521410

Fiscal Impact *(explain if not budgeted):*

Funding for the contract will be budgeted yearly during the Fiscal Year budget process.

Prior Board Action:

On July 16th, 2014, the Board of Directors approved a contract award to IT Vizion for support and services on the Construction Management Capital Improvement Program Office (CIPO) for a not-to-exceed amount of \$206,768 for a term of seven years.

On May 21, 2008, the Board of Directors approved the engineering services contract with MWH Americas, which included the software license for CIPO hosting services and maintenance support for the Construction Project Management System developed under the MWH contract.

Environmental Determination:

Not Applicable

Business Goal:

The Project Management Documentation System Contract is consistent with the IEUA's Business Goal of Wastewater Management, specifically the Water Quality Objective that IEUA will ensure that Agency systems are planned, constructed and managed to protect public health, the environment, and meet anticipated regulatory requirements.

Attachments:

Attachment 1 - Contract

Attachment 1



**MASTER SERVICES CONTRACT NUMBER: 4600002803
FOR PROVISION OF**

**CONSTRUCTION PROGRAM MANAGEMENT SYSTEM SOFTWARE LICENSE,
HOSTING SERVICE AND MAINTENANCE SUPPORT**

THIS CONTRACT (the "Contract"), is made and entered into this ____ day of _____, 20____, by and between the Inland Empire Utilities Agency, a Municipal Water District, organized and existing in the County of San Bernardino under and by virtue of the laws of the State of California (hereinafter referred to as "Agency" or "IEUA"), and CIPO Cloud Software of Corona, CA (hereinafter referred to as "Consultant"), for the Construction Program Management System Software License, Hosting Service and Maintenance Support Services.

NOW, THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties agree as follows:

1. AGENCY PROJECT MANAGER ASSIGNMENT: All technical direction related to this Contract shall come from the designated Project Manager. Details of the Agency's assignment are listed below.

Project Manager: Rachael Solis, Supervisor of Engineering Services
Inland Empire Utilities Agency
Address: 6075 Kimball Avenue, Building B
Chino, CA 91708
Telephone: 909-993-1895
Facsimile: 909-993-1490
Email: rsolis@ieua.org

2. CONSULTANT ASSIGNMENT: Special inquiries related to this Contract and the effects of this Contract shall be referred to the following:

Consultant: Alex Ivascu
CIPO Cloud Software
Address: 423 Jenks Cir, Ste 205
Corona, CA 92880
Telephone: 800-225-7430
Email: alex@cipocloud.com
Cell: 951-532-3823

3. ORDER OF PRECEDENCE: The documents referenced below represent the Contract Documents. Where any conflicts exist between the General Terms and Conditions the governing order of precedence shall be as follows:

1. Amendments to Contract Number 4600002803.
2. Contract Number 4600002803 General Terms and Conditions.
3. CIPO Cloud Software as a Service Agreement dated August 29, 2019.
4. Consultant's Proposal.

4. SCOPE OF WORK AND SERVICES: Consultant services and responsibilities shall be in accordance with Exhibit A, which is attached hereto, incorporated herein and made a part hereof for software license, hosting service, and maintenance of the construction management tracking software created by CIPO Cloud Software.

- A. The Agency may, at any time, make changes to this Contract's Scope of Work; including additions, reductions, and other alterations to any or all the Work. However, such changes shall only be made via written amendment to this Contract. The Contract compensation and Schedule of Work and Services shall be equitably adjusted, if required, to account for such changes and shall be set forth within the mutually approved Contract Amendment.
- B. SOC-2 compliance and certification must be achieved no later than April 1, 2020. If SOC-2 certification is not achieved by April 1, 2020, IEUA reserves the right to retain 30% of the monthly subscription fee for each month that SOC-2 compliance is not met starting April 1, 2020. IEUA will continue to withhold 30% of the monthly subscription fee until SOC-2 certification is achieved. SOC-2 certification must be kept current throughout the entirety of the Agreement once it is achieved.

TERM: The term of this Contract shall extend from the date of the Notice to Proceed, and terminate upon completion of Construction Program Management System Software License, Hosting Service and Maintenance Support Services, or August 30, 2026, whichever occurs first, unless agreed upon by both parties, reduced to writing, and amended to this Contract.

5. PAYMENT, INVOICING, AND COMPENSATION:

- A. The Consultant may submit an invoice not more than once per month during the term of this Contract to the Agency's Accounts Payable Department. Agency shall pay Consultant's properly executed invoice, approved by the Project Manager, within thirty (30) days following receipt of the invoice.
- B. As compensation for the Work performed under this Contract, Agency shall pay Consultant's monthly invoice, for a total contract price NOT-TO-EXCEED **\$718,500** for all services satisfactorily provided during the term of this Contract in accordance with Exhibit B which is attached hereto.

- C. Concurrent with the submittal of the original invoice to the Agency's Accounts Payable Department, the Consultant shall forward (mail, fax, or email) a copy of the invoice to the designated Project Manager, identified in Section 1, on Page 1 of this Contract.
 - D. No Additional Compensation: Nothing set forth in this Contract shall be interpreted to require payment by Agency to Consultant of any compensation specifically for the assignments and assurances required by the Contract, other than the payment of expenses as may be actually incurred by Consultant in complying with this Contract, as approved by the Project Manager.
 - E. Consultant may request taking advantage of the Agency's practice of offering an expedited payment protocol to a Consultant who has proposed accepting an invoice amount reduction in exchange for early payment; (CONSULTANT) has proposed, and the Agency has accepted, applying a (1%, 2%, or 5%) discount (invoice amount reduction) to monthly invoices in exchange for payment of all invoices within (20, 15, or 10) days, respectively, of the date the invoice is received at the Agency's APGroup@ieua.org email address.
6. CONTROL OF THE WORK: The Consultant shall perform the Work in compliance with the Schedule of Work and Services. If performance of the Work falls behind schedule, the Consultant shall accelerate the performance of the Work to comply with the Schedule of Work and Services as directed by the Project Manager. If the nature of the Work is such that Consultant is unable to accelerate the Work, Consultant shall promptly notify the Project Manager of the delay, the causes of the delay, and submit a proposed revised Schedule of Work and Services.
7. INSURANCE: During the term of this Contract, the Consultant shall maintain, at Consultant's sole expense, the following insurance.
- A. Minimum Scope of Insurance: Coverage shall be at least as broad as:
 - 1. Commercial General Liability ("CGL"): Insurance Services Office ("ISO") Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
 - 2. Automobile Liability: ISO Form Number CA 00 01 covering any auto (Code 1), or if Consultant has no owned autos, covering hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.

3. **Workers' Compensation and Employers Liability:** Workers' compensation limits as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
-
- B. **Deductibles and Self-Insured Retention:** Any deductibles or self-insured retention must be declared to and approved by the Agency. At the option of the Agency, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the Agency, its officers, officials, employees and volunteers; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
 - C. **Other Insurance Provisions:** The insurance policies are to contain, or be endorsed to contain, the following provisions:
 1. **Commercial General Liability and Automobile Liability Coverage**
 - a. **Additional Insured Status:** The Agency, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts or equipment supplied in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance (at least as broad as ISO Form CG 20 10 11 85; or **by either** CG 20 10, CG 20 26, CG 20 33, or CG 20 38 **and** CG 20 37 forms if later revisions are used).
 - b. **Primary Coverage:** The Consultant's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the Agency, its officer, officials, employees and volunteers. Any insurance or self-insurance maintained by the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract with the Agency shall be excess of the Consultant's insurance and shall not contribute with it.
 - c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, its officers, officials, employees or volunteers.
 - d. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

- e. The Consultant may satisfy the limit requirements in a single policy or multiple policies. Any additional policies written as excess insurance shall not provide any less coverage than that provided by the first or primary policy.

2. Workers' Compensation and Employers Liability Coverage

Consultant hereby grants to Agency a waiver of any right to subrogation which any insurer of the Consultant may acquire against the Agency by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether the Agency has received a waiver of subrogation endorsement from the insurer.

3. All Coverages

Each insurance policy required by this Contract shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Agency pursuant to Section 14, page 12 of this Contract.

- D. Acceptability of Insurers: Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A minus:VII, and who are admitted insurers in the State of California.
- E. Verification of Coverage: Consultant shall provide the Agency with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the Agency before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. The Agency reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
- F. Submittal of Certificates: Consultant shall submit all required certificates and endorsements to the following:

Inland Empire Utilities Agency
Attn: Angela Witte
P.O. Box 9020
Chino Hills, CA 91709

8. FITNESS FOR DUTY:

A. Fitness: Consultant and its SubConsultant personnel on the Jobsite:

1. Shall report to work in a manner fit to do their job;
2. Shall not be under the influence of or in possession of any alcoholic beverages or of any controlled substance (except a controlled substance as prescribed by a physician so long as the performance or safety of the Work is not affected thereby); and
3. Shall not have been convicted of any serious criminal offense which, by its nature, may have a discernible adverse impact on the business or reputation of the Agency.

B. Compliance: Consultant shall advise all personnel and associated third parties of the requirements of this Contract ("Fitness for Duty Requirements") before they enter on the Jobsite and shall immediately remove from the Jobsite any employee determined to be in violation of these requirements. Consultant shall impose these requirements on its Subconsultants. Agency may cancel the Contract if Consultant violates these Fitness for Duty Requirements.

9. LEGAL RELATIONS AND RESPONSIBILITIES:

A. Professional Responsibility: The Consultant shall be responsible, to the level of competency presently maintained by other practicing professionals performing the same or similar type of work.

B. Status of Consultant: The Consultant is retained as an independent Consultant only, for the sole purpose of providing the services described herein, and is not an employee of the Agency.

C. Observing Laws and Ordinances: The Consultant shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and regulations which in any manner affect the conduct of any services or tasks performed under this Contract, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. The Consultant shall at all times observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and

shall protect and indemnify, as required herein, the Agency, its officers, employees and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by the Consultant, its employees, or subconsultants.

- D. Subcontract Services: Any subcontracts for the performance of any services under this Contract shall be subject to the written approval of the Project Manager and shall comply with State of California, Department of Industrial Relations, SB 854 requirements.
- E. Hours of Labor: The Consultant shall comply with all applicable provisions of California Labor Code Sections 1810 to 1815 relating to working hours. The Consultant shall, as a penalty to the Agency, forfeit \$25.00 for each worker employed in the completion of the Contract by the Consultant or by any subconsultant for each calendar day during which such worker is required or permitted to work more than eight hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of the Labor Code.
- F. Travel and Subsistence Pay: The Consultant shall make payment to each worker for travel and subsistence payments which are needed to complete the work and/or service, as such travel and subsistence payments are defined in an applicable collective bargaining agreement with the worker.
- G. Liens: Consultant shall pay all sums of money that become due from any labor, services, materials or equipment provided to Consultant on account of said services to be rendered or said materials to be provided under this Contract and that may be secured by any lien against the Agency. Consultant shall fully discharge each such lien at the time performance of the obligation secured matures and becomes due.
- H. Indemnification: Consultant shall indemnify the Agency, its directors, employees, and assigns, and shall defend and hold them harmless from all liabilities, demands, actions, claims, losses and expenses, including reasonable attorneys' fees, which arise out of, or are related to, the negligence, recklessness or willful misconduct of the Consultant, its directors,

employees, agents, and assigns, in the performance of work under this contract.

- I. Conflict of Interest: No official of the Agency, who is authorized in such capacity and on behalf of the Agency to negotiate, make, accept or approve, or to take part in negotiating, making, accepting or approving this Contract, or any subcontract relating to services or tasks to be performed pursuant to this Contract, shall become directly or indirectly personally interested in this Contract.

- J. Equal Opportunity: During the performance of this Contract, the Consultant shall not unlawfully discriminate against any employee or employment applicant because of race, color, religion, sex, age, marital status, ancestry, physical or mental disability, sexual orientation, veteran status or national origin. The Agency is committed to creating and maintaining an environment free from harassment and discrimination.

- K. Disputes:
 1. All disputes arising out of or in relation to this Contract shall be resolved in accordance with this section. The Consultant shall pursue the work to completion in accordance with the instruction of the Agency's Project Manager notwithstanding the existence of a dispute. By entering into this Contract, both parties are obligated, and hereby agree, to submit all disputes arising under or relating to the Contract which remain unresolved after the exhaustion of the procedures provided herein, to independent arbitration. Except as otherwise provided herein, arbitration shall be conducted under California Code of Civil Procedure Sections 1280, et seq., or their successor.

 2. Any and all disputes prior to the work starting shall be subject to resolution by the Agency's Project Manager; and the Consultant shall comply, with the Agency Project Manager instructions. If the Consultant is not satisfied with the resolution directed by the Agency Project Manager, they may file a written protest with the Agency Project Manager within seven (7) calendar days after receiving written directive of the Project Manager's decision. Failure by Consultant to file a written protest within seven (7) calendar days shall constitute waiver of protest, and acceptance of the Project Manager's resolution. The Project Manager shall submit the Consultant's written protests to the General Manager, together with a copy of the Project Manager's written decision, for his or her consideration within seven (7) calendar days after receipt of the protest-related documents. The General Manager shall make his or her determination with respect to each protest filed with the Project Manager within ten (10) calendar days after receipt of the protest-related documents. If Consultant is not satisfied with any such resolution by the General Manager, they may

file a written request for arbitration with the Project Manager within seven (7) calendar days after receiving written notice of the General Manager's decision.

3. In the event of arbitration, the parties to this contract agree that there shall be a single neutral Arbitrator who shall be selected in the following manner:
 - a. The Demand for Arbitration shall include a list of five names of persons acceptable to the Consultant to be appointed as Arbitrator. The Agency shall determine if any of the names submitted by Consultant are acceptable and, if so, such person will be designated as Arbitrator.
 - b. In the event that none of the names submitted by Consultant are acceptable to Agency, or if for any reason the Arbitrator selected in Step (a) is unable to serve, the Agency shall submit to Consultant a list of five names of persons acceptable to Agency for appointment as Arbitrator. The Consultant shall, in turn, have seven (7) calendar days in which to determine if one such person is acceptable.
 - c. If after Steps (a) and (b), the parties are unable to mutually agree upon a neutral Arbitrator, the matter of selection of an Arbitrator shall be submitted to the San Bernardino County Superior Court pursuant to Code of Civil Procedure Section 1281.6, or its successor. The costs of arbitration, including but not limited to reasonable attorneys' fees, shall be recoverable by the party prevailing in the arbitration. If this arbitration is appealed to a court pursuant to the procedure under California Code of Civil Procedure Section 1294, et seq., or their successor, the costs of arbitration shall also include court costs associated with such appeals, including but not limited to reasonable attorneys' fees which shall be recoverable by the prevailing party.
4. Association in Mediation/Arbitration: The Agency may join the Consultant in mediation or arbitration commenced by a Consultant on the Project pursuant to Public Contracts Code Sections 20104 et seq. Such association shall be initiated by written notice from the Agency's representative to the Consultant.
- L. Workers' Legal Status: For performance against this Contract, Consultant shall only utilize employees and/or subconsultants that are authorized to work in the United States pursuant to the Immigration Reform and Control Act of 1986.

10. OWNERSHIP OF MATERIALS AND DOCUMENTS/CONFIDENTIALITY: The Agency retains ownership of any, and all, partial or complete reports, drawings, plans, notes, computations, lists, and/or other materials, documents, information, or data prepared by the Consultant and/or the Consultant's subconsultant(s) pertaining to this Contract. Said materials and documents are confidential and shall be available to the Agency from the moment of their preparation, and the Consultant shall deliver them to the Agency whenever requested to do so by the Project Manager and/or Agency representative. The Consultant agrees that all documents shall not be made available to any individual or organization, private or public, without the prior written consent of an Agency representative.

11. TITLE AND RISK OF LOSS:

A. Documentation: Title to the Documentation shall pass to the Agency when prepared; however, a copy may be retained by Consultant for its records and internal use. Consultant shall retain such Documentation in a controlled access file, and shall not reveal, display, or disclose the contents of the Documentation to others without the prior written authorization of the Agency or for the performance of Work related to the Scope of Work described in this Contract.

B. Material: Title to all Material, field or research equipment, and laboratory models, procured or fabricated under the Contract shall pass to the Agency when procured or fabricated, and such title shall be free and clear of any and all encumbrances. Consultant shall have risk of loss of any Material or Agency-owned equipment of which it has custody.

C. Disposition: Consultant shall dispose of items to which the Agency has title as directed, in writing, by the Project Manager and/or an Agency representative.

12. PROPRIETARY RIGHTS:

A. Rights and Ownership: Agency's rights to inventions, discoveries, trade secrets, patents, copyrights, and other intellectual property, including the Information and Documentation, and revisions thereto (hereinafter collectively referred to as "Proprietary Rights"), used or developed by Consultant in the performance of the Work, shall be governed by the following provisions:

1. Proprietary Rights conceived, developed, or reduced to practice by Consultant in the performance of the Work shall be the property of Agency, and Consultant shall cooperate with all appropriate requests to assign and transfer same to Agency.

2. If Proprietary Rights conceived, developed, or reduced to practice by Consultant prior to the performance of the Work are used in and become integral with the Work, or are necessary for Agency to have

complete control of the Work, Consultant shall grant to Agency a non-exclusive, irrevocable, royalty-free license, as may be required by Agency for the complete control of the Work, including the right to reproduce, correct, repair, replace, maintain, translate, publish, use, modify, copy or dispose of any or all of the Work and grant sublicenses to others with respect to the Work.

3. If the Work includes the Proprietary Rights of others, Consultant shall procure, at no additional cost to Agency, all necessary licenses regarding such Proprietary Rights so as to allow Agency the complete control of the Work, including the right to reproduce, correct, repair, replace, maintain, translate, publish, use, modify, copy, or dispose of any or all of the Work; and to grant sublicenses to others with respect to the Work. All such licenses shall be in writing and shall be irrevocable and royalty-free to Agency.

13. NOTICES: Any notice may be served upon either party by delivering it in person, or by depositing it in a United States Mail deposit box with the postage thereon fully prepaid, and addressed to the party at the address set forth below:

Agency: Warren T. Green
Manager of Contracts and Procurement
Inland Empire Utilities Agency
P.O. Box 9020
Chino Hills, CA 91709

Consultant: Alex Ivascu
CIPO Cloud Software
423 Jenks Circle, Suite 205
Corona, CA 92880

Any notice given pursuant to this section shall be deemed effective in the case of personal delivery, upon receipt thereof, or, in the case of mailing, at the moment of deposit in the course of transmission through the United States Postal Service.

14. SUCCESSORS AND ASSIGNS: All of the terms, conditions and provisions of this Contract shall take effect to the benefit of and be binding upon the Agency, the Consultant, and their respective successors and assigns. No assignment of the duties or benefits of the Consultant under this Contract may be assigned, transferred, or otherwise disposed of, without the prior written consent of the Agency; and any such purported or attempted assignment, transfer, or disposal without the prior written consent of the Agency shall be null, void, and of no legal effect whatsoever.
15. PUBLIC RECORDS POLICY: Information made available to the Agency may be subject to the California Public Records Act (Government Code Section 6250 et seq.) The Agency's use and disclosure of its records are governed by this Act. The Agency shall use its best efforts to notify Consultant of any requests for disclosure of any

documents pertaining to this work. In the event of litigation concerning disclosure of information Consultant considers exempt from disclosure; (e.g., Trade Secret, Confidential, or Proprietary) Agency shall act as a stakeholder only, holding the information until otherwise ordered by a court or other legal process. If Agency is required to defend an action arising out of a Public Records Act request for any of the information Consultant has marked "Confidential," "Proprietary," or "Trade Secret," Consultant shall defend and indemnify Agency from all liability, damages, costs, and expenses, in any action or proceeding arising under the Public Records Act.

16. RIGHT TO AUDIT: The Agency reserves the right to review and/or audit all Consultant's records related to the Work. The option to review and/or audit may be exercised during the term of the Contract, upon termination, upon completion of the Contract, or at any time thereafter up to twelve (12) months after final payment has been made to the Consultant. The Consultant shall make all records and related documentation available within three (3) working days after said records are requested by the Agency.
17. INTEGRATION: The Contract Documents represent the entire Contract made and entered into by and between the Agency and the Consultant as to those matters contained in this contract. No prior oral or written understanding shall be of any force or effect with respect to those matters covered by the Contract Documents. This Contract may not be modified, altered, or amended except by written mutual agreement by the Agency and the Consultant.
18. GOVERNING LAW: This Contract is to be governed by and constructed in accordance with the laws of the State of California, in the County of San Bernardino.
19. TERMINATION FOR CONVENIENCE: The Agency reserves and has the right to immediately suspend, cancel or terminate this Contract at any time upon written notice to the Consultant. In the event of such termination, the Agency shall pay Consultant for all authorized and Consultant-invoiced services up to the date of such termination, as approved by the Project Manager.
20. FORCE MAJEURE: Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, natural disasters, etcetera.
21. NOTICE TO PROCEED: No services shall be performed or provided under this Contract unless and until this document has been properly signed by all responsible parties and a notice to proceed has been issued to the Consultant by the Project Manager.
22. AUTHORITY TO EXECUTE CONTRACT: The Signatories, below, each represent, warrant, and covenant that they have the full authority and right to enter into this Contract on behalf of the separate entities shown below.

23. DELIVERY OF DOCUMENTS: The Parties to this Contract and the individuals named to facilitate the realization of its intent, with the execution of the Contract, authorize the delivery of documents via facsimile, via email, and via portable document format (PDF) and covenant agreement to be bound by such electronic versions.

The parties hereto have caused the Contract to be entered as of the day and year written above.

INLAND EMPIRE UTILITIES AGENCY:
**A MUNICIPAL WATER DISTRICT*

CIPO CLOUD SOFTWARE:

Shivaji Deshmukh, P.E
General Manager

(Date)

Alex Ivascu
President

(Date)

EXHIBIT A

CIPO Cloud Software as a Service Agreement

This Software as a Service Agreement ("Agreement") is made on [AGREEMENT DATE] (the "Effective Date") between CIPO Cloud Software, LLC, a California Limited Liability Corporation with its principal place of business at 423 Jenks Cir., Ste-205, Corona, CA 92880 ("CIPO Cloud") and Inland Empire Utilities Agency, a California corporation with its principal place of business at 6075 Kimball Ave, Chino, CA 91708 ("IEUA").

(The capitalized terms used in this agreement, in addition to those above, are defined in section 27 DEFINITIONS.)

1. **Grant of License to Access and Use Service.** CIPO Cloud hereby grants to IEUA, including to all IEUA's Authorized Users, a non-exclusive, non-sublicensable, non-assignable, royalty-free, and worldwide license to access and use the CIPO Cloud system (the "Service") solely for IEUA's internal business operations (the "DELIVERABLE"), according to CIPO Cloud's terms and policies listed at <https://www.cipocloud.com/terms>.
2. **Fees.** IEUA shall pay CIPO Cloud a yearly subscription fee of \$85,500 for up to 250 named users (the "Subscription Fee") for the DELIVERABLE provided under this agreement.
3. **Interest on Late Payments.** Any amount not paid when due will bear interest from the due date until paid at a rate equal to [1.5] % per month ([12.68] % annually) or the maximum allowed by Law, whichever is less.
4. **Service Levels**
 - 4.1. **Applicable Levels.** CIPO Cloud shall provide the Service to IEUA with a System Availability of at least [99.9] % during each calendar month.
 - 4.2. **System Availability Definition**
 - 4.2.1. **Percentage of Minutes per Month.** "System Availability" means the percentage of minutes in a month that the key components of the Service are operational.
 - 4.2.2. **Not Included in "System Availability."** "System Availability" will not include any minutes of downtime resulting from
 - 4.2.2.1. scheduled maintenance,
 - 4.2.2.2. events of force majeure,
 - 4.2.2.3. issues associated with IEUA's computing devices, local area networks or internet service provider connections, or
 - 4.2.2.4. CIPO Cloud's inability to deliver services because of IEUA's acts or omissions.
5. **Data Privacy.** CIPO Cloud may collect, use and process IEUA data only according to CIPO Cloud's Privacy Policy, available at <https://www.cipocloud.com/privacy>.

6. **Back-Up Data.** CIPO uses Azure SQL as its database. Backup and recovery specifics are listed below
 - 6.1. Database Backups
 - 6.1.1.1. Transaction Log Backups are taken every 5-10 minutes
 - 6.1.1.2. Differential backups are taken every 12 hours
 - 6.1.1.3. Full Backups are done every week
 - 6.2. Database Recovery
 - 6.2.1.1. Point in Time Recovery is available on data that is up to 14 days old
 - 6.2.1.2. Weekly Backups are kept for 8 weeks
 - 6.2.1.3. Monthly Backups are kept for 26 weeks
 - 6.2.1.4. A typical full database restore will take anywhere from 15 min to 2 hours depending on the size of the database
 - 6.3. Backups are stored in blob storage and are replicated to a different data center for protection against data center outage.
 - 6.4. On IEUA's request and payment of \$500 per copy, CIPO Cloud shall deliver to IEUA a full back-up of IEUA's Data, in a format the parties agree on in writing, typically done in XML or database backup files.
7. **Single Sign-On.** CIPO uses Azure Active Directory (AAD) as its authentication service. A CIPO customer may allow its users to sign-in to CIPO using their on-premise Active Directory logins and password via AD Pass Through Authentication or even without having to enter a password while on the corporate network (SSO) using Azure AD Federation. Both of these use Azure AD Connect. Implementing Azure AD Connect will be done a customer by customer basis.
8. **Statistical Information.** CIPO Cloud may anonymously compile statistical information related to the performance of the Service for purposes of improving the Service, but only if such information does not identify the data as IEUA's or otherwise include IEUA's name.
9. **Representations**
 - 9.1. Mutual Representations
 - 9.1.1. Existence. The parties are corporations incorporated and existing under the laws of the jurisdictions of their respective incorporation.
 - 9.1.2. Authority and Capacity. The parties have the authority and capacity to enter into this agreement.
 - 9.1.3. Execution and Delivery. The parties have duly executed and delivered this agreement.
 - 9.1.4. Enforceability. This agreement constitutes a legal, valid, and binding obligation, enforceable against the parties according to its terms.

- 9.1.5. No Conflicts. Neither party is under any restriction or obligation that the party could reasonably expect might affect the party's performance of its obligations under this agreement.
- 9.1.6. No Breach. Neither party's execution, delivery, or performance of its obligations under this agreement will breach or result in a default under
 - 9.1.6.1. its articles, bylaws, or any unanimous shareholders agreement,
 - 9.1.6.2. any Law to which it is subject,
 - 9.1.6.3. any judgment, Order, or decree of any Governmental Authority to which it is subject, or
 - 9.1.6.4. any agreement to which it is a party or by which it is bound.
 - 9.1.6.5. Permits, Consents, and Other Authorizations. Each party holds all Permits and other authorizations necessary to
 - 9.1.6.5.1. own, lease, and operate its properties, and
 - 9.1.6.5.2. conduct its business as it is now carried on.
 - 9.1.6.6. No Disputes or Proceedings. There are no Legal Proceedings pending, threatened, or foreseeable against either party, which would affect that party's ability to complete its obligations under this agreement.
 - 9.1.6.7. No Bankruptcy. Neither party has taken or authorized any proceedings related to that party's bankruptcy, insolvency, liquidation, dissolution, or winding up.

9.2. CIPO Cloud's Representations

- 9.2.1. IP Disclosure Schedule. CIPO Cloud's Disclosure Schedule lists any exceptions to its representations.
- 9.2.2. Ownership. CIPO Cloud is the exclusive legal owner of the Service, including all Intellectual Property included in the Service and granted under the DELIVERABLE.
- 9.2.3. Status of Licensed Intellectual Property. CIPO Cloud has properly registered and maintained all Intellectual Property included in the Service and granted under the [DELIVERABLE] and paid all applicable maintenance and renewal fees.
- 9.2.4. No Conflicting Grant. [Except as disclosed in CIPO Cloud's Disclosure Schedule] CIPO Cloud has not granted and is not obligated to grant any license to a third party that would conflict with the [DELIVERABLE].
- 9.2.5. No Infringement. [Except as disclosed in CIPO Cloud's Disclosure Schedule] The Service does not infringe the Intellectual Property rights or other proprietary rights of any third party.
- 9.2.6. No Third-Party infringement. To CIPO Cloud's Knowledge, no third party is infringing the Service.

10. User Obligations

- 10.1. Hardware Obligations. IEUA shall be responsible for obtaining and maintaining all computer hardware, software, and communications equipment needed to internally access the Service.
- 10.2. Anti-Virus Obligations. IEUA shall be responsible for implementing, maintaining, and updating all necessary and proper procedures and software for safeguarding against computer infection, viruses, worms, Trojan horses, and other code that manifest contaminating or destructive properties (collectively "Viruses").
- 10.3. IEUA's Use of Services. IEUA shall
 - 10.3.1. abide by all local and international Laws and regulations applicable to its use of the Service,
 - 10.3.2. use the Service only for legal purposes.

11. Restricted Uses. IEUA will not knowingly

- 11.1. upload or distribute any files that contain viruses, corrupted files, or any other similar software or programs that may damage the operation of the Service,
- 11.2. modify, disassemble, decompile or reverse engineer the Service,
- 11.3. probe, scan, test the vulnerability of, or circumvent any security mechanisms used by, the sites, servers, or networks connected to the Service,
- 11.4. copy or reproduce the Service,
- 11.5. maliciously reduce or impair the accessibility of the Service,
- 11.6. use the service to post, promote, or transmit any unlawful, harassing, libelous, abusive, threatening, harmful, hateful, or otherwise objectionable material, or
- 11.7. transmit or post any material that encourages conduct that could constitute a criminal offense or give rise to civil liability.

12. Export Compliance

- 12.1. No Representation by CIPO Cloud. CIPO Cloud makes no representation that the Service is appropriate or available for use outside of the United States.
- 12.2. IEUA Status. IEUA represents and that it is not located in, under the control of, or a national or resident of any country to which the United States has embargoed the import or export of goods, on the United States Treasury Department's List of Specially Designated Nationals or United States Commerce Department's Table of Deny Orders.

13. Ownership of Intellectual Property. CIPO Cloud will retain all interest in and to the Services, including all documentation, modifications, improvements, upgrades, derivative works, and all other Intellectual Property rights in connection with the Service, including CIPO Cloud's name, logos, and trademarks reproduced through the Service.

14. Indemnification

14.1. Indemnification by CIPO Cloud.

14.1.1. Indemnification for Infringement Claims. Subject to paragraph 21.1.2, CIPO Cloud (as an indemnifying party) shall indemnify IEUA (as an indemnified party) against all losses and expenses arising out of any proceeding

14.1.1.1. brought by a third party, and

14.1.1.2. arising out of a claim that the Services infringe the third party's Intellectual Property rights.

14.1.2. Qualifications for Indemnification. CIPO Cloud will be required indemnify IEUA under paragraph 21.1.1 only if

14.1.2.1. IEUA's use of the Services complies with this agreement and all documentation related to the Services,

14.1.2.2. the infringement was not caused by IEUA modifying or altering the Services or documentation related to the Services, unless CIPO Cloud consented to the modification or alteration in writing, and

14.1.2.3. the infringement was not caused by IEUA combining the Services with products not supplied by CIPO Cloud, unless CIPO Cloud consented to the combination in writing.

14.2. Mutual Indemnification. Each party (as an indemnifying party) shall indemnify the other (as an indemnified party) against all losses arising out of any proceeding

14.2.1. brought by either a third party or an indemnified party, and

14.2.2. arising out of the indemnifying party's willful misconduct or gross negligence.

14.3. Notice and Failure to Notify

14.3.1. Notice Requirement. Before bringing a claim for indemnification, the indemnified party shall

14.3.1.1. notify the indemnifying party of the indemnifiable proceeding, and

14.3.1.2. deliver to the indemnifying party all legal pleadings and other documents reasonably necessary to indemnify or defend the indemnifiable proceeding.

14.3.2. Failure to Notify. If the indemnified party fails to notify the indemnifying party of the indemnifiable proceeding within ninety (90) days, the indemnifying will be relieved of its indemnification obligations to the extent it was prejudiced by the indemnified party's failure.

14.4. Exclusive Remedy. The parties' right to indemnification is the exclusive remedy available in connection with the indemnifiable proceedings described in this section 21.

15. Limitation on Liability

- 15.1. Mutual Limit on Liability. Neither party will be liable for breach-of-contract damages suffered by the other party that are remote or speculative, or that could not have reasonably been foreseen on entry into this agreement.
- 15.2. Maximum Liability. CIPO Cloud's liability under this agreement will not exceed the fees paid by IEUA under this agreement during the 12 months preceding the date upon which the related claim arose.

16. General Provisions

- 16.1. Entire Agreement. The parties intend that this agreement, together with all attachments, schedules, exhibits, and other documents that both are referenced in this agreement and refer to this agreement,
 - 16.1.1. represent the final expression of the parties' intent relating to the subject matter of this agreement,
 - 16.1.2. contain all the terms the parties agreed to relating to the subject matter, and
 - 16.1.3. replace all of the parties' previous discussions, understandings, and agreements relating to the subject matter of this agreement.
 - 16.2. Amendment. CIPO Cloud may amend the terms and conditions of this agreement at any time by reasonable notice, including without limitation by posting revised terms on its website at the URL <https://www.cipocloud.com/terms>.
 - 16.3. Assignment. IEUA may not assign this Agreement or any of its rights or obligations under this Agreement without CIPO Cloud's express written consent.
 - 16.4. Notices
 - 16.4.1. Method of Notice. The parties shall give all notices and communications between the parties in writing by (i) personal delivery, (ii) a nationally-recognized, next-day courier service, (iii) first-class registered or certified mail, postage prepaid[, (iv) fax][, or (v) electronic mail] to the party's address specified in this agreement, or to the address that a party has notified to be that party's address for the purposes of this section.
 - 16.4.2. Receipt of Notice. A notice given under this agreement will be effective on
 - 16.4.2.1. the other party's receipt of it, or
 - 16.4.2.2. if mailed, the earlier of the other party's receipt of it and the [fifth] business day after mailing it.
 - 16.5. Governing Law. This agreement shall be governed, construed, and enforced in accordance with the laws of the State of California, without regard to its conflict of laws rules.
- 17. Severability.** If any part of this agreement is declared unenforceable or invalid, the remainder will continue to be valid and enforceable.

17.1. Waiver

- 17.1.1. Affirmative Waivers. Neither party's failure or neglect to enforce any rights under this agreement will be deemed to be a waiver of that party's rights.
- 17.1.2. Written Waivers. A waiver or extension is only effective if it is in writing and signed by the party granting it.
- 17.1.3. No General Waivers. A party's failure or neglect to enforce any of its rights under this agreement will not be deemed to be a waiver of that or any other of its rights.
- 17.1.4. No Course of Dealing. No single or partial exercise of any right or remedy will preclude any other or further exercise of any right or remedy.

17.2. Force Majeure. Neither party will be liable for performance delays nor for non-performance due to causes beyond its reasonable control, except for payment obligations.

18. Relationship of the Parties

- 18.1. No Relationship. Nothing in this agreement creates any special relationship between the parties, such as a partnership, joint venture, or employee/employer relationship between the parties.
- 18.2. No Authority. Neither party will have the authority to, and will not, act as agent for or on behalf of the other party or represent or bind the other party in any manner.

19. Cooperation. You will reasonably cooperate with any of the CIPO Cloud's investigation of Service outages, security problems, and any suspected breach of the Agreement. Where agreement, approval, acceptance, consent or similar action by either party hereto is required by any provision of this Agreement, such action shall not be unreasonably delayed or withheld.

- 19.1. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

20. Definitions

"Authorized Users" means the Persons authorized to use the Services under this agreement. The full listing will be managed by IEUA CIPO Cloud Administrator and is available in the Users Management section of the Service.

"Business Day" means a day other than a Saturday, Sunday, or any other day on which the principal banks located in New York, New York are not open for business.

"Data" means all of the data IEUA creates with or uses with the Service, or otherwise related to IEUA's use of the Services.

"Disclosure Schedule" means the schedules delivered, before the execution of this agreement, by each party to the other party which list, among other things, items the disclosure of which is necessary or appropriate either in response to an express disclosure requirement contained in a provision of this agreement or as an exception to one or more of the representations or warranties made by the party, or to one or more of the covenants of the party.

"Effective Date" is defined in the introduction to this agreement.

"Governmental Authority" means

- A. any federal, state, local, or foreign government, and any political subdivision of any of them,
- B. any agency or instrumentality of any such government or political subdivision,
- C. any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that its rules, regulations or orders have the force of law), and
- D. any arbitrator, court or tribunal of competent jurisdiction.

"Intellectual Property" means any and all of the following in any jurisdiction throughout the world

- A. trademarks and service marks, including all applications and registrations, and the goodwill connected with the use of and symbolized by the foregoing,
- B. copyrights, including all applications and registrations related to the foregoing,
- C. trade secrets and confidential know-how,
- D. patents and patent applications,
- E. websites and internet domain name registrations, and
- F. other intellectual property and related proprietary rights, interests and protections (including all rights to sue and recover and retain damages, costs and attorneys' fees for past, present, and future infringement, and any other rights relating to any of the foregoing).

"Law" means

- A. any law (including the common law), statute, bylaw, rule, regulation, order, ordinance, treaty, decree, judgment, and
- B. any official directive, protocol, code, guideline, notice, approval, order, policy, or other requirement of any Governmental Authority having the force of law.

"Legal Proceeding" means any claim, investigation, hearing, legal action, or other legal, administrative, arbitral, or similar proceeding, whether civil or criminal (including any appeal or review of any of the foregoing).

"License Grant" is defined in section 1.

"Order" means any decision, order, judgment, award, or similar order of any court of competent jurisdiction, arbitration panel, or Governmental Authority with jurisdiction over the subject matter, whether preliminary or final.

"Permits" means all material licenses, franchises, permits, certificates, approvals, and authorizations, from Governmental Authorities necessary for the ownership and operation of the party's business.

"Person" includes

A. any corporation, company, limited liability company, partnership, Governmental Authority, joint venture, fund, trust, association, syndicate, organization, or other entity or group of persons, whether incorporated or not, and

B. any individual.

"Service" is defined in section 1.

"Subscription Fee" is defined in section 3.

"System Availability" is defined in the Service Levels Agreement, attached to this agreement as Exhibit A.

"Taxes" includes all taxes, assessments, charges, duties, fees, levies, and other charges of a Governmental Authority, including income, franchise, capital stock, real property, personal property, tangible, withholding, employment, payroll, social security, social contribution, unemployment compensation, disability, transfer, sales, use, excise, gross receipts, value-added and all other taxes of any kind for which a party may have any liability imposed by any Governmental Authority, whether disputed or not, any related charges, interest or penalties imposed by any Governmental Authority, and any liability for any other person as a transferee or successor by Law, contract or otherwise.

"Viruses" is defined in section 13.

This agreement has been executed by the parties.

CIPO Cloud Software, LLC

Inland Empire Utilities Agency

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT A

Premium Service Support

1. **Premium Support Services.** Premium Services Support ("Premium Support") services entitles the Customer to the following:
 - a. Telephone or electronic support in order to help the Customer locate and correct problems with the Software.
 - b. Bug fixes and code corrections to correct Software malfunctions in order to bring the Service into substantial conformity with the operating specifications.
 - c. All extensions, enhancements and other changes that the Company makes or adds to the Service and which the Company offers, without charge, to all other Subscribers of the Service.
 - d. Up to four dedicated contacts designated by the Customer in writing that will have access to support services.

2. Response and Resolution Goals

Severity 1: The Production system / application is down, seriously impacted and there is no reasonable workaround currently.

Upon confirmation of receipt, the Company will begin continuous work on the issue, and a customer resource must be available at any time to assist with problem determination.

Once the issue is reproducible or once we have identified the Software defect, the Company support will provide reasonable effort for workaround or solution within 24 hours.

Severity 2: The system or application is seriously affected. The issue is not critical and does not comply with the Severity 1 conditions. There is no workaround currently available or the workaround is cumbersome to use.

The Company will work during normal business hours to provide reasonable effort for workaround or solution within 7 business days, once the issue is reproducible.

Severity 3: The system or application is moderately affected. The issue is not critical and the system has not failed. The issue has been identified and does not hinder normal operation, or the situation may be temporarily circumvented using an available workaround.

The Company will work during normal business hours to provide reasonable effort for workaround or solution within 10 business days, once the issue is reproducible.

Severity 4: Non-critical issues.

The Company will seek during normal business hours to provide a solution in future releases of the Service.

SCHEDULE B

Software Service and Pricing

This Software Service and Pricing Schedule is effective upon the Software as a Service Agreement Effective Date, documents the Service (defined below) being purchased by Inland Empire Utilities Agency ("Customer") under the terms and conditions of the Software as a Service Agreement.

1. Services.

CIPO Cloud Software system access for 250 users.

2. Term.

The term begins upon the Schedule Effective Date and ends one year thereafter. (the "Subscription Term.") The Subscription Term shall be **automatically renewed** thereafter on a year-to-year basis (each a "**Renewal Term**"), unless either party shall give the other party not less than sixty (60) days' prior written notice of its intention not to extend this Agreement prior to the original term or any subsequent **Renewal Term** hereof. Please see our online Terms and Conditions regarding cancellation of your **Renewal Term**. The Subscription Fee as set out in Section 3 below, shall be increased in a **Renewal Term** if the number of users increases by ten percent (10%) over the original number of users from the original term.

3. Subscription Fee.

The total value of this Schedule is \$85,500. Upon execution of this Schedule, the Company shall issue an invoice in accordance with the Software as a Service Agreement.

Premium Support is included in the Subscription Fee.

EXHIBIT B





423 Jenks Cir, Ste 205
Corona, CA 92880, US
+1 951-893-2306
www.cipo.cloud

August 29, 2019

Gregory Dominguez
Inland Empire Utilities Agency
6075 Kimball Ave
Chino, CA 91708

Proposal Number: 002a-IEUA-r7
Prepared by Alex Ivascu

Statement of Confidentiality

The information in this document is proprietary and confidential to CIPO, specifically pricing information, methodology, materials, and consulting documents that may be described herein. No part of this document may be reproduced in any form, including photocopying or electronic transmission to any computer, without prior written consent of CIPO. The information in this document is confidential and proprietary to CIPO and may not be used or disclosed except as expressly authorized in writing by CIPO.

Trademarks

Product names mentioned in this document may be trademarks or registered trademarks of their respective companies and are hereby acknowledged.



PROPOSAL FOR CIPO AND PROFESSIONAL SERVICES

Table of Contents

Section 1: Introduction	3
Section 2: Pricing	6
Section 3: Order Information	6



Section 1: Introduction

CIPO Cloud would like to thank IEUA for the opportunity to submit this proposal.

Designed with public agencies in mind, CIPO is an ever-evolving, dynamic, and affordable SaaS solution to help efficiently manage construction projects and programs. It's accessible 24/7 from any device, it's real-time, and it's a single source of the truth. CIPO was built for owners, by owners.

Software for your Success

We worked closely with Owners to build CIPO Cloud. The system helps address the challenges agencies face in managing Public construction programs and projects, while providing flexibility to adhere to their Agency standards.

Whether a small project or large multi-billion CIP, having the right software can make the difference between a successful project and one that doesn't meet expectations. We believe that CIPO is the system that can help make our customers successful.

CIPO Cloud Benefits

CIPO Cloud automates your business practices, provides *real-time* project information to help you manage efficiency and increase productivity while reducing costs. It's the best value software solution on the market for Agencies.

Efficient	Provides workflow automation and provides for a paperless environment through eSignatures.
Flexible	Highly configurable. Allows mapping of your existing business processes.
Available	By using modern technologies, CIPO is always ON for your users.
Affordable	Our per user subscription-based licensing is easy on your Agency's budget.
Intuitive	The user-friendly, intuitive interface makes onboarding your Partners easy.

Efficient: CIPO helps construction owners manage CIP more efficiently by providing real-time project information in a centralized manner. All information in one system.

- All project team members have the ability to access the same information.
- Information entered by one project member is immediately available to other project members.
- Automated workflows ensure the proper checks and balances are in place for all phases of a project.
- Paper is a thing of the past. Through eSignature, CIPO enables your staff to make approvals faster.

Flexible: Rather than taking a "one-size-fits-all" approach, CIPO has been developed from the ground up to easily adapt to your processes in order to meet the distinct business needs and practices of your agency. It was built #byownersforowners.

- You can quickly build, personalize and scale, which in turn has a faster ROI
- Create a "look and feel" that is familiar to your workforce
 - Create customized reports so information is presented how your agency needs it
 - Document formats can be personalized to give "printouts" the desired look



- Embed your workflow practices into the system to automate document and task assignment, approval processes, as well as others.
- The personalized FTP/Plan room file sharing allows you to build your online document management system, based on your specific needs.

Available: CIPO has been built using modern technologies that gives you freedom from your desk. You can access project information anywhere, at any time, from any device.

- CIPO leverages the latest high availability and secure architecture to ensure we meet your information needs twenty-four hours a day, seven days a week. We guarantee availability.
- CIPO supports all the major Internet browsers. No software to download or to manage, ever.

Affordable: In an age of shrinking public resources, CIPO is kind to your budget.

- Manage an *unlimited number* of projects through CIPO. We do not charge based on the number of projects or programs, nor their value
- CIPO is licensed as a subscription per user, per year. Scale up or scale down users as necessary.
- There are no maintenance fees to maintain any software or server hardware. We manage it for you.
- CIPO is IT friendly. It ties well into your corporate Active Directory running on the Microsoft platform.
- CIPO is constantly being improved. All users automatically receive free upgrades and enhancements to the software *without* an additional charge.

Intuitive: CIPO was designed with the user in mind. We have made implementation and use of the software easy and intuitive, hiding all the complexities.

- Being user-friendly is our goal. The screens, the processes, and the Administration of the software were designed to make using CIPO intuitive, eliminating the need for long training sessions.

What Does CIPO Do?

CIPO is highly configurable, and you can think of it as a business process automation tool. Out of the box you have a full working Construction Management solution on which you can build upon. This solution includes the basics. SOVs, Progress Payments, RFIs, Submittals, Change Orders, Potential Change Orders, Correspondence, Dashboards and Standard Reports. During implementation, we work with our Customers to help them define workflows to be automated, create the necessary roles and their permissions, and personalize the document templates.

Correspondence Module: Communicate within your project members centrally. Some features include:

- All communications are captured and stored in context within the system.
- Replies from Outlook or similar email programs are accepted, and automatically stored to the conversation.
- Build and control default Agency email *templates*. Helps save time and increases efficiency.
- It is centralized, secured and searchable.

Document/File Management Module: Agencies define their own folder structures to store their Project documents in an intuitive manner. All attachments/uploads are stored in an encrypted, secured environment, and are accessible to users with proper credentials. Think of a network drive share, but in the cloud.

Progress Payments and Schedule of Values (SOV) Module: Track and approve contractor progress payments against the approved schedule of values. Agency defined business rules allows you decide how to route and



manage progress payments. Simple and efficient. Visibility throughout the process. * Roadmap to integrated with SAP and others.

Submittals Module: CIPO allows you to configure any dynamic modules, including Submittals. Define the fields and workflow to enforce for each submittal. Flexible and highly customizable to meet your specific needs.

RFI Module: Define the fields you want to capture, and the business rules to follow for each RFI. Who approves when? And many more options. CIPO is very flexible and highly customization for any module.



Section 2: Pricing

The following tables are used to define the indicative budgetary price of the CIPO software product with inclusive maintenance and support license. Quoted price is Net price and does not include any additional fees for taxes, if applicable.

Category	QTY	Description	Price/QTY
CIPO yearly subscription	7yrs	Software license for up to 250 named users on the CIPO system	\$85,500
Professional Services *	960hrs	Onsite and offsite professional services to help CUSTOMER setup environment, create workflows, create templates, create reports, define and implement Design Module.	\$125
Training Services	4	CIPO Admin Training	\$0
Standard Support	7yrs	Standard 8-5pm PST, M-F, technical support	\$0
TOTAL cost			\$718,500

* Services work covers implementation, configuration and settings changes of the CIPO Cloud product and does not include changes to the product code. All product feature requests will be considered and prioritized by Product Management for inclusion on Product roadmap.

Section 3: Order Information

Purchase Order must be made in dollars [USD], addressable to:

CIPO Cloud Software
5225 Canyon Crest Dr, 71-244
Riverside, California 92507

Respectfully Submitted By:

Alex Ivascu
President



Addendum 1

SOC-2 Compliance

Security is of utmost importance to CIPO Cloud Software. As such, we are currently pursuing SOC-2 compliance and intend on achieving this certification **6-months** after Contract Award.

This certification will be kept current after the initial successful audit.

**ACTION
ITEM
1E**



Date: September 18, 2019

To: The Honorable Board of Directors

From: Shivaji Deshmukh, General Manager

Committee: Engineering, Operations & Water Resources

SSD
09/11/19

Executive Contact: Shaun Stone, Acting Executive Manager of Engineering/AGM

Subject: RP-1 Flare Improvements Consultant Contract Amendment

Executive Summary:

In January 2017, IEUA awarded an engineering services contract to Lee & Ro, Inc., for the Regional Water Recycling Plant No.1 (RP-1) Flare Improvements Project design. Due to sensitivity of the project scope and the limited number of flare manufacturers that can meet South Coast Air Quality Management District's emission limits, staff pre-selected a qualified flare supplier for this project and the Regional Water Recycling Plant No.5 (RP-5) Expansion Project.

The pre-selection approach enhances quality, efficiency, safety, and compliance; however, it resulted in additional level-of-effort by the design consultant, which includes:

1. Development of plans and specifications for the pre-selection package
2. Job walks, meetings, and conference calls
3. Evaluation of flare suppliers proposals
4. Coordination with RP-5 Expansion Project for flare standardization

Staff requests an amendment to Lee & Ro, Inc., for the additional engineering services in the amount of \$76,524, increasing Lee & Ro's contract from \$417,160 to \$493,684 (18%).

Staff's Recommendation:

1. Approve the consulting contract amendment for the RP-1 Flare Improvements, Project No. EN18006, to Lee & Ro, Inc., for a not-to-exceed amount of \$76,524; and
2. Authorize the General Manager to execute the consulting engineering services amendment, subject to non-substantive changes.

Budget Impact Budgeted (Y/N): Y Amendment (Y/N): N Amount for Requested Approval:

Account/Project Name:

EN18006/RP-1 Flare Improvements

Fiscal Impact (explain if not budgeted):

None.

Prior Board Action:

On January 18, 2017, the Board of Directors awarded a contract to Lee & Ro, Inc., for the consulting engineering services on the RP-1 Flare Improvements, Project No. EN18006, for a not-to-exceed amount of \$378,030.

Environmental Determination:

Categorical Exemption

CEQA identifies certain categories of projects as exempt from more detailed environmental review because these categories have been deemed to have no potential for significant impact on the environment. This project qualifies for a Categorical Exemption Class 1 and Class 2 as defined in Section 15301 of the State CEQA Guidelines.

Business Goal:

The RP-1 Flare Improvements Project is consistent with IEUA's Business Goal of Wastewater Management, specifically the Asset Management and Water Quality objectives that IEUA will ensure that systems are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use to protect public health, the environment, and meet anticipated regulatory requirements.

Attachments:

- Attachment 1 - Powerpoint
- Attachment 2 - Consultant Contract Amendment

Attachment 1

RP-1 Flare Improvements Consultant Contract Amendment Project No. EN18006



Project Location



Purpose of Flare

- Flare works as a large safety valve
- Combusts excess digester gas not used at the facility
- Controls digester gas system pressure – no venting to atmosphere
- Maintains compliance with SCAQMD requirements



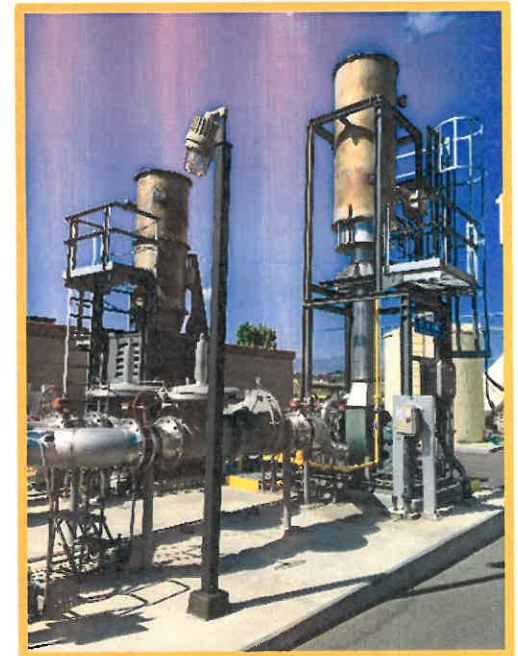
RP-1 Existing Flare System

The Project

- **Current Project Scope**
 - Replace existing non-compliant flare
 - Design and install three new flares
 - Provide reliable control system with backup power
- **Amendment Scope/Driver**
 - Sensitive nature of flare system
 - Decision made to preselect flare suppliers
 - Additional effort to support preselection
 - Coordination with RP-5 Expansion Project



RP-1 Existing Candlestick Flare



Example Future Flare System Image

Project Budget and Schedule

Description	Estimated Cost
Design Services	\$888,684
Design Contract	\$417,160
Design Contract Amendment (this action)	\$76,524
IEUA Design Services	\$395,000
Construction Services	\$350,000
Engineering Services During Construction (~4%)	\$150,000
IEUA Construction Services (~5%)	\$200,000
Construction	\$4,265,000
Construction (estimate)	\$3,900,000
Contingency	\$365,000
Total Project Cost	\$5,503,684
Total Project Budget	\$5,564,918

Project Milestone	Date
Design	
85% Design Completion	October 2019
100% Design Completion	December 2019
Bid Opening	January 2020
Construction	
Construction Contract Award	February 2020
Construction Completion	February 2021

Recommendation

- Approve a consultant services contract amendment for the RP-1 Flare Improvements, Project No. EN18006, to Lee & Ro, Inc., for the not-to-exceed amount of \$76,524; and
- Authorize the General Manager to execute the contract amendment, subject to non-substantive changes.

The RP-1 Flare Improvements Project is consistent with *IEUA's Business Goal of Wastewater Management*, specifically the Asset Management and Water Quality objectives that IEUA will ensure that systems are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use to protect public health, the environment, and meet anticipated regulatory requirements.

Attachment 2



CONTRACT AMENDMENT NUMBER: 4600002261-002

**FOR
CONSULTING ENGINEERING SERVICES
FOR THE
RP-1 FLARE IMPROVEMENTS PROJECT,
PROJECT NO. EN18006**

THIS CONTRACT AMENDMENT TWO is made and entered into this ____ day of _____, 2019, by and between the Inland Empire Utilities Agency, a Municipal Water District, organized and existing in the County of San Bernardino under and by virtue of the laws of the State of California (hereinafter referred to interchangeably as "IEUA" and "Agency") and LEE & RO, Inc. with offices located in City of Industry, California (hereinafter referred to as "Consultant"), to provide professional consulting engineering services in support of Project EN18006 ("the Project") and shall revise the Contract as herein amended:

SECTION FOUR, SCOPE OF WORK AND SERVICES, IS REVISED TO ADD: Additional Consultant services and responsibilities shall include, and be in accordance with tasks identified in Consultant's Proposal dated August 13, 2019, attached hereto, referenced herein, and made a part hereof as **Exhibit 1-A**.

SECTION SIX, COMPENSATION, IS REVISED TO ADD THE FOLLOWING PARAGRAPH:

In compensation for the additional Work represented by this Contract Amendment, Agency shall pay Consultant a **NOT-TO-EXCEED maximum total of \$493,684.00** for all services provided, which includes an additional \$76,524.00 as outlined in Consultant's Proposal, attached hereto, made a part hereof, and referenced herein as **Exhibit 1-A**.

All Other Provisions Of This Contract Remain Unchanged, In Full Force, And Effect.

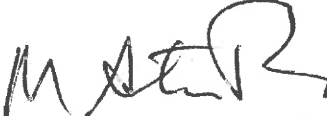
[Signature Page Immediately Follows]

Witnesseth, that the parties hereto have mutually covenanted and agreed as per the above Amendment items, and in doing so have caused this document to become incorporated into the Contract documents.

**INLAND EMPIRE UTILITIES AGENCY:
(A Municipal Water District)**

LEE & RO, INC.:

Shivaji Deshmukh (Date)
General Manager

 8/19/19

M. Steve Ro, P.E. (Date)
CEO

[Balance Of This Page Intentionally Left Blank]

Exhibit 1-A



August 13, 2019

Mr. Jamal Zughbi, PE
Inland Empire Utilities Agency (IEUA)
6075 Kimball Ave.
Chino Hills, California 91708

Subject: Amendment Request for Design Services –
Engineering Services for RP-1 Flare Improvements Project, Project No. EN18006
Flare Pre-Selection and Natural Gas Line Underground Investigation

Dear Mr. Zughbi:

LEE & RO submits the following amendment request to cover additional design services in support of IEUA EN18006, *RP-1 Flare Improvements Project*. Additional design services fall under two tasks, presented below: Task 1 – Flare Preselection Design Services, and Task – 2 Natural Gas Line Underground Investigation.

Task 1 – Flare Preselection Design Services

September 2018, LEE & RO was directed to pause production of 85% Design Deliverables to focus on Preselection of the flare vendor and equipment to be installed under this project. The scope of work for this task includes:

- Full Development of Section 11405 *Digester Gas Flare* and Preselection “Front End” specifications; and related specifications (e.g. VFD or Valves) and control strategies for Preselection
- Development of site plans, elevations, P&ID’s and other drawings to be included within Preselection
- Coordination with RP-5 Expansion Project for Flare Standardization
- Conference calls, Job Walks, and meetings with IEUA, Vendors, and/or its Program Manager (Carollo)
- Assessment of received bids

As of July 2019, IEUA has begun the process of selecting Aereon as the Preselected vendor for EN18006. With Other Direct Costs included, the total cost for this task is **\$69,084**.

Task 2 – Natural Gas Line Underground Investigation

The new flare pilots will require natural gas (NG) and there are no NG service locations near to the project site. Bringing new NG service will require construction of a new, 750 LF, 3-inch gas line from an existing branch line, located near Digesters 2/3. To determine the alignment of the existing line and explore available utility corridors for the new NG line, our subconsultant Bess Test Labs (BTL) performed potholing services on two dates, February 20, 2019, and March 1, 2019. (Inclement weather on 20 Feb 2019 required re-mobilization on Mar 1, 2019). A total of 9

Mr. Jamal Zughbi
August 7, 2019
Page 2

potholes were dug for a charge of \$5,400 (see attached BTL invoice). In addition to BTL's effort, LEE & RO attended a job walk with IEUA staff to determine a prospective NG line alignment, and were present with BTL on both days to help direct the potholing investigation to ensure proper location of potholes and to better understand the location of located existing utilities. The total cost for this task is **\$7,440**.

To cover the costs of the abovementioned tasks, LEE & RO requests a contract amendment for an additional **\$76,524**. A table showing our itemized cost at today's rates and labor hours for these additional tasks is enclosed as Exhibit A. BTL's invoice for potholing services is also enclosed.

We look forward to completing this design with IEUA. Please feel free to contact us if you have any questions or comments.

Very truly yours,

LEE & RO, Inc.



Dhiru Patel, P.E.
President

Attachments – **Exhibit A**
BTL Invoice

**Exhibit A: Amendment Request No. 2
Inland Empire Utilities Agency RP-1 Flare Improvements Project, Project No. EN18006
Flare Preselection Design Services and Natural Gas Line Underground Investigation**

Task ID	Labor Category Used for Fee Estimate: E8 Managing Engineer, E7 Supervising Engineer, E6 Principal Engineer, E3 Associate Engineer, T4 Designer, T3 Associate Designer, and A3 Sr. Word Processor	Hours per Labor Category						Total Hours	Labor Cost	Other Direct Costs (ODCs)	Sub-consultants	TOTAL FEES
		E8	E7	E6	E3	T4	A3					
		LABOR CLASSIFICATION AND BILLING RATE (\$/hr)										
Task Description		\$240	\$217	\$196	\$135	\$120	\$108					
Task 1	Flare Preselection Design Services											
2.1	Preselection Specifications	48		32	144		40	264	\$ 41,552	\$ 75		\$41,627
2.2	Prepare Drawings	12	16	16	40	36		120	\$ 19,208	\$ 75		\$19,283
2.3	Conference Calls and Meetings	8		16				24	\$ 5,056	\$ 50		\$5,106
2.4	Assessment of Received Bids	4		8	4			16	\$ 3,068			\$3,068
	Subtotal Task 1	72	16	72	188	36	40	424	\$ 68,884	\$ 200	\$ -	\$ 69,084
Task 2	Natural Gas Line Underground Investigation											
2.1	Subconsultant Coordination	2			8	4		14	\$ 2,040		\$ 5,400	\$7,440
	Subtotal Task 2	2	0	0	8	4	0	14	\$ 2,040	\$ -	\$ 5,400	\$7,440
	TOTAL - TASKS 1 AND 2	74	16	72	196	40	40	438	\$ 70,924	\$ 200	\$ 5,400	\$ 76,524

BESS TESTLAB, INC.
dba Geovac/Concrex

2463 TRIPALDI WAY
HAYWARD, CA 94545
(408) 988-0101

Invoice

Date	Invoice #
3/8/2019	38381

RECEIVED

JOB# 1165

MAR 22 2019

Bill To
LEE & RO, INC. 1199 S. Fullerton Road City of Industry, CA 91748

LEE & RO, Inc.
(City of Industry)

Make checks payable to:
BESS TESTLAB, INC.

P.O. No.	Terms	Due Date
1165	NET 30	4/7/2019

Item	Description	Tag No.	Qty	Unit Price	Amount
P-300	Air/Vacuum Utility Potholes (0-84" Deep) Project #: 1165 Project: IEAU RP-1 FLARE IMPROVEMENTS Services performed on: 02/20 & 03/01/2019 Ordered by: DONNA SMITH BTL Technicians: NATHAN, ROBERT & RICKY BTL Job#: 30-6634	see attached	9	600.00	5,400.00

INV # 38381 DATE 3/8/19

AMT \$ 5,400.00 JOB # 1165-09-9.3

VEN # BTL C/L # _____

TRX # per order 3/22/19

PAID
CK # 94820 DATE 3.27.19

OK to pay *[Signature]*
3/27/19

[Handwritten mark]

Total		\$5,400.00
Payments/Credits		\$0.00
Balance Due		\$5,400.00

Past due invoices are subject to 1.5% per month of late charges.



2463 Tripaldi Way
Hayward, CA 94545
Phone (408) 988-0101
Fax: (408) 988-0103

WORK ORDER

B I L J O B N O . 304694

Prevailing Tag No.: _____
Portal to Portal Job Number 1

Project Name: WWTP Project Number: _____ PO#: _____

Customer: Lee & Ro So Cal Prevailing Wage Date: 3-1-19

Job Requested By: _____ Phone No. _____

Starting Mileage: _____ 10 Min Breaks: 1) Travel to Site: 06 00 AM 3) Finish Time: 12 00 PM
Ending Mileage: _____ Lunch Break: 2) Start Time: 07 00 AM 4) Travel from Site: 12 30 PM

Job Site Address: WWTP Site Contact: _____
Phone No.: _____

Work Requested:

Ph utility holes for client

	Y	N	Site Conditions	Utilities Located	Qty
Traffic Control Needed	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Soil	Gas	0
Landowners Permission	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Weather	Electric	0
Dump / Site Confirmed	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Sewer	0
Contaminated Soil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Equipment Used	Telephone/TV/Cable	0
Waiver (Hazardous Waste)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Vactruck	Fiber optic	0
Conducted Safety Tail Gate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Vacmaster 4000	Water	0
Identified Hazards	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Locating Equipment	Storm	0
Stand-by Confirmed (PG&E)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Traffic Control	Reclaimed Water	0
			Other	Street Light	0
			Other	Traffic Loops	0
			Other	Other	0
USA Confirmed	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Emergency Request	Total Number of Potholes	0
USA Ticket No.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Overnight Travel Required	Other Total Excavation	
CDF Truck Confirmed	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Permit Provided by Bess		
BTL CDF Mix	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Permit Provided by Client		
Class II Bed Rock	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
Sand	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
Cold Asphalt	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
Hot Asphalt	<input checked="" type="checkbox"/>	<input type="checkbox"/>			

Description of work performed

Performed Potholes 6,7,8 & 9

Lead Technician Nathan Baldwin Robert Chavez
Ricky Renta

I, N Baldwin, confirm the accuracy of the information on this form
 BTL PM Approval: [Signature] Date: 3/1/19
 Remarks:

Approved by (signature) _____ Company Name _____
 Client Name (print) _____ Client Phone No. () _____

Bess Testlab Inc., will not be responsible for any damages to embedded structures or utilities.



2463 Tripaldi Way
Hayward, CA 94545
Phone (408) 988-0101
Fax: (408) 988-0103

WORK ORDER

BTL JOB NO. 3U-6634

Prevailing Tag No.: _____
Portal to Portal Job Number 1

Project Name: WWTP Project Number: _____ PO#: _____
Customer: Lee & Ro So Cal Prevailing Wage Date: 2-20-19
Job Requested By: _____ Phone No. _____

Starting Mileage: _____ 10 Min Breaks: 1) Travel to Site: 07 00 PM 3) Finish Time: 02 30 PM
Ending Mileage: _____ Lunch Break: 2) Start Time: 07 30 PM 4) Travel from Site: 03 00 PM

Job Site Address: WWTP Site Contact: _____
Phone No.: _____

Work Requested:

Ph utility holes for client

		Y		D		Equipment Used		Utility Location	
Traffic Control Needed		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Soil	Other	Gas	5
Landowners Permission		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Weather		Electric	0
Dump / Site Confirmed		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Equipment Used		Sewer	0
Contaminated Soil		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Vactruck	Vacmaster 4000	Telephone/TV/Cable	0
Waiver (Hazardous Waste)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Locating Equipment	NA	Fiber optic	0
Conducted Safety Tail Gate		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Traffic Control	NA	Water	0
Identified Hazards		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Other		Storm	0
Stand-by Confirmed (PG&E)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Other		Reclaimed Water	0
						Other		Street Light	0
USA Confirmed		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Other		Traffic Loops	0
USA Ticket No.		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Emergency Request	<input type="checkbox"/>	Other	0
CDF Truck Confirmed		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Overnight Travel Required	<input type="checkbox"/>	Total Number of Potholes	0
BTL CDF Mix		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Permit Provided by Bess	<input type="checkbox"/>	Other Total Excavation	
Class II Bed Rock		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Permit Provided by Client	<input type="checkbox"/>		
Sand		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>						
Cold Asphalt		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>						
Hot Asphalt		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>						

Description of Work performed
Ph's 1, 2, 3, 4 & 5

Lead Technician Nathan Baldwin Robert Chavez
Ricky Renta

I, N Baldwin, confirm the accuracy of the information on this form
BTL PM Approval: [Signature] Date: 2/21/19
Remarks:

Approved by (signature) _____ Company Name _____
Client Name (print) _____ Client Phone No. () _____

Bess Testlab Inc., will not be responsible for any damages to embedded structures or utilities.

**ACTION
ITEM
1F**



Date: September 18, 2019

To: The Honorable Board of Directors

From: Shivaji Deshmukh, General Manager

Committee: Engineering, Operations & Water Resources

SDW
09/11/19

Executive Contact: Shivaji Deshmukh, General Manager

Subject: SARCCUP Sub-Grantee Agreement between SAWPA and IEUA

Executive Summary:

The Santa Ana River Conservation & Conjunctive Use Program (SARCCUP) is a watershed-wide collaboration between the five Santa Ana Watershed Project Authority (SAWPA) member agencies for the development of water supply reliability, water use efficiency, and habitat enhancements projects.

On November 1, 2016, the California Department of Water Resources (DWR) and SAWPA entered into a Grant Agreement in the amount of \$55,000,000. To receive grant funds, all the SAWPA member agencies must enter into a Sub-Grantee Agreement with SAWPA.

The Sub-Grantee Agreement between SAWPA and IEUA defines IEUA responsibilities and obligations, such as: management of the California Environmental Quality Act (CEQA) compliance for certain portions of the Project, and participation in the SARCCUP Water Use Efficiency Program. The agreement also includes the potential for future participation in the conjunctive use portion of the program.

Staff's Recommendation:

1. Approve the Sub-Grantee Agreement between SAWPA and IEUA; and
2. Authorize the General Manager to execute the Sub-Grantee Agreement, subject to non-substantive changes.

Budget Impact Budgeted (Y/N): Y Amendment (Y/N): N Amount for Requested Approval: \$ 0

Account/Project Name:

WR16024, SARCCUP

Fiscal Impact (explain if not budgeted):

There is no fiscal impact since SARCCUP is included in the IEUA Board-approved budget. The sub-grantee agreement will allow IEUA to be reimbursed for the the anticipated amount of \$367,968 based on IEUA's current participation in the program.

Prior Board Action:

In May 2014, the BOD approved a Memorandum of Understanding (MOU) between the five SAWPA member agencies. In May 2015, the BOD approved an amendment to the 2014 MOU. In June 2016, the BOD approved an MOU for collaboration with SAWPA member agencies, approved PA23, appointed IEUA's General Manager as IEUA's representative, and awarded Tom Dodson & Associates (TDA) for CEQA. In February 2019, the BOD adopted the Final SARCCUP Environmental Impact Report and authorized the Filing of Notice of Determination.

Environmental Determination:

Project Environmental Impact Report

The Final Environmental Impact Report was adopted by the IEUA Board of Directors on February 20, 2019. The Notice of Determination was filed with the Counties affected by the projects.

Business Goal:

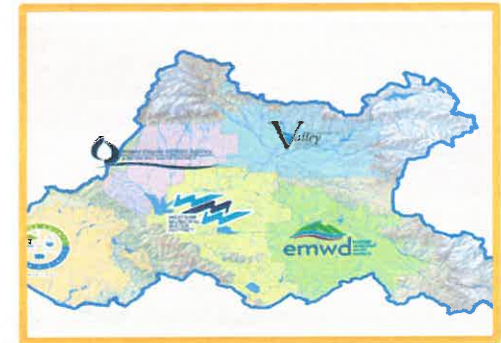
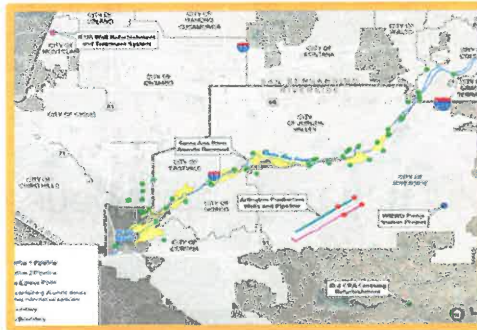
The adoption of the Sub-Grantee Agreement and the SARCCUP program are consistent with IEUA's Business Goals of Fiscal Responsibility to ensure projects are completed at the lowest cost, as well as increasing Water Reliability through the program.

Attachments:

Attachment 1 - PowerPoint

Attachment 2 - SARCCUP Sub-Grantee Agreement

SARCCUP Sub-Grantee Agreement



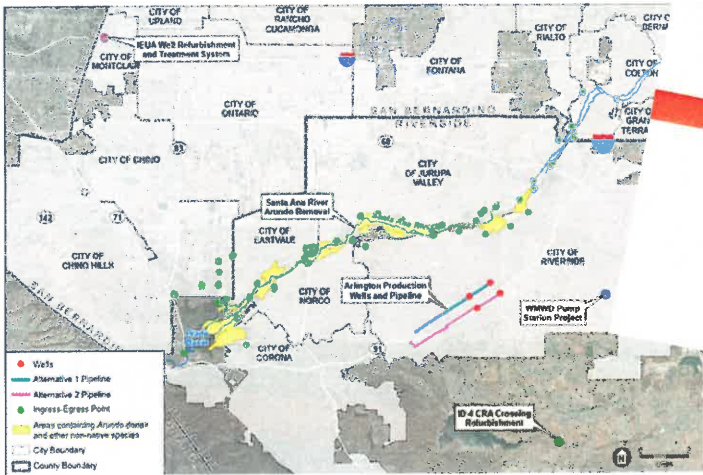
Santa Ana River Conservation & Conjunctive Use Project SARCCUP

- SARCCUP is a multi-agency, watershed-wide effort that integrates:
 - Water conservation measures
 - Groundwater conjunctive use
 - Habitat enhancement/restoration
- Funding through Prop 84 for a \$55M grant



Sub-Grantee Agreement

- Department of Water Resources and SAWPA have a grant agreement
- SAWPA will pass funding to member agencies through sub-grantee agreements
- SAWPA/IEUA sub-grantee agreement for CEQA management



SANTA ANA RIVER CONSERVATION AND CONJUNCTIVE USE PROJECT (SARCUP) JOINT Final Environmental Impact Report State Clearinghouse No. 2010000107

Final CEQA Documentation

Recommendation

1. *Approve the Sub-Grantee Agreement between SAWPA and IEUA; and*
2. *Authorize the General Manager to execute the Sub-Grantee Agreement, subject to non-substantive changes.*

The adoption of the Sub-Grantee Agreement and the SARCCUP program are consistent with IEUA's Business Goals of **Fiscal Responsibility** to ensure projects are completed at the lowest cost, as well as increasing **Water Reliability** through the program.



PROPOSITION 84 INTEGRATED REGIONAL WATER MANAGEMENT 2015 ROUND
IMPLEMENTATION GRANT FUNDING CONTRACT
BETWEEN THE

SANTA ANA WATERSHED PROJECT AUTHORITY

AND

INLAND EMPIRE UTILITIES AGENCY

This Proposition 84 Integrated Regional Water Management Program ("IRWMP") Implementation Grant Funding Contract ("Contract") is made between Santa Ana Watershed Project Authority ("SAWPA") and Inland Empire Utilities Agency, (the "Sub-Grantee"). SAWPA and the Sub-Grantee may be individually referred to as "Party" and collectively referred to as the "Parties".

WHEREAS, Section 79560 *et seq.* of the Water Code establishes the IRWMP providing approximately \$900 million for local assistance grants to be allocated to projects to protect from drought, improve water quality and improve water security by reducing dependence on imported water; and

WHEREAS, on November 1, 2016, the California Department of Water Resources ("DWR") and SAWPA entered into a Proposition 84 IRWMP Implementation Grant Agreement No. 4600011515 ("Grant Agreement") as subsequently amended, , attached hereto as **Attachment "A"**, providing that SAWPA would serve as the program manager for the \$64,267,686 in grant funds to be disbursed to the Sub-Grantee and other agencies, consistent with IRWMP and California Environmental Quality Act ("CEQA") requirements, and ensuring that the maximum benefit of such funds are realized in the Santa Ana River Watershed; and

WHEREAS, consistent with the Grant Agreement, SAWPA intends to disburse to the Sub-Grantee a portion of the \$64,267,686 in grant funds for the Santa Ana River Conservation and Conjunctive Use Program ("SARCCUP") Project ("Project") by way of this Contract with the Sub-Grantee. Other agencies implementing the Project are San Bernardino Valley Municipal Water District, Orange County Water District, Orange County Coastkeeper, Eastern Municipal Water District, and Western Municipal Water District ("other SARCCUP Sub-Grantees");

WHEREAS, SARCCUP includes three integrated programs: the Conjunctive Use Program providing for management and facilities to have the capacity to store and convey water through such methods as direct pumping or in-lieu transfers to different water agencies in the Santa Ana River Watershed over a ten-year period, the Habitat Program providing for the removal of invasive riparian weeds and increased habitat for native fish, and the Water Use Efficiency Program providing for the implementation of the drought-tolerant landscaping program, Smartscape, and conservation-based water rates.

WHEREAS, on February 1, 2019, the DWR and SAWPA executed Amendment No. 1 to the Grant Agreement which removed facilities demonstrated through Decision Support Modeling to optimize the program, including the Sub-Grantee's Conjunctive Use Program facilities in the Chino Basin, Elsinore Basin Aquifer Storage & Recovery Wells, and the San Bernardino Basin Area Project; and added facilities including, Jurupa Community Services District Well, Elsinore Basin Production Wells, Riverside Basin Production Wells, La Sierra Pipeline & Sterling Pump Station, and the Cannon Pump Station.

WHEREAS, with the removal of these facilities, the Sub-Grantee may become an eventual partner in the SARCCUP Conjunctive Use Program where the Sub-Grantee may store available imported water in

groundwater bank(s) during wet periods and use the stored water as an extraordinary supply during times of reduced imported water supplies;

WHEREAS, the Sub-Grantee remains a SARCCUP partner through its management of the CEQA compliance for certain portions of the Project and participant in the SARCCUP Water Use Efficiency Program.

THEREFORE, based on the foregoing incorporated recitals and in consideration of the mutual covenants and conditions set forth in this Contract, the Parties hereby agree to the following:

SECTION 1. PROJECT DESCRIPTION

The Project is a multi-agency, watershed-wide Conjunctive Use Program developing dry-year yield (“DYY”) supply by banking **180,000 acre-foot** (“AF”) wet-year water that also integrates water conservation measures, habitat enhancements, and recreational use. Additionally, increased supply for the Santa Ana River Watershed will be made available due to SARCCUP’s Habitat Program removing approximately 640 acres of the invasive and heavy water-using riparian plant *Arundo Donax*, as well as restoring approximately 40.5 acres of in-stream riparian habitat and approximately 3.5 miles of stream habitat for the benefit of the Santa Ana sucker fish in the Santa Ana River Watershed. One mile of educational hiking trail and approximately 40 acres (gross) in the form of recharge basins, will also be created in the Santa Ana River Watershed. Lastly, a Water Use Efficiency Program includes a drought-tolerant landscaping maintenance outreach program called Smartscape operated by Orange County Coastkeeper/Inland WaterKeeper and a conservation-based water rates implementation program which will include participation by up to five retail water agencies. The scope of work for these tasks are described in Project 4 of the attached Exhibit A and incorporated herein.

SECTION 2. CONTRACT DOCUMENTS; ORDER OF PRECEDENCE; SUB-GRANTEE GENERAL COMMITMENT

This Contract incorporates and includes as part of its terms and conditions the Grant Agreement.

In the event of any inconsistency between this Contract and the Grant Agreement, except as otherwise specifically provided, the inconsistency shall be resolved by giving precedence to the Grant Agreement.

The Sub-Grantee shall comply with all terms, provisions, conditions, and commitments of this Contract and the Grant Agreement. Such compliance shall include providing SAWPA with all deliverables, budget detail, reports and all other documents required by the Grant Agreement.

On behalf of and for the benefit of SAWPA, Sub-Grantee shall comply with all of the obligations and requirements of the Grant Agreement as if the Sub-Grantee were the “Grantee” under the terms of the Grant Agreement. Such compliance shall be to the fullest extent necessary and as may be required by SAWPA in order to enable SAWPA to comply with the Grant Agreement as “Grantee.”

SECTION 3. SUB-GRANTEE’S ESTIMATED ELIGIBLE PROJECT COSTS; GRANT AMOUNT; LOCAL FUNDING MATCH

The Sub-Grantee’s estimated reasonable cost of the Project at the time of SAWPA's and DWR’s approval of the Project is **Three Hundred Sixty-Seven Thousand Nine Hundred Sixty Eight dollars (\$367,968)** for managing Project 4, Task 6 of the grant agreement related to SARCCUP CEQA Documentation. Subject to all of the terms, provisions, and conditions of this Contract, including appropriate invoicing

and reporting, and subject to the availability of the grant funds, SAWPA shall reimburse Project costs with grant funds in a sum not to exceed **Three Hundred Sixty Seven Thousand Nine Hundred Sixty Eight dollars (\$367,968)**. SAWPA's actual grant disbursements to the Sub-Grantee under this Contract shall not exceed payments received from the DWR. If actual Project costs exceed the Project's estimated reasonable cost, SAWPA shall have no obligation to provide grant funds for such exceedance.

The Sub-Grantee shall provide SAWPA with local cost share for the following tasks, which will be invoiced annually per the approval of the SAWPA two-year budget as adopted by the SAWPA member agencies:

- Task 1 Project Management;
- Task 12.6 Water Use Efficiency Implementation.

Work performed after **January 17, 2014**, is eligible for grant reimbursement. Per **Exhibit D** of the Grant Agreement, the DWR shall withhold retention.

If the Sub-Grantee proceeds to implement a future storage and recovery project, the final grant amount will be determined in accordance with the provisions of this Contract. If in the future the Sub-Grantee considers implementation of a storage and recovery project as part of SARCCUP, the project will comply with this Grant Funding Agreement. Failure to comply, shall be considered a material violation and breach of this Contract. SAWPA shall have all rights and remedies as are otherwise available to it for breach of this Contract by the Sub-Grantee.

SECTION 4. SCOPE OF WORK; TASKS

The Scope of Work is described in the Grant Agreement Work Plan under Project 4 and incorporated herein. The Sub-Grantee is entirely responsible for the following:

- **Task 3** – Adopting and enforcing a labor compliance program (LCP) as required for the Smartscape program in accordance with its implementation in the Sub-Grantee's service area.
- **Task 6** – Preparing and adopting the materials required to comply with the California Environmental Quality Act and Assembly Bill 52, Native Americans: California Environmental Quality Act, at a project level EIR for SARCCUP for IEUA, OCWD and WMWD. Individual project related efforts will be performed by the respective and responsible agencies as required.

The Sub-Grantee is responsible collectively with the other SARCCUP Sub-Grantees for the completion of the following tasks, which are cooperatively managed among the SARCCUP Sub-Grantees:

- **Task 1** – Project Management
- **Task 2** – Labor Compliance Program
- **Task 3** – Reporting
- **Task 5** – Feasibility Studies

If in the future the Sub-Grantee participates in the design and construction of a SARCCUP storage and recovery project, the Sub-Grantee will be responsible for completion of the other associated tasks, such as Labor Compliance, Permitting, Project Monitoring Plan, Construction Contracting, and Construction Administration and the activities shall be coordinated with the SARCCUP agencies for the overall program schedule.

SECTION 5. DISBURSEMENT

Grant funds will be disbursed in accordance with the disbursement provisions of the Grant Agreement. SAWPA will disburse grant funds received from DWR to Sub-Grantee within 30 days of receipt of grant funds, except as described in Section 15, Withholding of Grant Disbursements. Retention is stipulated in **Exhibit D** of the Grant Agreement.

SECTION 6. FISCAL MANAGEMENT SYSTEMS AND ACCOUNTING STANDARDS

The Sub-Grantee agrees that, at a minimum, its fiscal control and accounting procedures shall be sufficient to permit tracking of grant funds to a level of expenditure adequate to establish that such funds have not been used in violation of State law or this Contract. The Sub-Grantee shall maintain separate project accounts in accordance with generally accepted government accounting standards and the conditions outlined in Exhibit D of the Grant Agreement.

SECTION 7. TERM

This Contract shall not be effective until it has been executed by SAWPA. The Term of this Contract shall be the same as the Term of the Grant Agreement, unless sooner terminated pursuant to the provisions of this Contract or the Grant Agreement.

SECTION 8. ASSIGNMENT

Neither this Contract, nor any duties or obligations under this Contract, nor any of the Chino Component facilities referenced in this Contract shall be assigned by any Party without the prior written consent of the other Party.

Should an assignment or transfer occur, whenever SAWPA or the Sub-Grantee are named or referred to herein, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in SAWPA and the Sub-Grantee, and all Contract and covenants required hereby to be performed by or on behalf of SAWPA and/or the Sub-Grantee shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

SECTION 9. COMPLIANCE WITH LAWS AND REGULATIONS

The Sub-Grantee agrees that it shall, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and state laws, rules, regulations and guidelines. The Sub-Grantee shall comply with, implement, and fulfill all environmental mitigation measures applicable to their Project, and which may otherwise be required by this Contract, the Grant Agreement, CEQA, and the State CEQA Guidelines.

SECTION 10. ACKNOWLEDGEMENT OF CREDIT/SIGNAGE REQUIREMENTS

The Sub-Grantee shall include appropriate acknowledgement of credit to the State, SAWPA and to all cost-sharing partners for their support when promoting the Project or using any data and/or information developed under this Contract and/or the Grant Agreement.

SECTION 11. CONSTRUCTION ACTIVITIES AND NOTIFICATION

The Sub-Grantee shall immediately notify SAWPA in writing of:

- (1) Any substantial change in the scope, budget, or work performed by the Sub-Grantee in implementation of the Project. The Sub-Grantee agrees that no substantial change in the scope of the Project may be undertaken until written notice of the proposed change has been provided to SAWPA, and SAWPA and DWR have given written approval for such a change;
- (2) Any public or media event publicizing the accomplishments and/or results of this Grant Agreement and provide the opportunity for attendance and participation. Sub-Grantee will do its best to notify SAWPA at least **twenty (20) calendar days** prior to the event.
- (3) Any circumstance, combination of circumstances, or condition which is expected to delay Project completion for a period of **ninety (90) calendar days** or more beyond the initial estimated date of completion of the Project previously provided to SAWPA;

SECTION 12. PAYMENT OF PROJECT COSTS

The Sub-Grantee shall provide for and make payment for all Project costs. All costs and payments for the Project shall be paid by the Sub-Grantee promptly and in compliance with all applicable laws. All grant disbursements will be reimbursements.

SECTION 13. WITHHOLDING OF GRANT DISBURSEMENTS

SAWPA may withhold all or any portion of the grant funds provided for by this Contract in the event that:

- (1) The Sub-Grantee has violated, or threatens to violate, any term, provision, condition, or commitment of this Contract;
- (2) The Sub-Grantee fails to maintain reasonable progress toward completion of the Project;
or
- (3) The State directs SAWPA to withhold any such grant funds.

SECTION 14. INVOICING

- (A) Invoices shall be completed on a State-provided invoice form and shall meet the following format requirements:
- (1) Invoices must contain the date of the invoice, the time period covered by the invoice, and the total amount due.
 - (2) Invoices must be itemized. The amount claimed for salaries/wages/consultant fees must include a calculation formula (i.e. hours or days worked times the hourly or daily rate = the total amount claimed). Refer to **Attachment “C”** of this Contract.
 - (3) Each invoice shall clearly delineate those costs claimed for reimbursement from the State’s grant amount (“Grant Amount”) and those costs that represent the local funding match as applicable. State funding cannot be used for local funding match. In each invoice, sufficient evidence (i.e. receipts, copies of checks, timesheets) must be provided for all costs reflective of the Grant Amount and local funding match.

(B) Invoices also shall include the following information:

- (1) Costs incurred for work performed in implementing the Project during the period identified in the particular invoice.
- (2) Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for a project during the period identified in the particular invoice for the construction, operation, or maintenance of a project.
- (3) Appropriate receipts and documentation that show the total outlays for the local funding match.

SECTION 15. QUARTERLY PROGRESS REPORTS

Quarterly Progress Reports shall be completed using the templates provided as shown in **Attachment “B”** of this Contract. Quarterly Progress Reports shall provide a brief description of the work performed, activities, milestones achieved, any accomplishments as well as any problems encountered in the performance of the work. Each Quarterly Progress Report shall be delivered to SAWPA within **sixty (60) calendar days** after the close of the reporting period. Quarterly Progress Reports are required until the Project Closeout Documentation is received and submitted to the State.

SECTION 16. RECORDS AND REPORTS

(A) Without limitation on the requirement that project accounts be maintained in accordance with generally accepted government accounting standards, the Sub-Grantee shall comply with the records and reporting requirements imposed by the Grant Agreement, and shall also:

- (1) Establish an official Project file that documents all significant actions relative to the Project;
- (2) Establish separate accounts that adequately and accurately itemize and describe all amounts received and expended on the Project, including but not limited to all grant funds received under this Contract;
- (3) Establish separate accounts that adequately and accurately itemize and describe all income received which is attributable to the Project, specifically including any income attributable to grant funds disbursed under this Contract;
- (4) Establish an accounting system that adequately and accurately itemizes and describes final total costs of the Project, including both direct and indirect costs;
- (5) Establish such accounts and maintain such records as may be necessary for the State, DWR and SAWPA to fulfill federal reporting requirements, including any and all reporting requirements under federal tax statutes or regulations; and
- (6) If Force Account is used by the Sub-Grantee for any phase of the Project, establish an account that adequately and accurately itemizes and describes all employee hours, and associated tasks charged to the Project per employee.

- (B) The Sub-Grantee shall require all Project contractors and subcontractors to maintain books, records, and other material relative to the Project in accordance with generally accepted accounting standards, and to require that such contractors and subcontractors retain such books, records, and other material for a minimum of **three (3) years** after final payment under the Grant Agreement. The Sub-Grantee shall require that such books, records, and other material shall be subject, at all reasonable times, to inspection, copying, and audit by SAWPA, DWR or its authorized representatives.
- (C) The Sub-Grantee shall maintain its books, records and other material concerning the Project in accordance with generally accepted government accounting standards and as required by the Grant Agreement.
- (D) All documents required or requested to be provided to SAWPA shall be submitted electronically in both the native format (e.g. Microsoft Word, Microsoft Excel, etc.) and PDF. All documents shall be public domain or the property of SAWPA once submitted.
- (E) The Sub-Grantee agrees to expeditiously provide, during work on the Project and for **three (3) years** after final payment under the Grant Agreement, such reports, data, information and certifications as may be reasonably required by SAWPA or DWR. Such documents and information shall be provided in electronic format.

SECTION 17. PROJECT REVIEW AND EVALUATION; FINAL REPORTS AND AUDIT

- (A) SAWPA may perform a Project review or otherwise evaluate the Project to determine compliance with the contract documents at any time or if questions about the proper use or management of the funds arise. SAWPA may review or evaluate the contractor or vendor for compliance with the terms and conditions of the contract document. The Project review and evaluation may be performed by SAWPA or may be contracted to a responsible third party. Any findings and recommendations of the Project review and evaluation shall be addressed by the Sub-Grantee within **sixty (60) calendar days** of the date such findings and recommendations are provided to the Sub-Grantee and before the next invoice is paid by SAWPA.
- (B) If applicable, at least **fifteen (15) calendar days** prior to submission of the final Project invoice, Sub-Grantee shall provide SAWPA the Disposition of Equipment per **Exhibit D** of the Grant Agreement.
- (C) SAWPA may call for an audit of financial information relative to the Project, where SAWPA determines that an audit is desirable to assure program integrity or where such an audit becomes necessary because of federal or state requirements. Where such an audit is called for, the audit shall be performed by a Certified Public Accountant independent of the Sub-Grantee and at the cost of the Sub-Grantee. The audit shall be in the form required by SAWPA.

SECTION 18. PROJECT CLOSEOUT DOCUMENTATION

To ensure that the Project is closed out in a manner that provides an auditable file for SAWPA, Sub-Grantee shall follow a close-out procedure that includes payment of all subcontracts, completion of all punch lists, defects correction, satisfaction of warranty or guarantee issues, and any other requirements for the completion of the scope of work. Such close-out procedures shall include those procedures contained in the Grant Agreement or otherwise required by SAWPA and DWR.

SECTION 19. TERMINATION; IMMEDIATE REPAYMENT; INTEREST

- (A) SAWPA may terminate this Contract at any time prior to completion of the Project for Sub-Grantee's violation of any provision of this Contract upon written notice by SAWPA if the violation and failure of Sub-Grantee to come into compliance within a reasonable time as established by SAWPA.
- (B) In the event of such termination, the Sub-Grantee agrees, upon demand, to immediately repay to SAWPA an amount equal to the amount of grant funds disbursed to the Sub-Grantee prior to such termination. In the event of termination, prejudgment interest shall accrue on all amounts due from the date that notice of termination is mailed to the Sub-Grantee to the date of full repayment by the Sub-Grantee.
- (C) SAWPA may terminate this Contract should DWR terminate SAWPA as program manager, or terminate funding for this Contract or the Project or should DWR terminate its standard agreement with SAWPA on this Project. Upon such DWR-caused termination, SAWPA shall not be liable to Sub-Grantee for any damages, costs or expenses resulting from such termination.

SECTION 20. DAMAGES FOR BREACH AFFECTING TAX EXEMPT STATUS

In the event that any breach of any of the provisions of this Contract or other action by the Sub-Grantee shall result in the loss of tax exempt status for any bonds, or if such breach shall result in an obligation on the part of the SAWPA to reimburse the federal government by reason of any arbitrage profits, the Sub-Grantee shall immediately reimburse SAWPA and/or DWR in an amount equal to any damages paid by or loss incurred by the State due to such breach.

SECTION 21. ARBITRATION

Any dispute which may arise under this Contract by and between the SAWPA and the Sub-Grantee, including the Sub-Grantee's subcontractors, laborers, and suppliers, shall be submitted to binding arbitration. The arbitrator shall decide each and every dispute in accordance with the laws of the State of California, and all other applicable laws. Unless the Parties stipulate in writing to the contrary, prior to the appointment of the arbitrator, all disputes shall first be submitted to non-binding mediation.

SECTION 22. COSTS AND ATTORNEY FEES

In the event of arbitration or litigation between the parties hereto arising from this Contract, it is agreed that the prevailing party shall be entitled to recover reasonable costs and attorney fees.

SECTION 23. WAIVER

Any waiver of any rights or obligations under this Contract or the Grant Agreement shall be in writing and signed by the Party making such waiver, and approved by SAWPA and the DWR.

SECTION 24. AMENDMENT

This Contract may be amended at any time by mutual written agreement of the Parties.

SECTION 25. SAWPA REVIEWS; SUB-GRANTEE AS INDEPENDENT CONTRACTOR

- (A) The Parties agree that review or approval of the Project or Project plans and specifications by SAWPA is for administrative and eligibility purposes only and does not relieve the Sub-Grantee

of its responsibility to properly plan, design, construct, operate, and maintain the Project. As between SAWPA and the Sub-Grantee, the Sub-Grantee agrees that it has sole responsibility for proper planning, design, construction, operation, and maintenance of the Project.

- (B) The Sub-Grantee is an independent contractor exclusively responsible for the design, construction, operation and maintenance of the specific project funded by this Contract and that the Sub-Grantee is not acting as SAWPA's agent, nor is SAWPA acting as an agent of the Sub-Grantee.

SECTION 26. INDEMNIFICATION

- (A) Sub-Grantee shall defend, indemnify and hold harmless SAWPA, DWR, and their respective directors, commissioners, officers, employees, agents, and assigns (collectively, the “Indemnified Parties”) from and against any claims, losses, damages, attorneys’ fees and expenses arising from any and all contracts, contractors, subcontractors, suppliers, laborers, and any other person, entity or corporation furnishing or supplying such services, materials or supplies in connection with the Project funded, in part, by this Contract or arising from the transactions, funding and construction activities contemplated by such contracts. Sub-Grantee shall indemnify and save Indemnified Parties harmless from any and all claims, losses, damages, attorneys’ fees and expenses that may arise from any breach or default by Sub-Grantee in the performance of its obligations under this Contract, or any act of negligence by the Sub-Grantee or any of its agents, contractors, subcontractors, servants, employees or licensees concerning the subject matter of this Contract or the Project. No indemnification is required under this Section for claims, losses or damages arising out of the sole and exclusive misconduct or negligence under this Contract by SAWPA. Sub Grantee shall require its contractors or subcontractors to name the SAWPA, DWR, and their officers, agents and employees as additional insureds on their liability insurance for activities undertaken pursuant to this Agreement.
- (B) The Sub-Grantee understands and agrees that it has complied and will comply with CEQA and the State CEQA Guidelines for the project which is the subject matter of this Contract. Sub-Grantee understands and agrees that it is ultimately and solely responsible, as the lead agency, for compliance with CEQA and any mitigation measures required for the Project. The Sub-Grantee hereby agrees to indemnify, defend and hold harmless SAWPA and the DWR from any and all claims or actions related to this Project that may be made by any third party or public agency alleging, among other things, violations of CEQA or the State CEQA Guidelines.
- (C) In addition to complying with the insurance requirements contained in the Grant Agreement, including **Exhibit D** of the Grant Agreement, the Sub-Grantee shall ensure that adequate insurance coverage is provided by Sub-Grantee and/or its contractors and subcontractors on the Project funded, in part, by this Contract. Such insurance shall include adequate coverage for comprehensive commercial general liability, business auto liability, workers compensation liability, professional and errors and omissions liability, property insurance, including all builders risk insurance. Such insurance coverage shall, at a minimum, insure against injuries to third parties, damage to property owned by third parties, physical damage to the Chino Component and all related facilities, theft of building materials and supplies intended for the Chino Component, delays in Chino Component completion, delays in Chino Component completion due to strikes and governmental actions, liquidated damages, employee injuries and work-related illnesses, design errors resulting in increased project costs, environmental damage caused by construction activities related to the Chino Component, and nonperformance by the contractors and subcontractors. Such insurance coverages shall be provided by admitted insurance companies authorized to do business in the State of California, and with a minimum “Best’s Insurance

Guide” rating of “A:VII”. The Parties understand that Sub-Grantee is self-insured and has established a self-funded reserve for this purpose which will satisfy the requirements of this Subparagraph 29(C).

SECTION 27. PROJECT AND INFORMATION ACCESS

The Sub-Grantee agrees to ensure that SAWPA, DWR, or any authorized representative thereof, shall have reasonable access to the Chino Component site at all reasonable times during Chino Component construction, and thereafter for the useful life of the Project and the SARCCUP Conjunctive Use Program.

SECTION 28. OPINIONS AND DETERMINATIONS

Where the terms of this Contract provide for action to be based upon the opinion, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary and capricious.

IN WITNESS THEREOF, the parties have executed this Contract on the later date set forth below.

SANTA ANA WATERSHED PROJECT
AUTHORITY

Dated: _____

By: _____
Richard E. Haller, General Manager

INLAND EMPIRE UTILITIES AGENCY
Sub-Grantee

Dated: _____

By: _____
Shivaji Deshmukh, General Manager

**ACTION
ITEM
1G**



Date: September 18, 2019

To: The Honorable Board of Directors

From: Shivaji Deshmukh, General Manager SAD

Committee: Engineering, Operations & Water Resources

09/11/19

Finance & Administration

09/11/19

Executive Contact: Shivaji Deshmukh, General Manager

Subject: Resolution 2019-9-1 Contributing Capacity to the Brine Line Lease Capacity Pool

Executive Summary:

On April 11, 2019, the Santa Ana Watershed Project Authority (SAWPA) and its member agencies including the Inland Empire Utilities Agency (IEUA) entered into a Lease Capacity Pool Agreement (Agreement) for the Inland Empire Brine Line (Brine Line). The Agreement allows IEUA to contribute available Brine Line capacity to a "capacity pool" for lease by new or existing customers. The Agreement contains a provision whereby IEUA may contribute additional capacity to the pool by delivering to SAWPA a Board Resolution to that effect.

The Chino Basin Desalter Authority (CDA) notified SAWPA that it desires to lease 0.4 MGD of Pipeline and 0.4 MGD Treatment and Disposal Capacity through the capacity pool for 6 months, with an option to extend the lease for an additional 6 months. The capacity pool currently has 0.1 MGD Pipeline and 0.1 MGD Treatment and Disposal capacity available for lease. IEUA originally committed 0.05 MGD of Pipeline and 0.05 MGD Treatment and Disposal capacity to the capacity pool. Staff recommends contributing an additional 0.3 MGD Pipeline and 0.3 MGD Treatment and Disposal capacity to the capacity pool for lease by CDA. Resolution No. 2019-9-1 addresses the SAWPA requirement for contributing additional capacity to the pool.

Staff's Recommendation:

Adopt Resolution No. 2019-9-1, committing an additional 0.3 MGD of Pipeline and 0.3 MGD of Treatment and Disposal Capacity to the Inland Empire Brine Line Lease Capacity Pool.

Budget Impact *Budgeted* (Y/N): Y *Amendment* (Y/N): N *Amount for Requested Approval:*

Account/Project Name:

Fiscal Impact (explain if not budgeted):

If approved, the lease revenue for the 0.35 MGD of Pipeline and Treatment and Disposal Capacity will increase the Non-Reclaimable Fund by \$161,604 and will save an additional \$40,704 in avoided fixed pipeline and treatment costs.

Full account coding (internal AP purposes only):

- - -
- - -

Project No.:

Prior Board Action:

On March 20, 2019, the Board of Directors approved the Inland Empire Brine Line Lease Capacity Pool Agreement with SAWPA.

Environmental Determination:

Not Applicable

Business Goal:

Resolution 2019-9-1 is consistent with IEUA's business goal of Fiscal Responsibility and Business Practices by maintaining service rates and fees that support cost of service for IEUA programs and provides regional benefit in an equitable manner within the IEUA service area.

Attachments:

Attachment 1 - Resolution No. 2019-9-1

RESOLUTION NO. 2019-9-1

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, CONTRIBUTING ADDITIONAL CAPACITY TO THE INLAND EMPIRE BRINE LINE LEASE CAPACITY POOL

WHEREAS, the Inland Empire Utilities Agency* is a member agency of the Santa Ana Watershed Project Authority (SAWPA); and

WHEREAS, on April 11, 2019, the Inland Empire Utilities Agency entered into agreement with SAWPA for the creation of a lease capacity pool for the Inland Empire Brine Line (Lease Capacity Pool Agreement); and

WHEREAS, the Chino Basin Desalter Authority desires to lease 0.4 MGD of Pipeline and 0.4 MGD of Treatment and Disposal Capacity from SAWPA through the Inland Empire Brine Line Lease Capacity Pool for an initial term of six (6) months with an additional six (6) month optional term (Lease); and

WHEREAS, the Inland Empire Utilities Agency initially committed 0.05 MGD of Pipeline and 0.05 MGD of Treatment and Disposal Capacity at 104.25 pounds of BOD and TSS per day, respectively to the Inland Empire Brine Line Lease Capacity Pool; and

WHEREAS, the lease capacity pool currently has 0.1 MGD of Pipeline and 0.1 MGD of Treatment and Disposal Capacity available for lease; and

WHEREAS, the Lease Capacity Pool Agreement allows an agency to offer a contribution of additional capacity to the pool by delivering to SAWPA a Board Resolution; and

WHEREAS, the Inland Empire Utilities Agency desires to offer a contribution of additional capacity in the Brine Line to solely meet the demands of the Chino Basin Desalter Authority under the terms and conditions set forth in the agreement between Chino Basin Desalter Authority and SAWPA; and

WHEREAS, the Lease Capacity Pool Agreement requires the offer to contribute additional capacity to specify the flow rate and water quality in pounds of BOD and TSS per day being added to the pool.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors that:

1. The Inland Empire Utilities Agency General Manager and staff are hereby authorized to enter into an agreement with SAWPA to contribute an additional 0.3 MGD of Pipeline and 0.3 MGD of Treatment and Disposal Capacity at 625.5 pounds of BOD and TSS per day, respectively to the Inland Empire Brine Line Lease Capacity Pool. The capacity shall be used for the specific purpose of accommodating the Lease.
2. Capacity contributed to the lease capacity pool shall come from the Non-Reclaimable Fund capacity reserves.

3. At the termination of the Lease, which shall not exceed twelve (12) months, said capacity shall revert back to IEUA.

ADOPTED this 18th day of September 2019

Paul Hofer
President of the Inland Empire Utilities Agency*
and of the Board of Directors thereof

ATTEST:

Kati Parker
Secretary/Treasurer of the Inland Empire
Utilities Agency* and the Board of Directors thereof

STATE OF CALIFORNIA)
) SS
COUNTY OF SAN BERNARDINO)

I, Kati Parker, Secretary/Treasurer of the Inland Empire Utilities Agency*, DO
HEREBY CERTIFY that the foregoing Resolution being No. 2019-9-1, was adopted at an
adjourned regular Board Meeting on September 18, 2019, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Kati Parker
Secretary/Treasurer of the Inland Empire Utilities
Agency* and the Board of Directors thereof

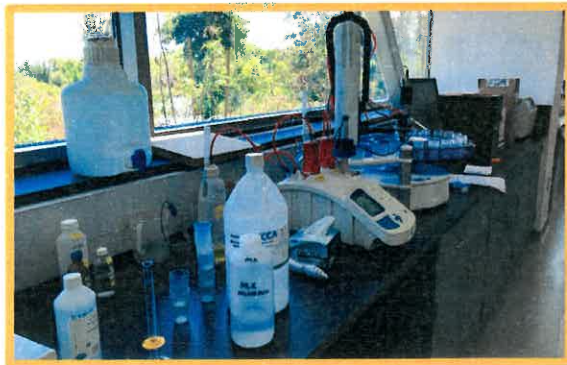
(SEAL)

**A Municipal Water District*

INFORMATION
ITEM
2B

Laboratory

Semi-Annual Update



Laboratory Accreditation

- Environmental Laboratory Accreditation Program (ELAP)
 - Draft regulations late summer 2019
 - State Water Board public hearing September 2019
 - Over 600 Labs in California, 4 assessors, ↓2 from last year
- IEUA Laboratory
 - Current Interim Certificate, exp. 10/31/19
 - On-Site-Assessment, August 1 & 2
 - 8/27/19
 - Thiobencarb and Alternate Cyanide methods added back
 - Perchlorate added

New Instrumentation



Inductively Coupled Plasma Spectrometer (Metals analyses)

Gas Chromatograph (Pesticides)



New Instrumentation



Solid Phase Extractors (Organics extractions)



Gas Chromatograph/Mass Spectrometer
(Semivolatiles and Volatiles)

Key Performance Indicators

- Customer Service
 - Met or exceeded expected sample turnaround times during Lab move.
- Safety
 - Minor findings during Lab safety inspection, July 2019

FY 2019

Performance Indicator		Goal	Actual
Sample Turnaround Time	Compliance	18 days	17
	Process Control	1 day	1
Meet sample holding times		99%	>99%
Quality Control Failures		<1%	<1%
ELAP PE sample repeats*		0	2
Lost time accidents		0	0

* Due to IEUA Lab unacceptable result.

Laboratory Activities

- **FY 2019 Samples and Analyses**
 - **Samples – 17,267**
 - Compliance – 5,950
 - Process Control – 11,317
 - **Analyses – 51,985**
 - Compliance – 24,090
 - Process Control – 27,895
- **Special Projects**
 - TCE Plume Well Development
- **Staffing**
 - **Promotions:**
 - Matt Solis, Laboratory Scientist I
 - **Retirement:**
 - Nel Groenveld, Manager of Laboratories



INFORMATION
ITEM
2C

Engineering and Construction Management Project Updates



Agency-Wide Recycled Water System Repairs and Improvements

Project Goal: Improve Reliability



Total Project Budget: \$100,000
Project Completion: August 2019
Construction Percent Complete: 100%

Phase	Consultant/ Contractor	Current Contract	Amendments/ Change Orders
Design	N/A	N/A	N/A
Construction (Current)	Ferreira Construction Company	\$77 K	7.0%

RP-1 Filter Valve Replacement

Project Goal: Improve Reliability and Asset Life

Total Project Budget: \$890 K
Project Completion: October 2019
Percent Construction Complete: 70%

Phase	Consultant/ Contractor	Current Contract	Amendments/ Change Orders
Project Development	In-House	\$0	0%
Construction (Current)	Schuler	\$651K	2.8%



New 20-inch Filter Valve

RP-1 Civil Restoration and Upgrades

Project Goal: Rehabilitate/Improve Existing Assets



RP-1 Road Widening and Striping

Total Project Budget: \$1,030,000
Project Completion: August 2019
Percent Complete: 100%

Phase	Consultant/ Contractor	Current Contract	Amendments/ Change Orders
Design	CASC	\$74K	7.2%
Construction (Current)	Terra Pave	\$677K	1.9%

RP-4 Influent Screen Replacement

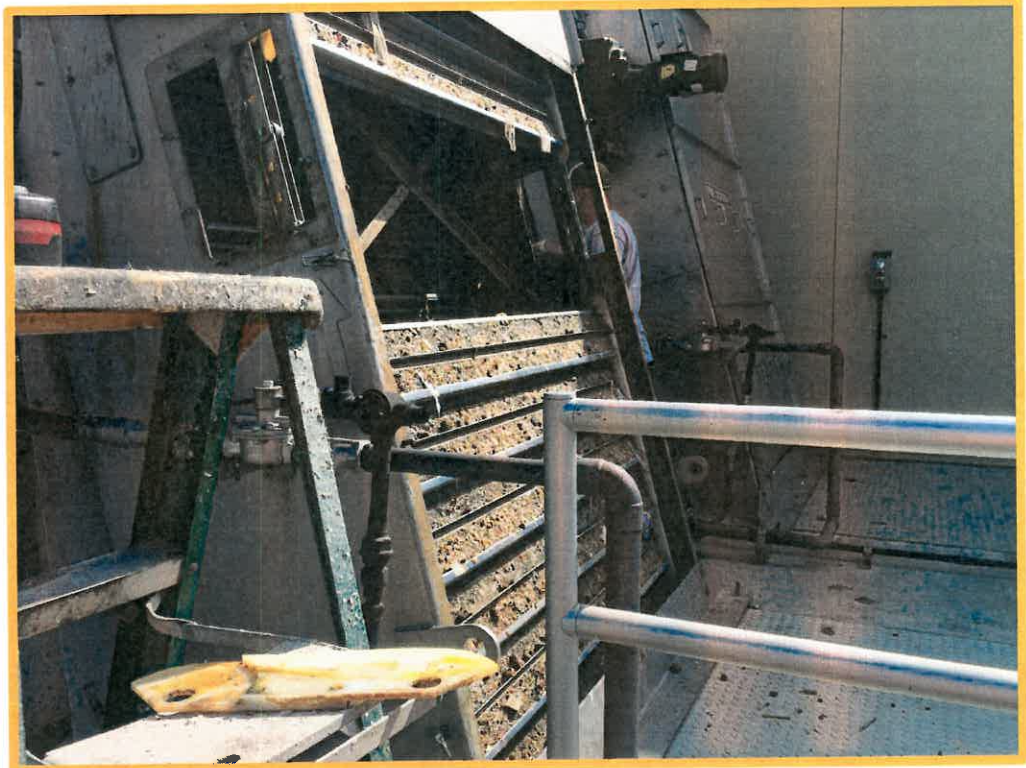
Project Goal: Replace Underperforming Equipment

Total Project Budget: \$3 M

Project Completion: September 2020

Construction Percent Complete: 0%

Phase	Consultant/ Contractor	Current Contract	Amendments/ Change Orders
Design/Build (Current)	TBD	TBD	0%



Existing RP-4 Influent Screens

NRWS Manhole Upgrades - 19/20

Project Goal: Extend Asset Life



Total Project Budget: \$200 K
Project Completion: July 2020
Construction Percent Complete: 0%

Phase	Consultant/ Contractor	Current Contract	Amendments/ Change Orders
Design	In-house	\$0	0%
Construction	TBD	\$0	0%

Approximately 10 NRWS manhole covers and lids will be upgraded.

Agencywide Chemical Containment Coating Rehab and Repairs

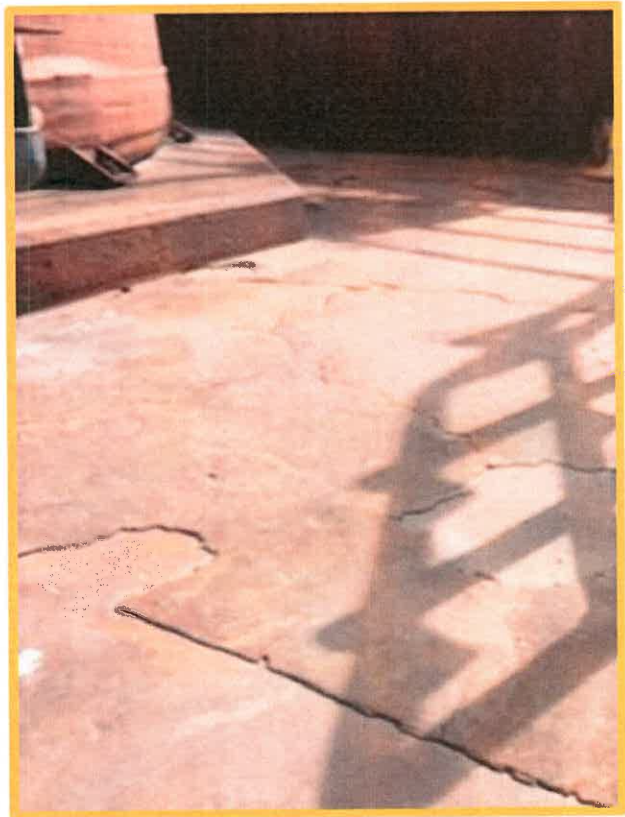
Project Goal: Extend asset life

Total Project Budget: \$350 K

Project Completion: September 2020

Design Percent Complete: 0%

Phase	Consultant/ Contractor	Current Contract	Amendments/ Change Orders
Design (Current)	TBD	\$0	0%
Construction	TBD	\$0	0%



7 Damaged Coating in RP-1 Ferric Containment Area