



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

**WEDNESDAY, JANUARY 11, 2017
10:00 A.M.**

***Or immediately following the
Public, Legislative Affairs, and Water Resources
Committee Meeting***

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 or not 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 five 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 Biosolids Management Committee meeting minutes from the December 14, 2016.

B. RP-2 MICROTURBINE DESIGN-BUILD CONTRACT AWARD

It is recommended that the Committee/Board:

1. Award a design-build contract for the RP-2 Microturbine Installation Project No. EN17065, to Geveden Industrial in the amount of \$1,876,809;
2. Approve a total project budget in the amount of \$2,210,000 and FY budget in the amount of \$850,000 for Project No. EN17065; and
3. Authorize the General Manager to execute the construction contract and approve the establishment of the project budget.

C. RP-1 FLARE CONSULTING SERVICES CONTRACT AWARD

It is recommended that the Committee/Board:

1. Award the consulting engineering services contract for the RP-1 Flare Improvements Project No. EN18006, to LEE & RO, Inc., for the not-to-exceed amount of \$378,030; and
2. Authorize the General Manager to execute the contract.

D. HEADQUARTERS PARKING LOT CONSTRUCTION CONTRACT AWARD

It is recommended that the Committee/Board:

1. Award a construction contract for the Headquarters Building A Parking Lot Repairs, Project No. EN16047, to W.A. Rasic Construction in the amount of \$264,138; and
2. Authorize the General Manager to execute the construction contract.

E. RP-1 IMPROVEMENTS CONSULTANT CONTRACT AMENDMENT

It is recommended that the Committee/Board:

1. Approve the consultant contract amendment for additional design efforts for the RP-1 Improvements, Project No. EN14019 to RMC Water and Environment for the not-to-exceed amount of \$68,204; and
2. Authorize the General Manager to execute the amendment.

2. INFORMATION ITEM

A. ENGINEERING AND CONSTRUCTION MANAGEMENT INDUSTRY TRENDS (WRITTEN)

RECEIVE AND FILE INFORMATION ITEMS

**B. ENGINEERING AND CONSTRUCTION MANAGEMENT PROJECT
UPDATE (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 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 on Thursday, January 5, 2017.

for



April Woodruff

**ACTION
ITEM
1A**



MINUTES

ENGINEERING, OPERATIONS, AND BIOSOLIDS MANAGEMENT COMMITTEE MEETING INLAND EMPIRE UTILITIES AGENCY* AGENCY HEADQUARTERS, CHINO, CA

**WEDNESDAY, DECEMBER 14, 2016
10:00 A.M.**

COMMITTEE MEMBERS PRESENT

Michael Camacho, Chair
Kati Parker

STAFF PRESENT

Chris Berch, Executive Manager of Engineering/AGM
Christina Valencia, Chief Financial Officer/AGM
Randy Lee, Executive Manager of Operations/AGM
Jerry Burke, Deputy Manager of Engineering
Pietro Cambiaso, Environmental Compliance & Energy Supervisor
Lucia Diaz, Facilities Program Supervisor
Connie Gibson, Executive Assistant
Jason Gu, Grants Officer
Nelson Htoy, Deputy Manager of Maintenance
Nasrin Maleki, Senior Engineer
Lisa Morgan-Perales, Senior Water Resources Analyst
Jesse Pompa, Senior Engineer
John Scherck, Acting Deputy Manager of Engineering
Shaun Stone, Manager of Engineering
Al VanBreukelen, Deputy Manager of Maintenance

OTHERS PRESENT

Tom Dodson, Tom Dodson & Associates

The meeting was called to order at 10:10 a.m. There were no public comments received or additions to the agenda.

ACTION ITEMS

The Committee:

- ◆ Approved the Engineering, Operations, and Biosolids Management Committee meeting minutes of November 9, 2016.
- ◆ Recommended that the Board:
 1. Award a construction contract for the RP-5 Flow Equalization & Effluent Monitoring Project No. EN11031, to SCW Contracting in the amount of \$945,029;

2. Approve a contract with Lee & Ro, Inc. to provide engineering services during construction for the not-to-exceed amount of \$68,452; and
3. Authorize the General Manager to execute the construction contract and contract amendment.

as an Action Item on the December 21, 2016 Board meeting agenda.

◆ Recommended that the Board:

1. Award the consulting engineering services contract for the East End Avenue NRW Flowmeter Replacement, Project No. EN22002 to Civitect Engineering Inc., for the not-to-exceed amount of \$213,554; and
2. Authorize the General Manager to execute the consultant engineering services contract.

as a Consent Item on the December 21, 2016 Board meeting agenda.

◆ Recommended that the Board:

1. Award Contract No. 4600002127 to E.R. Block Plumbing, Inc. for the Carbon Canyon Water Recycling Facility (CCWRF) odor control bleach and air piping replacement for a firm-fixed price of \$119,850; and
2. Authorize the General Manager to execute the contract.

as a Consent Item on the December 21, 2016 Board meeting agenda.

◆ Recommended that the Board:

1. Approve Contract Amendment No. 46000001912-001 to O.C. Vacuum, Inc., which increases the contract by \$100,000; and
2. Authorize the General Manager to execute the contract amendment.

as a Consent Item on the December 21, 2016 Board meeting agenda.

INFORMATION ITEMS

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

- ◆ Annual Energy Report
- ◆ Lawn Conversion Improvement Update
- ◆ Engineering and Construction Management Monthly Update

GENERAL MANAGER'S COMMENTS

General Manager Joseph Grindstaff had no comments.

COMMITTEE MEMBER COMMENTS

There were no Committee Member comments.

COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS

There were no Committee Member requested future agenda items.

With no further business, Director Camacho adjourned the meeting at 10:57 a.m.

Respectfully submitted,

April Woodruff
Board Secretary/Office Manager

*A Municipal Water District

APPROVED: JANUARY 11, 2017

**ACTION
ITEM
1B**

Date: January 18, 2017

To: The Honorable Board of Directors

Through: Engineering, Operations, and Biosolids Management Committee (1/11/17)
Finance, Legal, and Administration Committee (1/11/17)

From: P. Joseph Grindstaff
General Manager

Submitted by: Chris Berch
Executive Manager of Engineering/Assistant General Manager

Shaun J. Stone
Manager of Engineering

Subject: RP-2 Microturbine Design-Build Contract Award

RECOMMENDATION

It is recommended that the Board of Directors:

1. Award a design-build contract for the RP-2 Microturbine Installation Project No. EN17065, to Geveden Industrial in the amount of \$1,876,809;
2. Approve a total project budget in the amount of \$2,210,000 and FY budget in the amount of \$850,000 for Project No. EN17065; and
3. Authorize the General Manager to execute the construction contract and approve the establishment of the project budget.

BACKGROUND

Since 1990, Regional Plant No. 2 (RP-2) has produced renewable energy by fueling a cogeneration engine with digester gas. Due to stringent emissions limits imposed by South Coast Air Quality Management District (SCAQMD) Rule 1110.2, the engine is no longer able to operate in compliance. In anticipation of the engine shutdown, Inland Empire Utilities Agency (IEUA) staff evaluated alternative technologies that could comply with environmental regulations while beneficially and cost effectively utilizing the digester gas produced on site in consideration of RP-2's scheduled decommissioning in 2023.

Analysis showed that a digester gas-fueled microturbine was the most cost effective option. IEUA issued a Design-Build Request for Proposals (RFP) in October 2015, but subsequently rejected the proposal when the payback period for the only responsive cost proposal exceeded the remaining life of the RP-2 facility. Since that time, IEUA’s continued discussions with prospective microturbine suppliers indicated that a modified RFP would yield more competitive responses while still meeting IEUA’s payback and operational requirements.

Although a prerequisite of the project’s evaluation criteria is to achieve a return on investment within the remaining life of RP-2, the installation will be designed to facilitate an economical relocation of the microturbine following the facility decommissioning, if desirable.

On November 21, 2016, an RFP was advertised on *Planet Bids* to all microturbine suppliers. Two prospective contractors participated in the job walk on November 28, 2016. On December 13, 2016, two proposals were received. A technical committee reviewed the proposals to determine the most qualified, responsive, and responsible bidder. Following the technical evaluation, the fee proposals were considered to determine the best value to IEUA. The following fee proposals were received:

Bidder’s Name	Total Price
Geveden Industrial	\$1,876,809
Regatta Solutions	\$2,829,336
Engineer’s Estimate	\$2,350,000

In consideration of the technical evaluation and fee proposals, the evaluation committee selected Geveden Industrial to perform the design and construction of the RP-2 microturbine.

Below are the projected costs for the project:

Description	Estimated Cost
Design	\$47,863
Construction	\$1,828,946
Construction Services (~ 8%)	\$145,000
Contingency (~10%)	\$183,000
Total Project Cost	\$2,204,809
Total Required Project Budget	\$2,210,000
SGIP Incentive Credit	(\$792,000)

It should be noted that the cost effectiveness of this project is dependent upon receipt of Self Generation Incentive Program (SGIP) funding. Should the project fail to receive the SGIP incentive, the contract with Geveden Industrial will be voided and all work will be stopped immediately. The SGIP incentive notification is expected to be received by March 2017, prior to the project design completion in April 2017.

The overall project schedule is as follows:

Project Milestone	Date
Construction Contract Award	January 2017
Project Completion	December 2017

The RP-2 Microturbine Installation Project No. EN17065 is consistent with the *IEUA's Business Goal of Wastewater Management* that renewable resources will be effectively managed to achieve peak power independence in an environmentally responsible and cost effective manner. The project is also consistent with the Energy Management Plan's goals of reducing digester gas flaring and achieving carbon neutrality by 2030.

PRIOR BOARD ACTION

On June 15, 2016, the Board of Directors rejected the November 17, 2015, proposal from Regatta Solutions for design/build services for the not-to-exceed amount of \$3,112,450.

IMPACT ON BUDGET

If approved, the design-build contract award for the RP-2 Microturbine Installation Project No. EN17065, in the amount of \$1,876,809, will be within the total project budget of \$2,210,000 and FY16/17 budget of \$850,000 in the Regional Operations (RO) Fund. An estimated amount of \$850,000 will be spent on the project this fiscal year, with the remaining amount of \$1,360,000 to be spent in future fiscal years. The future year funding will be re-appropriated accordingly during the FY17/18 review of the Ten Year Capital Improvement Plan.

PJG:CB:SS:jp

RP-2 Microturbine Design-Build Contract Award

Project No. EN17065
January 18, 2017



Inland Empire Utilities Agency
A MUNICIPAL WATER DISTRICT

Project Location



Project Background

- RP-2 cogeneration engine permanently shut down in 2016
 - Unable to comply with stringent AQMD emissions limits
 - Digester gas currently used in boilers, then excess is flared
- Alternative power generation source requirements
 - Compliant with air quality standards
 - Beneficial use of biogas
 - Achieve payback within remaining life of facility
 - Transportability following RP-2 decommissioning

Project Scope

- Design and construct 600 kW microturbine
- Install digester gas cleaning system
- Secure Self Generation Incentive Program (SGIP) Funding
- IEUA to own microturbine



600 kW Microturbine

Bid Summary

- On November 21, bids advertised on Planet Bids
- On November 28, two contractors attended job walk
- On December 13, two proposals received

Bidder's Name	Total Price
Geveden Industrial	\$1,876,809
Regatta Solutions	\$2,829,336
Engineer's Estimate	\$2,350,000

Project Cost and Schedule

Description	Estimated Cost
Design	\$47,863
Construction	\$1,828,946
Construction Services (~8%)	\$145,000
Contingency (~10%)	\$183,000
Total Project Cost	\$2,204,809
Total Required Project Budget	\$2,210,000
SGIP Incentive Credit	(\$792,000)

Project Milestone	Date
Construction Contract Award	January 2017
Construction Completion	December 2017

IEUA Goal/Recommendation

Staff Recommends the Board Approves:

- Award of a Design-Build contract for the RP-2 Microturbine Installation Project No. EN17065, to Geveden Industrial in the amount of \$1,876,809;
- Approve a total project budget in the amount of \$2,210,000 and FY budget in the amount of \$850,000 for Project No. EN17065; and
- Authorize the General Manager to execute the contract and approve the establishment of the project budget.

The RP-2 Microturbine Installation project is consistent with the **IEUA's Business Goal of Wastewater Management** that renewable resources will be effectively managed to achieve peak power independence in an environmentally responsible and cost effective manner. The project is also consistent with the Energy Management Plan's goals of reducing digester gas flaring and achieving carbon neutrality by 2030.



CONTRACT NUMBER: 460002263
FOR
INSTALLATION OF MICROTURBINE POWER PLANT AT IEUA REGIONAL PLANT 2

THIS CONTRACT (the "Contract"), is made and entered into this _____ day of _____, _____, 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 "Agency" and "IEUA"), and Geveden Industrial, Inc. of Cottonwood, California (hereinafter referred to as "Contractor") for Design/Build Services for the installation of a Microturbine Power Plant at IEUA Regional Plant Number 2.

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

1. **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: Jesse Pompa, Senior Engineer
Inland Empire Utilities Agency, a Municipal Water District
Address: 6075 Kimball Avenue
Chino, California 91708
Telephone: (909) 993-1545
Facsimile: (909) 993-1987
Email: jpompa@ieua.org

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

Contractor: Bruce T. Geveden
Geveden Industrial
Address: P.O. Box 609
Cottonwood, CA 96022
Telephone: (530) 526-7115
Cell: (530) 736-9624
Facsimile:
Email: bruce@gevedenindustrial.com

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:

- A. Permits issued by the jurisdictional regulatory agencies;
- B. Change Orders/Task Orders/Supplemental Agreements; whichever occurs last;
- C. Amendments to Contract number 4600002XXX;
- D. Contract number 4600002XXX General Terms and Conditions;
- E. Agency's Request for Proposals (RFP) number RFP-SM-17-004;
- F. Contractor's proposal dated December 13, 2016;
- G. Request for Deviation;
- H. 2015 Edition of the Standard Specifications for Public Works Construction (SSPWC)- Green Book, or most recent addition;
- I. Plans;
- J. Standard Plans;
- K. Reference Specifications;
- L. Photos.

4. **SCOPE OF WORK AND SERVICES:** Contractor services and responsibilities shall be in accordance with the Agency's Request for Proposals RFP-SM-17-004, dated November 21, 2016, incorporated herein by this reference.

NOTE: Contractor shall advise Agency within two (2) weeks of any changes to the written Scope of Work/Schedule based upon discussions from any meetings. Any changes must be made in writing by an Amendment to the Contract. Work initiated without written approval, shall be at Contractor's own risk, and shall not be reimbursed by the Agency.

5. **TERM:** The term of this Contract shall extend from the date of the Notice to Proceed, and terminate December 31, 2017 unless agreed to by both parties and amended to this contract.
6. **PAYMENT, INVOICING AND COMPENSATION:** Agency shall pay Contractor's properly executed invoice approved by the Project Manager within thirty (30) days following receipt of the invoice. Payment will be withheld for any service which does not meet or exceed Agency requirements or have proven unacceptable until such service is revised, the invoice resubmitted, and accepted by the Project Manager. Invoices shall include Contract Number 4600002263.

To expedite payment, Contractor's invoices shall be submitted electronically with all required back-up to apgroup@ieua.org.

Contractor shall provide with their invoice certified payroll verifying that Consultant has paid prevailing wage in accordance with the Department of Industrial Relations requirements as stipulated in SB-854 [<http://www.dir.ca.gov/Public-Works/Certified-Payroll-Reporting.html>].

Agency may at any time make changes to the Work including additions, reductions, and changes to any or all of the Work, as directed in writing by the Agency. Such changes shall be made by an Amendment to the Contract. The NOT-TO-EXCEED (NTE) Amount and Work Schedule shall be equitably adjusted, if required, to account for such changes and shall be set forth in the Amendment.

In compensation for the work represented by this Contract, Agency shall pay Contractor's in accordance with the attached fee schedule, which is attached hereto and made a part hereof, up to a maximum NTE total of **\$1,876,808.91** in accordance with progress milestones in the Request for Proposals dated November 21, 2016. Payment shall be made only after review and acceptance of the work by the Agency's Project Manager.

7. **LIQUIDATED DAMAGES:** Liquidated damages, in the amount of \$2,000 per calendar day, shall apply for each full day that the Contractor's completion of the project is delinquent. Any and all liquidated damages shall be paid by the Contractor, or at the Agency's discretion, credited to towards payment for the project. Contractor's acceptance of an award resulting from this Request for Proposal indicates the Contractor's acceptance of this liquidated damages provision and the daily amount expressed herein.

8. **CONTROL OF THE WORK:** Contractor shall perform the Work in compliance with the work schedule. If performance of the Work falls behind schedule, the Contractor shall accelerate the performance of the Work to comply with the work schedule as directed by the Project Manager. If the nature of the Work is such that Contractor is unable to accelerate the Work, Contractor shall promptly notify the Project Manager of the delay, the causes of the delay, and submit a proposed revised work schedule.

8. **FITNESS FOR DUTY:**
 - A. **Fitness:** Contractor and its Subcontractor personnel on the Jobsite:
 1. Shall report for 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)
 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 Agency.

 - B. **Compliance:** Contractor 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. Contractor shall impose these requirements on its Subcontractors. Agency may cancel the Contract if Contractor violates these Fitness for Duty Requirements.

 - C. **SB854 Requirements: Effective January 1, 2015:** The call for bids and contract documents must include the following information:
 1. No contractor or subcontractor may be listed on a bid proposal for a public works project (submitted on or after March 1, 2015) unless registered with the Department

of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].

2. No contractor or subcontractor may be awarded a contract for public work on a public works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5.

3. This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. As such, a PWC-100 shall be generated.

9. **INSURANCE:** During the term of this Contract, the Contractor shall maintain at Contractor'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 Contractor 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.
4. **Professional Liability (Errors and Omissions):** Insurance appropriate to the Contractor's profession, with limit no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.

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 Contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration and defense expenses.

C. **Other Insurance Provisions:** The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. 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 Contractor including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used). The insurance shall include coverage for each of the following hazards:
- (1) Premises – Operations
 - (2) Owners and Contractors Damage
 - (3) Broad Form Property Damage
 - (4) Contractual for Specific Contract
 - (5) Severability of Interests or Cross-Liability
 - (6) XCU [Explosion, Collapse and Underground] Hazards
 - (7) Personal Injury – with the "Employee" Exclusion Deleted
- b. Primary Coverage: The Contractor'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 Contractor'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 Contractor'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 Contractor may satisfy the limit requirements in a single policy or multiple policies. Any such 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

The insurer hereby grants to Agency a waiver of any right to subrogation which any insurer of said Contractor may acquire against the Agency by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any

endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not 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, 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.

4. Builders Risk Insurance completed value (course of construction). The Agency is to be named as the loss payee.

5. Payment, Labor & Material, and Performance Bonds: Bonding is required, per Public Contract Code Article 121, Section 21565, for public works projects. All construction-related labor for this project is designated as the public works portion of this project and therefore subject to prevailing wage. Contractor and subcontractor shall furnish bonding with the use of IEUA forms as furnished by Project Manager or their designee.

D. Acceptability of Insurers: All insurance is to be placed with insurers with a current A.M. Best's rating of no less than A-:VII, and who are admitted insurers in the State of California.

E. Verification of Coverage: Contractor shall furnish 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 Contractor'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: Contractor shall submit all required certificates and endorsements to the following:

Inland Empire Utilities Agency, a Municipal Water District
Attn: Angela Witte, Risk Specialist
P.O. Box 9020
Chino Hills, California 91709

10. LEGAL RELATIONS AND RESPONSIBILITIES

- A. Professional Responsibility: The Contractor 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 Contractor: The Contractor is retained as an independent Contractor only, for the sole purpose of rendering the services described herein, and is not an employee of the Agency.
- C. Observing Laws and Ordinances: Consistent with the standard of skill and care set forth in 10.A, Professional Responsibility, the Contractor shall keep itself fully informed of all relevant existing state and federal laws and all relevant county and city ordinances and regulations which pertain to structural engineering 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 Contractor shall at all times observe and comply with all such existing laws, ordinances, regulations, orders and decrees, and shall to the extent of Contractor's negligence, 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 Contractor or its employees.
Effective July 1, 2014, all Contractors must be registered with the California Dept. of Industrial Relations as required by law SB-854 for public works construction projects:
<http://www.dir.ca.gov/Public-Works/PublicWorks.html>
- D. Confined Space Work:
1. Precautions and Programs:
 - a. The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the work or the activities of subcontractors, suppliers, and others at the work site.
 - b. The Contractors and subcontractors shall comply with the provisions of the Safety and Health Regulations for Construction, promulgated by the Secretary of Labor under Section 107 of the "Contract Work Hours and Safety Standards Act," as set forth in Title 29 C.F.R. If the Agency is notified of an alleged violation of the Occupational Safety and Health Standards referred to in this Section and it is established that there is a violation, the Contractor shall be subject to liquidated damages as provided in the Contract.
 - c. The Contractor and all subcontractors shall comply with the provisions of the Occupational Safety and Health Standards, promulgated by the United States Secretary of Labor under the "Occupational Safety and Health Act of 1970," as set forth in Title 29, C.F.R. Where an individual State act on occupational safety and health standards has been approved by federal authority, then the provisions of said state act shall control.

d. The Contractor shall take all necessary precautions for the safety of, and shall provide the necessary supervision, control, and direction to prevent damage, injury, or loss to:

- 1) All employees on the work or work site and other persons and organizations who may be affected thereby;
- 2) All the work and materials and equipment to be incorporated therein, whether in storage or on or off the work site; and
- 3) All other property at the site.

e. Contract work requiring confined space entry must follow Cal-OSHA Regulation 8 CCR, Sections 5157 - 5158. This regulation requires the following to be submitted to IEUA for approval prior to the start of the project:

- 1) *Proof of training on confined space procedures, as defined in Cal-OSHA Regulation 8 CCR, Section 5157.* This regulation also requires the following to be submitted to IEUA for approval prior to the entry of a confined space:
- 2) *A written plan that includes identification of confined spaces within the construction site, alternate procedures where appropriate, contractor provisions, specific procedures for permit-required and non-permit required spaces, and a rescue plan.*

f. The Contractor must also submit a copy of their Safety Program or IIPP prior to the start of the project for approval by the Safety & Risk Department.

- 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.
- E. Grant Funded Projects: This is not a grant funded project. For grant-funded projects, the Contractor shall be responsible to comply with all grant requirements related to the Project. These may include, but shall not be limited to: Davis-Bacon Act, Endangered Species Act, Executive Order 11246 (Affirmative Action Requirements), Equal Opportunity, Competitive Solicitation, Record Retention and Public Access to Records, and Compliance Review.
- F. 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.
- G. Equal Opportunity and Unlawful Discrimination: During the performance of this Contract, the Contractor 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. To accomplish these goals the Agency has

established procedures regarding the implementation and enforcement of the Agency's Harassment Prohibition and Equal Employment Opportunity commitments. Please refer to Agency Policies A-29 (Equal Employment Opportunity) and A-30 Harassment Prohibition for detailed information or contact the Agency's Human Resources Administrator. A copy of either of these Policies can be obtained by contacting the Project Manager for your respective Contract. Please advise any of your staff that believes they might have been harassed or discriminated against while on Agency property, to report said possible incident to either the Project Manager, or the Agency's Human Resources Administrator. Please be assured that any possible infraction will be thoroughly investigated by the Agency.

- H. Non-Conforming Work and Warranty: Consistent with the standard of skill and care set forth in Section 10.A, Professional Responsibility, Contractor represents and warrants that the Work and Documentation shall be adequate to serve the purposes described in the Contract. If the Project Manager rejects all or any part of the Work or Documentation as unacceptable, and agreement to correct such Work or Documentation cannot be reached without modification to the Contract, Contractor shall notify the Project Manager, in writing, detailing the dispute and reason for Contractor's position. Any dispute that cannot be resolved between the Project Manager and the Contractor, shall be resolved in accordance with the Dispute Section of this Contract.
- I. Disputes:
1. All disputes arising out of or in relation to this Contract shall be determined in accordance with this section. The Contractor shall pursue the work to completion in accordance with the instruction of the Agency's Project Manager notwithstanding the existence of 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 during the pendency of the work shall be subject to resolution by the Agency Project Manager and the Contractor shall comply, pursuant to the Agency Project Manager instructions. If the Contractor is not satisfied with any such resolution by the Agency Project Manager, they may file a written protest with the Agency Project Manager within seven (7) calendar days after receiving written notice of the Agency's decision. Failure by Contractor to file a written protest within seven (7) calendar days shall constitute waiver of protest, and acceptance of the Agency Project Manager's resolution. The Agency's Project Manager shall submit the Contractor's written protests to the General Manager, together with a copy of the Agency Project Manager's written decision, for his or her consideration within seven (7) calendar days after receipt of said protest(s). The General Manager shall

make his or her determination with respect to each protest filed with the Agency Project Manager within ten (10) calendar days after receipt of said protest(s). If Contractor 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 hereto 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 Contractor to be appointed as Arbitrator. The Agency shall determine if any of the names submitted by Contractor are acceptable and, if so, such person will be designated as Arbitrator.
 - b. In the event that none of the names submitted by Contractor are acceptable to Agency, or if for any reason the Arbitrator selected in Step (a) is unable to serve, the Agency shall submit to Contractor a list of five names of persons acceptable to Agency for appointment as Arbitrator. The Contractor 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.
- J. Joinder in Mediation/Arbitration: The Agency may join the Contractor in mediation or arbitration commenced by a Contractor on the Project pursuant to Public Contracts Code Sections 20104 et seq. Such joinder shall be initiated by written notice from the Agency's representative to the Contractor.

11. **INDEMNIFICATION:** Contractor 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 Contractor, its directors, employees, agents and assigns, in the performance of work under this contract. Notwithstanding the foregoing, to the extent that this Contract includes design professional services under Civil Code Section 2782.8, as may be amended from time to time, such duties of Consultant to defend and to indemnify Agency shall only be to the full extent permitted by Civil Code Section 2782.8.

Consultant shall have no duty to defend Agency, but Consultant shall pay as damages to Agency all reasonable attorney's fees and costs incurred by Agency to the extent incurred by Agency arising out of Consultant's actual or alleged negligent acts, errors, or omissions. Further, Consultant shall assume sole responsibility for the investigation, analysis, and defense of any and all issues alleged against Agency or Consultant to the extent alleged, based on, or arising out of Consultant's scope of work, or Consultant's actual or alleged negligent acts, errors, or omissions.

12. 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 Contractor and/or the Contractor's subcontractor(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 Contractor shall deliver same to the Agency whenever requested to do so by the Project Manager and/or Agency. The Contractor agrees that same shall not be made available to any individual or organization, private or public, without the prior written consent of the Agency.

Said materials and documents shall not be changed or used for purposes other than those set forth in the Contract without the prior written approval of Contractor. If Agency reuses the materials and documents without Contractor's prior written consent, changes or uses the materials and documents other than as intended hereunder, Agency shall do so at its sole risk and discretion, and Contractor shall not be liable for any claims and/or damages resulting from use or connected with the release of or any third party's use of the reused materials or documents.

13. TITLE AND RISK OF LOSS:

- A. Documentation: Title to the Documentation shall pass, subject to payment therefore, to Agency when prepared; however, a copy may be retained by Contractor for its records and internal use. Contractor 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 Agency or for the performance of Work related to the project.
- B. Material: Title to all Material, field or research equipment, subject to payment therefore, and laboratory models, procured or fabricated under the Contract shall pass to Agency when procured or fabricated, and such title shall be free and clear of any and all encumbrances. Contractor shall have risk of loss of any Material or Agency-owned equipment of which it has custody.
- C. Disposition: Contractor shall dispose of items to which Agency has title as directed in writing by the Agreement Administrator and/or Agency.

14. 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 Contractor in the performance of the Work, shall be governed by the following provisions:

1. Proprietary Rights conceived, developed, or reduced to practice by Contractor in the performance of the Work shall be the property of Agency, and Contractor shall cooperate with all appropriate requests to assign and transfer same to Agency.
 2. If Proprietary Rights conceived, developed, or reduced to practice by Contractor prior to the performance of the Work are used in and become integral with the Work or Documentation, or are necessary for Agency to have complete enjoyment of the Work or Documentation, Contractor shall grant to Agency a non-exclusive, irrevocable, royalty-free license, as may be required by Agency for the complete enjoyment of the Work and Documentation, including the right to reproduce, correct, repair, replace, maintain, translate, publish, use, modify, copy or dispose of any or all of the Work and Documentation and grant sublicenses to others with respect to the Work and Documentation.
 3. If the Work or Documentation includes the Proprietary Rights of others, Contractor shall procure, at no additional cost to Agency, all necessary licenses regarding such Proprietary Rights so as to allow Agency the complete enjoyment of the Work and Documentation, including the right to reproduce, correct, repair, replace, maintain, translate, publish, use, modify, copy or dispose of any or all of the Work and Documentation and grant sublicenses to others with respect to the Work and Documentation. All such licenses shall be in writing and shall be irrevocable and royalty-free to Agency.
 4. Notwithstanding anything to the contrary herein, Contractor's Work and Documentation shall not be changed or used for purposes other than those set forth in the Contract, without the prior written approval of the Contractor. If the Agency reuses the Work or Documentation without Contractor's prior written consent, changes or uses the Work or Documentation other than as intended hereunder, Agency shall do so at its sole risk and discretion, and Contractor shall not be liable for any claims and or damages resulting from use or connected with the release of or any third party's use of the reused materials or documents.
- B. No Additional Compensation: Nothing Set forth in this Contract shall be deemed to require payment by Agency to Contractor of any compensation specifically for the assignments and assurances required hereby, other than the payment of expenses as may be actually incurred by Contractor in complying with this Contract.
15. INFRINGEMENT: Contractor represents and warrants that the Work and Documentation shall be free of any claim of trade secret, trade mark, trade name, copyright, or patent infringement or other violations of any Proprietary Rights of any person.

Contractor shall defend, indemnify and hold harmless, Agency, its officers, directors, agents, employees, successors, assigns, servants, and volunteers free and harmless from any and all liability, damages, losses, claims, demands, actions, causes of action, and costs including reasonable attorney's fees and expenses to the extent of Contractor's negligence for any claim that use of the Work or Documentation infringes upon any trade secret, trade mark, trade name, copyright, patent, or other Proprietary Rights.

Contractor shall, at its expense and at Agency's option, refund any amount paid by Agency under the Contract, or exert its best efforts to procure for Agency the right to use the Work and Documentation, to replace or modify the Work and Documentation as approved by Agency so as to obviate any such claim of infringement, or to put up a satisfactory bond to permit Agency's continued use of the Work and Documentation.

16. **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 Facilities Services
Inland Empire Utilities Agency
6075 Kimball Avenue, Building A
Chino, California 91708

Contractor: Bruce T. Geveden
Project Manager
Geveden Industrial
PO Box 609
Cottonwood, CA 96022

Any notice given hereunder 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 with the United States Postal Service.

17. **SUCCESSORS AND ASSIGNS:** All of the terms, conditions and provisions of this Contract shall inure to the benefit of and be binding upon the Agency, the Contractor, and their respective successors and assigns. Notwithstanding the foregoing, no assignment of the duties or benefits of the Contractor 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.
18. **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 Contractor of any requests for disclosure of any documents pertaining to Contractor.

In the event of litigation concerning disclosure of information Contractor 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 Contractor has marked "Confidential," "Proprietary," or "Trade Secret," Contractor shall defend and indemnify Agency from all liability, damages, costs, and expenses, including attorneys' fees, in any action or proceeding arising under the Public Records Act.

19. **RIGHT TO AUDIT:** The Agency reserves the right to review and/or audit all Contractors' 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 Contractor. The Contractor shall make all records and related documentation available within three (3) working days after said records are requested by the Agency.
20. **INTEGRATION:** The Contract Documents represent the entire Contract of the Agency and the Contractor as to those matters contained herein. 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 Contractor.
21. **GOVERNING LAW:** This Contract is to be governed by and constructed in accordance with the laws of the State of California.
22. **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 Contractor. In the event of such termination, the Agency shall pay Contractor for all authorized and Contractor-invoiced services up to the date of such termination.
23. **CHANGES:** 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 of the work. However, such changes shall only be made via written amendment to this Contract. The Contract Price and Work Schedule shall be equitably adjusted, if required, to account for such changes and shall be set forth within the Contract Amendment.
24. **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.
25. **NOTICE TO PROCEED:** No services shall be performed or furnished under this Contract unless and until this document has been properly signed by all responsible parties and a Notice to Proceed order has been issued to the Contractor.

[Remainder of Page Intentionally Left Blank; Signature Page To Follow]

IN WITNESS WHEREOF, 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:

GEVEDEN INDUSTRIAL.:

P. Joseph Grindstaff (Date)
General Manager

Bruce T. Geveden

BRUCE T. GEVEDEN (Date)
Project Manager

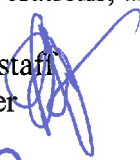
**ACTION
ITEM
1C**





Date: January 18, 2017

To: The Honorable Board of Directors

Through: Engineering, Operations, and Biosolids Management Committee (01/11/17)

From: P. Joseph Grindstaff
General Manager 

Submitted by: Chris Berch 
Executive Manager of Engineering/Assistant General Manager

Shaun J. Stone 
Manager of Engineering

Subject: RP-1 Flare Consulting Services Contract Award

RECOMMENDATION

It is recommended that the Board of Directors:

1. Award the consulting engineering services contract for the RP-1 Flare Improvements Project No. EN18006, to LEE & RO, Inc., for the not-to-exceed amount of \$378,030; and
2. Authorize the General Manager to execute the contract.

BACKGROUND

The Regional Water Recycling Plant No. 1 (RP-1) has been in service for over 60 years. As part of the treatment process the facility generates digester gas. Digester gas is produced within the digesters and conveyed via pipeline to gas consumers within RP-1; currently hot water boilers and future cogeneration facilities (internal combustion engines, microturbines, etc.).

Currently, the only active gas consumer are the hot water boilers which produce necessary hot water for digesters heating; however, the boilers only consume about 25 percent of the digester gas produced and the rest of the gas must be flared. The flare system is essential to the gas system operation in maintaining regulatory compliance and safety, essentially functioning as a large pressure relief valve. The existing RP-1 flare (original to plant) has limited capacity and cannot support the increased digester gas production projected for RP-1. If digester gas is not able to be flared

adequately, the gas pressure within the digesters will rise and result in venting gas which would be a violation of the South Coast Air Quality Management District (SCAQMD) regulatory requirements.

SCAQMD will consider the adoption of the 2016 Air Quality Management Plan in February 2017. In the Plan, the SCAQMD is seeking emission reductions from non-refinery flares by requiring all non-refinery flares to meet current best available control technology.

In order to meet the new proposed requirements, this project will install three new gas flares to effectively control and accommodate the maximum digester production at RP-1. The upgraded flare system will be fully redundant, automated, and will maintain the highest levels of operability, serviceability, and reliability for current and long-term operations and regulatory requirements.

On November 2, 2016, Inland Empire Utilities Agency's (IEUA) staff advertised on *Planet Bids* the Request for Proposals for consulting engineering services. On November 29, 2016, IEUA received three proposals. The proposals were reviewed by a selection committee consisting of IEUA staff from Engineering and Construction Management, Operations and Maintenance, and Contracts. Based on the project team qualifications and experience, understanding of the project scope, and ability to meet the project schedule, the committee concurred that LEE & RO, Inc. was the most qualified firm to do the work. Staff reviewed LEE & RO, Inc. fee proposal and concluded that the proposed fee is fair, equitable, and appropriate for the scope of the project.

Below are the projected costs for the project:

Description	Estimated Cost
Project Development	\$50,000
Design Consultant	\$378,030
Design Services (~ 5%)	\$125,000
Construction	\$2,600,000
Construction Services (~10%)	\$260,000
Contingency (~15%)	\$390,000
Total Projected Cost	\$3,803,030
Total Project Budget	\$4,000,000

The overall project schedule is as follows:

Project Milestone	Date
Consultant Contract Award	January 2017
Design Completion	November 2017
Construction Contract Award	February 2018
Construction Completion	February 2019

The RP-1 Flare Improvements project is consistent with *IEUA's Business Goal of Wastewater Management and Environmental Stewardship* that systems will be master planned, managed, and

constructed to ensure that design/construction can be completed to protect the environment through conservation and sustainable practices.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

If approved, the consulting engineering services contract award for the RP-1 Flare Improvements Project No. EN18006, for the not-to-exceed amount of \$378,030 will be within the total project budget of \$4,000,000 in the Regional Wastewater Capital (RC) Fund.

PJG:CB:SS:jz

RP-1 Flare Improvements Engineering Services Contract Award

Project No. EN18006
January 2017



Inland Empire Utilities Agency

A MUNICIPAL WATER DISTRICT

Jamal Zughbi, P.E.
Project Manager

RP-1 Project Location



Project Background/Goal

- Limited permitted capacity
- Aged below grade digester gas piping system without access/inspection ports
- Effectively control the maximum digester production
- Enhance reliability and compliance
- Design to meet the 2016 Air Quality Management Plan



Digester Gas Piping To The Flare

Project Scope

- Evaluate viable alternatives for new flare locations
- Design and install three new enclosed ground flares
- Evaluate and upgrade existing gas scrubber and piping systems
- Predesign to upgrade/replace existing underground digester gas piping
- Provide reliable control system with sufficient backup power



Example Future Flare System Image

Consultant Selection

- Three proposals were received on November 29, 2016
 - LEE & RO, Inc., GHD, Inc. and CivilTec Engineering, Inc.
- Selected LEE & RO, Inc.
 - Good understanding of scope of work
 - Project team qualification and experience
 - Demonstrated experience on similar projects



Partial Digester Area

Project Budget and Schedule

Description	Estimated Cost
Project Development	\$50,000
Design Consultant	\$378,030
Design Services (~5%)	\$125,000
Construction	\$2,600,000
Construction Services (~10%)	\$260,000
Contingency (~15%)	\$390,000
Total Project Cost	\$3,803,030
Total Project Budget	\$4,000,000

Project Milestone	Date
Consultant Contract Award	January 2017
Design Completion	November 2017
Construction Contract Award	February 2018
Construction Completion	February 2019

IEUA Recommendation/Goal

Staff recommends that the Board of Directors approve the consulting engineering services contract award to LEE & RO, Inc. for the RP-1 Flare Improvements Project No. EN18006, for the not-to-exceed amount of \$378,030, and authorize the General Manager to execute the contract.

The RP-1 Flare Improvements project is consistent with the **IEUA's Business Goal of Wastewater Management and Environmental Stewardship** that systems will be master planned, managed, and constructed to ensure that design/construction can be completed to protect the environment through conservation and sustainable practices.



CONTRACT NUMBER: 4600002261
FOR
CONSULTING ENGINEERING SERVICES
FOR THE
RP-1 FLARE IMPROVEMENTS PROJECT,
PROJECT NO. EN18006

THIS CONTRACT (the "Contract"), is made and entered into this ____ day of _____, _____, 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.")

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

1. **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: Mr. Jamal Zughbi, P.E., Sr. Engineer
Address: 6075 Kimball Avenue, Building B
Chino, California 91708
Telephone: (909) 993-1698
Email: jzughbi@ieua.org
Facsimile: (909) 993-1982

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

Piping Consultant: Mr. Lee Badertscher, P.E., Lead Design Engineer / Gas
Address: 1199 S. Fullerton Road
City of Industry, CA 91748
Telephone: (626) 912-3391
Email: lee.badertscher@lee-ro.com
Facsimile: (626) 912-2015

3. **ORDER OF PRECEDENCE:** The documents referenced below represent the Contract Documents. Where any conflicts exist between the General Terms and Conditions, or addenda attached, then the governing order of precedence shall be as follows:
 - A. Amendments to Contract 4600002261.
 - B. Contract Number 4600002261, General Terms and Conditions.
 - C. Agency's Request for Proposals ("RFP") RFP-RW-16-030 and germane addenda.
 - E. Consultant's Proposal dated November 29, 2016.
4. **SCOPE OF WORK AND SERVICES:** Consultant services and responsibilities shall include, and be in accordance with tasks identified in IEUA's Request for Proposals ("RFP") RFP-RW-16-030 (interchangeably "the Work"), which are referenced herein, incorporated herein by reference, and made a part hereof by this reference. All referenced services and responsibilities shall be additionally in accordance with the germane Addenda, incorporated herein by reference. The Project may receive a State Revolving Fund (SRF) Loan or a grant from the State; therefore, all design work and Project requirements shall be in accordance with the SRF Loan/Grant requirements attached to the RFP.
5. **TERM:** The term of this Contract shall extend from the date of the Notice to Proceed and terminate upon one year of completed construction, unless agreed to by both parties, reduced to writing, and amended to this Contract.
6. **COMPENSATION:** Consultant's invoice must be submitted according to milestones achieved by Consultant and accepted by the Agency's Project Manager, and shall include a breakdown by items completed, referencing State Prevailing Wages, all associated labor categories provided, labor hours supplied and associated hourly rates, dates worked, the current monthly amount due, and the cumulative amount invoiced to-date against this Contract. Invoicing shall be submitted electronically to apgroup@ieua.org, using the Agency's standard Excel®-based invoicing template (**Exhibit A**). A template will be furnished in Microsoft® Excel® 2013. Invoicing shall not be submitted in advance of, or shall not be dated earlier than, the actual date of submittal.

Agency may at any time make changes to the Work including additions, reductions, and changes to any or all of the Work, as directed in writing by the Agency. Such changes shall be made by an Amendment to the Contract. The NOT-TO-EXCEED Amount and Work Schedule of the RFP shall be equitably adjusted, if required, to account for such changes and shall be set forth in the Amendment.

In compensation for the Work represented by this Contract, Agency shall pay Consultant a **NOT-TO-EXCEED maximum total of \$378,030.00** for all services provided in accordance with Tasks One through Seven (1-7) of Consultant's Fee Proposal, attached hereto, made a part hereof, and referenced herein as **Exhibit B**. Payment shall be made according to milestones achieved by Consultant and accepted by the Agency's Project Manager.

For any Work performed which is determined to be public works having costs in excess of \$1,000.00, Certified Payroll Reporting must be transmitted to the Department of

Industrial Relations (DIR) as per <http://www.dir.ca.gov/Public-Works/Prevailing-Wage.html> with copies to IEUA's Accounting Department.

7. CONTROL OF THE WORK: Consultant shall perform the Work in compliance with the Work Schedule. If performance of the Work falls behind schedule, the Consultant shall accelerate the performance of the Work to comply with the Work Schedule 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 Work Schedule.
8. FITNESS FOR DUTY:
 - A. Fitness: Consultant and its Subcontractor personnel on the Jobsite:
 1. Shall report for 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 Agency.
 4. Confined Space Work:

Precautions and Programs:

 - a. The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the work or the activities of subcontractors, suppliers, and others at the work site.
 - b. The Contractors and subcontractors shall comply with the provisions of the Safety and Health Regulations for Construction, promulgated by the Secretary of Labor under Section 107 of the "Contract Work Hours and Safety Standards Act," as set forth in Title 29 C.F.R. If the Agency is notified of an alleged violation of the Occupational Safety and Health Standards referred to in this Section and it is established that there is a violation, the Contractor shall be subject to liquidated damages as provided in the Contract.
 - c. The Contractor and all subcontractors shall comply with the provisions of the Occupational Safety and Health Standards, promulgated by the United States Secretary of Labor under the "Occupational Safety and Health Act of 1970," as set forth in Title 29, C.F.R. Where an individual State act on occupational safety and health standards has been approved by federal authority, then the provisions of said state act shall control.

d. The Contractor shall take all necessary precautions for the safety of, and shall provide the necessary supervision, control, and direction to prevent damage, injury, or loss to:

- 1) All employees on the work or work site and other persons and organizations who may be affected thereby;
- 2) All the work and materials and equipment to be incorporated therein, whether in storage or on or off the work site; and
- 3) All other property at the site.

e. Contract work requiring confined space entry must follow Cal-OSHA Regulation 8 CCR, Sections 5157 - 5158. This regulation requires the following to be submitted to IEUA for approval prior to the start of the Project:

- 1) *Proof of training on confined space procedures, as defined in Cal-OSHA Regulation 8 CCR, Section 5157.* This regulation also requires the following to be submitted to IEUA for approval prior to the entry of a confined space:
- 2) *A written plan that includes identification of confined spaces within the construction site, alternate procedures where appropriate, contractor provisions, specific procedures for permit-required and non-permit required spaces, and a rescue plan.*

f. The Contractor must also submit a copy of their Safety Program or IIPP prior to the start of the Project for approval by the IEUA Safety Department.

B. **Compliance:** Consultant shall advise all Consultant and subcontractor 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 Subcontractors. Agency may cancel the Contract if Consultant violates these Fitness for Duty Requirements.

C. **Effective January 1, 2015:** Contract documents must include the following information in accordance with SB854:

1. No contractor or subcontractor may be listed on a bid proposal for a public works project (submitted on or after March 1, 2015) unless registered with the Department of Industrial Relations (DIR) pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].
2. No contractor or subcontractor may be awarded a contract for public work on a public works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations (DIR) pursuant to Labor Code section 1725.5.

3. This Project is subject to compliance monitoring and enforcement by the Department of Industrial Relations (DIR). As such, a PWC-100 shall be generated for any Work performed which is determined to be public works having costs in excess of \$1,000.00.

9. **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.
4. **Professional Liability (Errors and Omissions)**: Insurance appropriate to the Consultant's profession, with limit no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.

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, claims administration and defense expenses.

C. **Other Insurance Provisions**: The policies are to contain, or be endorsed to contain, the following provisions:

1. 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 furnished 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 both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions 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 such 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**

The insurer hereby grants to Agency a waiver of any right to subrogation which any insurer of said 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 or not 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, 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.

- D. Acceptability of Insurers: All insurance is to be placed with insurers with a current A.M. Best's rating of no less than A-:VII, and who are admitted insurers in the State of California.
- E. Verification of Coverage: Consultant shall furnish 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, a Municipal Water District
Attn: Ms. Angela Witte, Risk Specialist
P.O. Box 9020
Chino Hills, California 91709

10. 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 rendering 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 or its employees.

- 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.
- E. Hours of Labor: The Consultant shall comply with all applicable provisions of California Labor Code Sections 1810 to 1817 relating to working hours. The Consultant shall, as a penalty to the Agency, forfeit \$25.00 for each worker employed in the execution of the Contract by the Consultant or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one (1) 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 execute the work and/or service, as such travel and subsistence payments are defined in the applicable collective bargaining agreements with the worker.
- G. Liens: Consultant shall pay all sums of money that become due from any labor, services, materials or equipment furnished to Consultant on account of said services to be rendered or said materials to be furnished 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. 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.
- I. Equal Opportunity and Unlawful Discrimination: 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. To accomplish these goals the Agency has established procedures regarding the implementation and enforcement of the Agency's Harassment Prohibition and Equal Employment Opportunity commitments. Please refer to Agency Policies A-29 (Equal Employment Opportunity) and A-30 Harassment Prohibition for detailed information or contact the Agency's Human Resources Administrator. A copy of either of these Policies can be obtained by contacting the Project Manager for your respective Contract. Please advise any of your staff that believes they might have been harassed or discriminated against while on Agency property, to report said possible incident to either the Project Manager, or the Agency's Human Resources Administrator. Please be assured that any possible infraction shall be thoroughly investigated by the Agency.
- J. Non-Conforming Work and Warranty: Consultant represents and warrants that the Work and Documentation shall be adequate to serve the purposes described in the

Contract. For a period of not less than one (1) year after acceptance of the completed Work, Consultant shall, at no additional cost to Agency, correct any and all errors in and shortcomings of the Work or Documentation, regardless of whether any such errors or shortcoming is brought to the attention of Consultant by Agency, or any other person or entity. Consultant shall within three (3) calendar days, correct any error or shortcoming that renders the Work or Documentation dysfunctional or unusable and shall correct other errors within thirty (30) calendar days after Consultant's receipt of notice of the error. Upon request of Agency, Consultant shall correct any such error deemed important by Agency in its sole discretion to Agency's continued use of the Work or Documentation within seven (7) calendar days after Consultant's receipt of notice of the error. If the Project Manager rejects all or any part of the Work or Documentation as unacceptable and agreement to correct such Work or Documentation cannot be reached without modification to the Contract, Consultant shall notify the Project Manager, in writing, detailing the dispute and reason for the Consultant's position. Any dispute that cannot be resolved between the Project Manager and Consultant shall be resolved in accordance with the provisions of this Contract.

K. Disputes:

1. All disputes arising out of or in relation to this Contract shall be determined 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 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 during the pendency of the work shall be subject to resolution by the Agency Project Manager and the Consultant shall comply, pursuant to the Agency Project Manager instructions. If the Consultant is not satisfied with any such resolution by the Agency Project Manager, they may file a written protest with the Agency Project Manager within seven (7) calendar days after receiving written notice of the Agency's decision. Failure by Consultant to file a written protest within seven (7) calendar days shall constitute waiver of protest, and acceptance of the Agency Project Manager's resolution. The Agency's Project Manager shall submit the Consultant's written protests to the General Manager, together with a copy of the Agency Project Manager's written decision, for his or her consideration within seven (7) calendar days after receipt of said protest(s). The General Manager shall make his or her determination with respect to each protest filed with the Agency Project Manager within ten (10) calendar days after receipt of said

protest(s). 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 hereto 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 shall 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. Joinder in Mediation/Arbitration: The Agency may join the Consultant in mediation or arbitration commenced by a contractor on the Project pursuant to Public Contracts Code Sections 20104 *et seq.* Such joinder shall be initiated by written notice from the Agency's representative to the Consultant.
- L. Grant-Funded: This may become a grant-funded and State Revolving Funds (SRF) funded Project. The Consultant shall be responsible to comply with all grant and SRF requirements related to the Project as outlined in IEUA's Request for Proposals ("RFP") RFP-RW-16-030, referenced herein, incorporated herein by reference, and made a part hereof by this reference. These requirements may include, but shall not be limited to: Davis-Bacon Act, Endangered Species Act, Executive Order 11246 (Affirmative Action Requirements), Equal Opportunity, Competitive Solicitation, Record Retention and Public Access to Records, and Compliance Review. Federal funding of any portion of this Project will have

separate, additional reporting accountability on the use of funds. Should grant and SRF funding be approved as applied for, the conditions will be added to the Contract via Amendment.

11. INDEMNIFICATION: Consultant shall indemnify the Agency, its directors, employees and assigns, and shall 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. Notwithstanding the foregoing, to the extent that this Contract includes design professional services under Civil Code Section 2782.8, as may be amended from time to time, such duties of Consultant to defend and to indemnify Agency shall only be to the full extent permitted by Civil Code Section 2782.8.

Consultant shall have no duty to defend Agency, but Consultant shall pay as damages to Agency all reasonable attorney's fees and costs incurred by Agency to the extent incurred by Agency arising out of Consultant's actual or alleged negligent acts, errors, or omissions. Further, Consultant shall assume sole responsibility for the investigation, analysis, and defense of any and all issues alleged against Agency or Consultant to the extent alleged, based on, or arising out of Consultant's scope of work, or Consultant's actual or alleged negligent acts, errors, or omissions.

12. 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 subcontractor(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 same to the Agency whenever requested to do so by the Project Manager and/or Agency. The Consultant agrees that same shall not be made available to any individual or organization, private or public, without the prior written consent of the Agency.

13. TITLE AND RISK OF LOSS:

A. Documentation: Title to the Documentation shall pass to 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 Agency or for the performance of Work related to the Project.

B. Material: Title to all Material, field or research equipment, and laboratory models, procured or fabricated under the Contract shall pass to 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 Agency has title as directed in writing by the Agreement Administrator and/or Agency.

14. 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:

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.

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

If the Work or Documentation 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 enjoyment of the Work and Documentation, including the right to reproduce, correct, repair, replace, maintain, translate, publish, use, modify, copy or dispose of any or all of the Work and Documentation and grant sublicenses to others with respect to the Work and Documentation. All such licenses shall be in writing and shall be irrevocable and royalty-free to Agency.

B. No Additional Compensation: Nothing Set forth in this Contract shall be deemed to require payment by Agency to Consultant of any compensation specifically for the assignments and assurances required hereby, other than the payment of expenses as may be actually incurred by Consultant in complying with this Contract.

15. INFRINGEMENT: Consultant represents and warrants that the Work and Documentation shall be free of any claim of trade secret, trade mark, trade name, copyright, or patent infringement or other violations of any Proprietary Rights of any person. Consultant shall defend, indemnify and hold harmless, Agency, its officers, directors, agents, employees, successors, assigns, servants, and volunteers free and harmless from any and all liability, damages, losses, claims, demands, actions, causes of action, and costs including reasonable attorney's fees and expenses arising out of any claim that use of the

Work or Documentation infringes upon any trade secret, trade mark, trade name, copyright, patent, or other Proprietary Rights.

Consultant shall, at its expense and at Agency's option, refund any amount paid by Agency under the Contract, or exert its best efforts to procure for Agency the right to use the Work and Documentation, to replace or modify the Work and Documentation as approved by Agency so as to obviate any such claim of infringement, or to put up a satisfactory bond to permit Agency's continued use of the Work and Documentation.

16. 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
Inland Empire Utilities Agency, a Municipal Water District
P.O. Box 9020
Chino Hills, California 91709

Consultant: Dhiru Patel, P.E.
President
Lee & Ro, Inc.
1199 S. Fullerton Road
City of Industry, CA 91748

Any notice given hereunder 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 with the United States Postal Service.

17. SUCCESSORS AND ASSIGNS: All of the terms, conditions and provisions of this Contract shall inure to the benefit of and be binding upon the Agency, the Consultant, and their respective successors and assigns. Notwithstanding the foregoing, 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.
18. 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 Consultant.

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, including attorneys' fees, in any action or proceeding arising under the Public Records Act.

19. 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 Consultant. The Consultant shall make all records and related documentation available within three (3) working days after said records are requested by the Agency.
20. INTEGRATION: The Contract Documents represent the entire Contract of the Agency and the Consultant as to those matters contained herein. 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.
21. GOVERNING LAW: This Contract is to be governed by and constructed in accordance with the laws of the State of California.
22. 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.
23. 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.
24. NOTICE TO PROCEED: No services shall be performed or furnished under this Contract unless and until this document has been properly signed by all responsible parties and a Notice to Proceed order has been issued to the Consultant.

IN WITNESS WHEREOF, the parties hereto have caused the Contract to be entered as of the day and year written above.

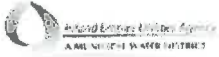
INLAND EMPIRE UTILITIES AGENCY:
(A Municipal Water District)

LEE & RO, INC.:

P. Joseph Grindstaff (Date)
General Manager

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

Exhibit A



**INLAND EMPIRE UTILITIES AGENCY
CONSULTING SERVICES INVOICE**

Company: ABC Company	Pay Est. No.:	Contract Date:	Invoice Date: #####
Address:	Contract No.: 46-xxxx	IEUA Project Manager: Jamal Zughbi	This Period: From: 9/1/2015 To: 9/30/2015
Phone No.:	Proj. Name & No: RP-1 Improvements Project, EN15xxx		Invoice No. /Consult Ref XXXXXX

ORIGINAL CONTRACT:

PO No.	SAP Line Item No.	WBS Element No.	Item Description	Original Contr. Value	Total This Period		Total to Date		Progress to Date	Remaining Contract Value
				Amount (\$)	% Complete	Amount (\$)	% Complete	Amount (\$)		
45-xxxx	1	EN15xxx.00.F.DN50	50% Design Services	\$0.00	#DIV/0!	\$0.00	#DIV/0!	\$0.00	#DIV/0!	\$0.00
	2	EN15xxx.00.F.DN85	85% Design Services	\$0.00	#DIV/0!	\$0.00	#DIV/0!	\$0.00	#DIV/0!	\$0.00
	3	EN15xxx.00.F.DFLP	Final Design	\$0.00	#DIV/0!	\$0.00	#DIV/0!	\$0.00	#DIV/0!	\$0.00
	4	EN15xxx.00.G.CNSW.00	Constr Support Services		#DIV/0!	\$0.00	#DIV/0!	\$0.00	#DIV/0!	\$0.00
Subtotal Original Contract				\$0.00		\$0.00		\$0.00		\$0.00

CONTRACT AMENDMENTS:

PO No.	SAP Line Item No.	WBS Element No.	Amendment Description	Amended Contract Value	Total This Period		Total to Date		Progress to Date	Remaining Contract Value
				Amount (\$)	% Complete	Amount (\$)	% Complete	Amount (\$)		
						\$0.00		\$0.00	0%	0%
						\$0.00		\$0.00	0%	0%
						\$0.00		\$0.00	0%	0%
Subtotal Contr. Amendm				\$0.00		\$0.00		\$0.00		\$0.00
Total Cont. with Amendm				\$0.00		\$0.00		\$0.00		\$0.00

PAYMENT SUMMARY FOR THIS PERIOD:

	From: 9/1/2015	
	To: 9/30/2015	
Amount Earned Original Contract	\$0.00	
Amount Earned Amendments	\$0.00	
Back Charges	\$0.00	
Amount Due This Period	\$0.00	

PRIOR PAYMENT SUMMARY:

	From:	
	To:	
Amount Earned Orig Contract	\$0.00	
Amount Earned Amendments	\$0.00	
Back Charges	\$0.00	
Prior Payments	\$0.00	

TOTAL PAYMENT SUMMARY:

	Total Contract
Total Original Contract	\$0.00
Total Contract Amendments	\$0.00
Total Payments to Date	\$0.00
Back Charges	\$0.00
Payment this period	\$0.00
Balance of Contract	\$0.00

CONTRACT SCHEDULE SUMMARY:

Contract Start Date:	10/9/2014
Contract Duration:	365
Contract Completion Date:	10/9/2015
Authorized Time Extension:	0
Revised Completion Date:	10/9/2015

PROJECT COMPLETION SUMMARY:

Contract Time Expired:	102%
Contract Work Complete:	#DIV/0!

Consultant Approval:

Title: _____ Signature: _____ Date: _____

Inland Empire Utilities Agency Approvals:

Proj. Engineer: _____ Date: _____ Exec Mgr. / Assistant GM: _____ Date: _____
 Deputy Manager: _____ Date: _____ General Manager: _____ Date: _____
 Dept. Manager: _____ Date: _____

Exhibit B



1199 South Fullerton Road, City of Industry, CA 91748
Tel: (626) 912-3391
Fax: (626) 912-2015
www.LEE-RO.com

November 29, 2016

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

Subject: FEE PROPOSAL for Consulting Engineering Services for RP-1 Flare Improvements
Project, Project No. EN18006

Dear Mr. Zughbi:

LEE & RO, Inc. is pleased to submit our fee proposal for consulting engineering services for the subject project.

We have enclosed our Fee Proposal as **Exhibit 1**. All work will be performed on a time and material "not-to-exceed" basis for the agreed to price. Our Standard Billing Rate Schedule is included as **Exhibit 2** and rates for Other Direct Costs are included as **Exhibit 3**.

Thank you for the opportunity to submit this proposal. We would be pleased to review our fees with you. Should you have any questions regarding the enclosed fee, please do not hesitate to contact me.

Sincerely,

LEE & RO, Inc.

A handwritten signature in black ink, appearing to read 'D Patel', is written over the printed name.

Dhiru Patel, PE
Vice President

Encl: Exhibit 1 - Fee Proposal, Exhibit 2 – Billing Rate Schedule, Exhibit 3 – Other Direct Costs

Exhibit 2
LEE & RO, Inc.
FY 2016-2017 HOURLY BILLING RATE SCHEDULE
(Effective From November 1, 2016 to October 31, 2017)

PERSONNEL CLASSIFICATION			BILLING RATES (\$/HOUR)
ENGINEERS			
Engineer 8	E8	Managing Engineer	229
Engineer 7	E7	Supervising Engineer	206
Engineer 6	E6	Principal Engineer	185
Engineer 5	E5	Senior Engineer	167
Engineer 4	E4	Engineer	151
Engineer 3	E3	Associate Engineer	135
Engineer 2	E2	Assistant Engineer	120
Engineer 1	E1	Junior Engineer	105
CAD / DESIGNERS			
Designer 6	T6	Principal Designer	151
Designer 5	T5	Senior Designer	135
Designer 4	T4	Designer	120
Designer 3	T3	Associate Designer	105
Designer 2	T2	Assistant Designer	90
Designer 1	T1	Junior Designer	77
FIELD PROFESSIONALS			
Field Professional 6	F6	Construction Manager	185
Field Professional 5	F5	Senior Resident Engineer	167
Field Professional 4	F4	Resident Engineer	151
Field Professional 3	F3	Senior Inspector	135
Field Professional 2	F2	Inspector	120
Field Professional 1	F1	Assistant Inspector	105
ADMINISTRATIVE			
Administrative 3	A3	Senior Word Processor	105
Administrative 2	A2	Word Processor	90
Administrative 1	A1	Administrative Assistant	77

Exhibit 3
LEE & RO, Inc.

2017 Other Direct Costs (ODC) Billing Rate Schedule

FY 2017 (from November 1, 2016 to October 31, 2017)

Automobile Mileage	IRS Published Rate
In-house Reproduction	\$0.08 / sheet (8.5 x 11 Bond B & W) \$0.20 / sheet (8.5 x 11 Bond Color) \$0.15 / sheet (11 x 17 Bond B & W) \$0.40 / sheet (11 x 17 Color) \$1.15 / sheet (24 x 36 Bond)
Mylar Original Drawing	\$7.00 / sheet (24 x 36 or 22 x 34)
Work Stations and Computers	No Charge
Subconsultant Mark-up	Subconsultant Invoice Amount Plus 5% Unless Client Specifies Otherwise
Reproduction by Outside Printing Firm	Invoice amount plus 5% Handling Charge Unless Client specifies otherwise
Other Direct Costs & Expenses including Overnight Mailing, Project-Specific Software, or Equipment Rental, etc.	At Cost

Exhibit 1: Fee Proposal
Inland Empire Utilities Agency RP-1 Flare Improvements Project, Project No. EN18006

Task ID	Labor Category Used for Fee Estimate: E8 Managing Engineer, E7 Supervising Engineer, E5 Senior Engineer, E3 Associate Engineer, T4 Designer, T3 Associate Designer, and A3 Word Processor	Hours per Labor Category							Total Hours	Labor Cost	Other Direct Costs (ODCs)	Sub-consultants*	TOTAL FEES
		E8	E7	E5	E3	T4	T3	A3					
		LABOR CLASSIFICATION AND BILLING RATE (\$/hr)											
Task 1	Project Management and Contract Administration	100		80				40	220	\$39,660	\$400		\$40,260
	Subtotal Task 1 - Project Management	100		80				40	220	\$39,660	\$400		\$40,260
Task 2	Technical Memorandums and Preliminary Design (10% Submittal)												
2.1	Review Existing Data and Documentation	2	4	4	8				18	\$3,030	\$100	\$4,080	\$7,210
2.2	Attend Project Kick-Off Meeting	4		4				2	10	\$1,784	\$100		\$1,884
2.3	Prepare Technical Memoranda (TMs 1 -10)	16	24	48	36	24		16	164	\$25,804	\$500	\$48,240	\$74,544
2.4	Perform QA/QC	16	24						40	\$8,608		\$3,120	\$11,728
2.5	Combine TMs 1 -10 into a Preliminary Design Report & Submit PDR	4		24	16			12	64	\$9,064	\$500	\$3,600	\$13,164
2.6	Attend PDR Review Meeting	4		4					8	\$1,584	\$100	\$760	\$2,444
2.7	Incorporate Comments and Submit Final PDR	4		4	10			2	20	\$3,114	\$100		\$3,214
	Subtotal Task 2 - Preliminary Design (30%)	60	52	88	70	24	12	28	324	\$62,988	\$1,400	\$59,800	\$114,168
Task 3	30% Design												
3.1	Prepare 30% Plans, Specifications and Cost Estimate	20	16	20	12	48	96	12	224	\$29,756	\$100	\$3,800	\$33,656
3.2	Site Utility Research and Investigation (plus Potholing Subconsultant Services)				8				8	\$1,080	\$100	\$8,750	\$9,930
3.3	Conduct Design Survey				4				4	\$540		\$10,840	\$11,180
3.4	Perform Geotechnical Investigation (Not in Scope, Existing Geotech Report to be used)												
3.5	Perform QA/QC	8	12	8					28	\$5,640		\$2,080	\$7,720
3.6	Submit 30% Design Package							2	4	\$570	\$300		\$870
3.7	Attend 30% Design Review Meeting	4		4				2	10	\$1,764	\$50		\$1,814
	Subtotal Task 3 - 30% Design	32	28	32	24	48	96	18	280	\$39,350	\$550	\$25,270	\$65,170
Task 4	50% Design												
4.1	Prepare 50% Plans, Specifications and Cost Estimate	12	16	48	24	48	96	8	252	\$33,860	\$100		\$33,960
4.2	Perform QA/QC	8	8	4					20	\$4,148		\$3,120	\$7,268
4.3	Submit 50% Design Package							4	8	\$1,140	\$500		\$1,640
4.4	Attend 50% Design Review Meeting	4		4				2	10	\$1,764	\$50		\$1,814
	Subtotal Task 4 - 50% Design	24	24	56	24	48	100	18	294	\$40,912	\$850	\$3,120	\$44,882
Task 5	85% Design												
5.1	Prepare 85% Plans, Specifications and Cost Estimate	12	24	48	24	64	120	12	304	\$40,308		\$15,000	\$55,308
5.2	Perform QA/QC	8	8	8					24	\$4,818		\$3,120	\$7,936
5.3	Submit 85% Design Package							4	4	\$780	\$500		\$1,280
5.4	Attend 85% Design Review Meeting	4		4				2	10	\$1,764	\$50		\$1,814
	Subtotal Task 5 - 85% Design	24	32	60	24	64	124	18	346	\$47,668	\$550	\$18,120	\$66,338
Task 6	100% Design												
6.1	Prepare 100% Plans, Specifications and Cost Estimate	8	8	32	16	40	80	8	192	\$24,904			\$24,904
6.2	Prepare General Operation and Control Philosophy			32					32	\$6,592			\$6,592
6.3	Perform QA/QC	8	8	6					20	\$4,070		\$2,090	\$6,160
6.4	Submit 100% Design Package							4	4	\$1,050	\$500		\$1,550
6.5	Attend 100% Design Review Meeting	4		4					8	\$1,584	\$50		\$1,634
6.6	Submit Final Design Mylars and Specifications			2				4	2	\$334	\$400		\$1,334
	Subtotal Task 6 - 100% Design	20	46	44	18	40	88	14	270	\$39,134	\$950	\$2,090	\$42,164
Task 7	Bid Phase Services												
7.1	Respond to Bidder's Questions, Interpret Contract Documents and Prepare Addenda for Design Related Issues	4	4	12				8	2	\$4,764	\$100		\$4,864
7.2	Attend One Pre-Bid Meeting			2					2	\$334	\$50		\$384
	Subtotal Task 7 - Bid Phase Services	4	4	14	0	0	8	2	32	\$5,098	\$150		\$5,248
Task 8	Engineering Services and Support During Construction												
8.1	Attend Pre-Construction Conference			2					2	\$334	\$50		\$384
8.2	Prepare One Conformed Set of Bid Plans			4				16	8	\$3,068	\$200		\$3,268
8.3	Attend Weekly Construction Meetings (assume 30 meetings)			60					60	\$10,020	\$600		\$10,620
8.4	Review Contractor's RFIs (assume 20 RFIs @ 3 hrs each)		12	24	24			8	68	\$10,440	\$100		\$10,540
8.5	Review Contractor's Shop Drawing Submittals (assume 40 submittals @ 3 hrs each)	4	8	60	48			10	130	\$19,964	\$200		\$20,164
8.6	Prepare O&M Manual		8	12	16			8	52	\$7,372	\$100		\$7,472
8.7	Conduct Start-Up Workshop and Witness System Start-Up	4	8	8				4	24	\$4,260	\$100		\$4,360
8.8	Prepare As-Built Record Drawings		2	6		8	16	4	36	\$4,414	\$100		\$4,514
8.9	Provide Two 8-hr Training Sessions	8		16				8	32	\$5,224	\$100		\$5,324
	Subtotal Task 8 - Engineering Services and Support During Construction	16	38	192	88	8	40	50	432	\$65,096	\$1,850		\$66,946
	TOTAL TASKS 1 Thru 8	270	224	666	248	232	470	168	2198	\$330,086	\$6,200	\$108,380	\$444,676

* Includes 10% markup

**ACTION
ITEM
1D**

Date: January 18, 2017

To: The Honorable Board of Directors

Through: Engineering, Operations, and Biosolids Management Committee (01/11/17)

From: P. Joseph Grindstaff
General Manager

Submitted by: Chris Berch
Executive Manager of Engineering/Assistant General Manager

Shaun J. Stone
Manager of Engineering

Subject: Headquarters Parking Lot Construction Contract Award

RECOMMENDATION

It is recommended that the Board of Directors:

1. Award a construction contract for the Headquarters Building A Parking Lot Repairs, Project No. EN16047, to W.A. Rasic Construction in the amount of \$264,138; and
2. Authorize the General Manager to execute the construction contract.

BACKGROUND

In February 2010, RMS Engineering & Design Inc. prepared a condition assessment for the Inland Empire Utilities Agency (IEUA) Headquarter Buildings. A portion of the report focused on parking slab failures related to invasive roots of Shamel Ash trees. Based on the condition assessment, it was determined that improvements were needed to be made in phases over an extended ten-year period.

The current phase of the project will remove the remaining Shamel Ash trees affecting parking slabs at Building A, remove and replace damaged concrete parking slabs, and repair affected asphalt areas. This effort will minimize potential tripping hazards, allow water to continue to percolate into the ground, and increase the utilization of parking stalls. The trees will be considered for replacement once a determination on parking lot solar power generation is complete.

On November 21, 2016, IEUA advertised a request for bids to the prequalified contractors on the under \$2,000,000 list. Four contractors participated in the job walk on November 29, 2016. On December 8, 2016, the following bids were received:

Bidder's Name	Total Price
W.A. Rasic Construction	\$264,138
Ferreira Construction	\$265,342
Dalke & Sons Construction	\$301,897
Engineer's Estimate	\$272,000

W.A. Rasic Construction was the lowest responsive and responsible bidder with a bid price of \$264,138. W.A. Rasic Construction is on the IEUA's under \$2,000,000 pre-qualified list and therefore their contractor licenses were checked and found to be current and in good standing. W.A. Rasic Construction has performed several successful projects for the IEUA in the past showing good workmanship and responsiveness.

The following table is the projected project cost:

Description	Estimated Cost
Design	\$62,000
Construction Services (~ 15%)	\$40,000
Construction	\$264,138
Construction Contingency (~ 15%)	\$40,000
Total Project Cost	\$406,138
Total Project Budget	\$443,000

The following is the project schedule:

Project Milestone	Date
Construction Contract Award	January 2017
Construction Completion	April 2017

The Headquarters Parking Lot Rehabilitation project is consistent with the *IEUA's Business Goal of Safe Workplace Environment* to promote and ensure a safe and healthy work environment to protect employees and stakeholders.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

If approved, the construction award for the Headquarters Building A Parking Lot Repairs, Project No. EN16047, in the amount of \$264,138 will be within the total project budget of \$443,000 within the General Administration (GG) Fund.

PJG:CB:SS:mp

IEUA Headquarters Building “A” Parking Lot Repairs Construction Contract Award

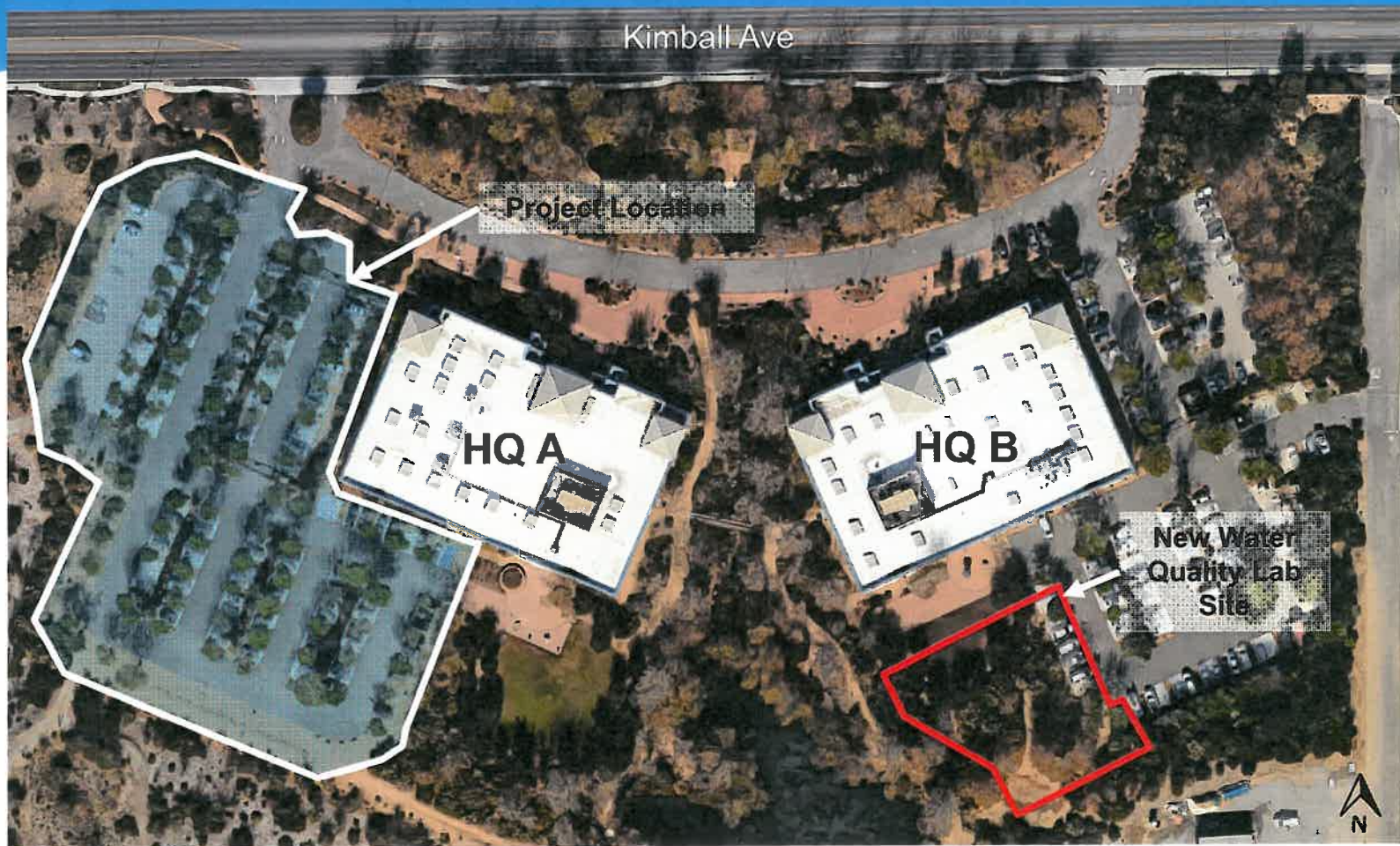
Project No. EN16047
January 18, 2017



Inland Empire Utilities Agency
A MUNICIPAL WATER DISTRICT

Matthew Poeske, P.E.
Project Manager

Project Location Map



Project Background

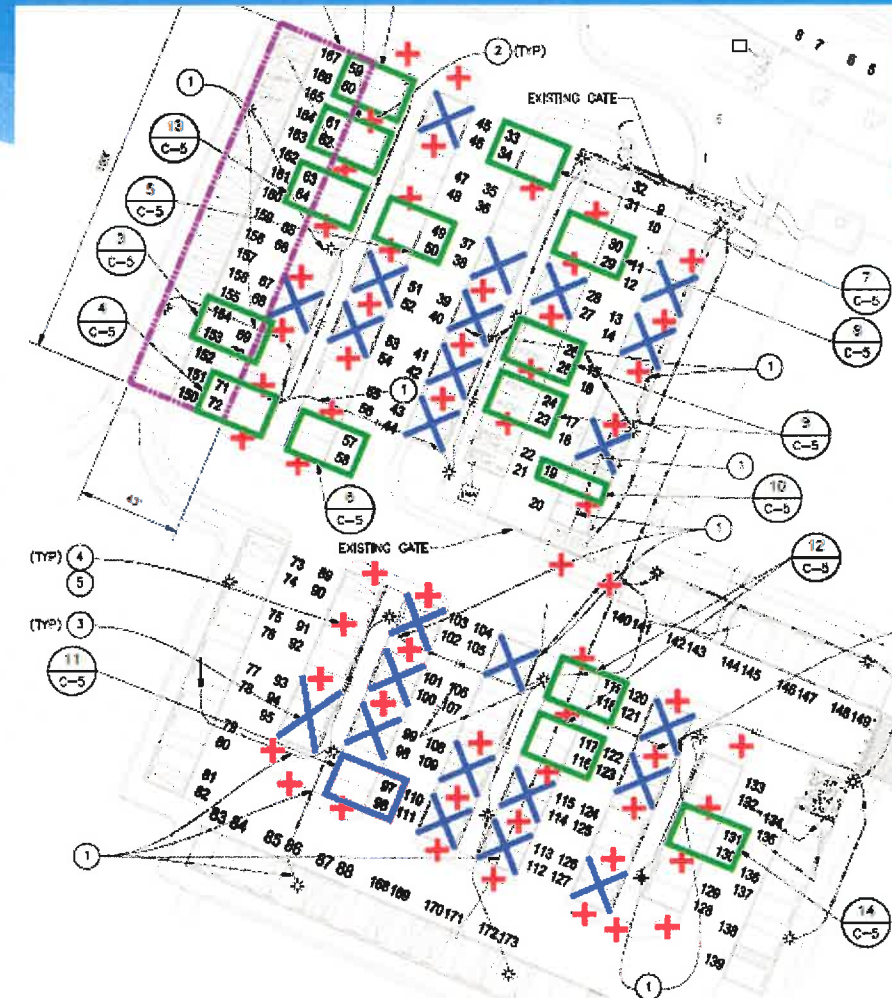
- Concrete at Headquarters Building A parking lot has sustained damage from invasive tree roots



Typical Root Damage to Parking Slabs

Project Scope

- ✕ Concrete Slab Removal and Replacement
- Concrete Slab and Asphalt Repairs
- ◻ Cleaning of Permeable Asphaltic Concrete (PAC)
- ✕ Tree Removal



Improvement Plan

Bid Summary

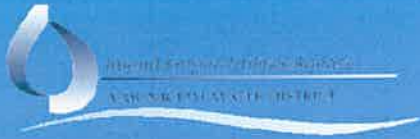
Three bids received on December 8, 2016

Bidder	Total Price
W.A. Rasic Construction	\$264,138
Ferreira Construction	\$265,342
Dalke & Sons Construction	\$301,897
Engineer's Estimate	\$272,000

Project Cost & Schedule

Description	Estimated Cost
Design	\$62,000
Construction Services (15%)	\$40,000
Construction	\$264,138
Contingency (15%)	\$40,000
Total Project Cost	\$406,138
Total Project Budget	\$443,000

Project Milestone	Date
Construction Contract Award	January 2017
Construction Completion	April 2017



IEUA Goal/Recommendation

Staff recommends that the Board of Directors award the construction contract to WA Rasic for the Headquarters Parking Lot Project No. EN16047 in the amount of \$264,138, and authorize the General Manager to execute the contract.

The Headquarters Parking Lot Rehabilitation project is consistent with the **IEUA's Business Goal of Safe Workplace Environment** to promote and ensure a safe and healthy work environment to protect employees and stakeholders.



CONTRACT NUMBER: 4600002262

FOR

**CONSTRUCTION SERVICES
HEADQUARTERS BUILDING A PARKING LOT
REPAIRS PROJECT NO. EN16047**

THIS CONTRACT, made and entered into this ____ day of _____, 20____, by and between W.A. Rasic Construction Company, 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 "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 HQ A Parking Lot Repairs, Project No. EN16047**, 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 **\$264,138.00 (TWO HUNDRED SIXTY-FOUR THOUSAND ONE**

HUNDRED THIRTY-EIGHT 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 **Ninety (90) 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 **five hundred (\$500) 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.

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 the Contractor, liquidated damages in accordance with the Bidding and Contract Requirements, Section B - Instruction to Bidders, Part 5.0 "Liquidated Damages", for any violation of the General Conditions, Section D - Contractor's Responsibilities, Part 8, "Law and Regulations"; Bidding and Contract Requirements Contract Section D - Contract and Relevant Documents, Part 1.0, Paragraphs 9 through 11; General Conditions, Section D - Contractor's Responsibilities, Part 4.0, "Labor, Materials and Equipment"; General Conditions Section D - Contractor's Responsibilities, Part 12.0, "Safety and Protection" or General Conditions Section H - Legal Responsibilities, Part 8.0, "Disturbance of the Peace".

9. 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.
10. 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.
11. 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.
12. That the Contractor shall carry Workers' Compensation Insurance and require all subcontractors to carry Workers' Compensation Insurance as required by the California Labor Code.
13. 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.
14. 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.

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:
(A MUNICIPAL WATER DISTRICT)

**W.A. RASIC CONSTRUCTION
COMPANY, INC:**

General Manager

(Date)



President
Peter L. Rasic

21 DEC 2016
(Date)

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EXHIBIT A

**[Contractor's Bid For HQ-A Parking Lot Repairs, Project No.
EN16047]**



EXHIBIT A

SECTION C - BID FORMS

1.0 THIS BID IS SUBMITTED

A. For construction of the work, identified as follows:

HQ A Parking Lot Repairs, Project No. EN16047

B. To the Agency (Owner), identified as:

Inland Empire Utilities Agency *
6075 Kimball Avenue
Chino, California 91708

* A Municipal Water District

**C. For post bid results, the bidder can review PlanetBids at
<https://www.planetbids.com/portal/portal.cfm?CompanyID=27411>.**

2.0 CONDITIONS

A. Bidder Proposes and Agrees

The undersigned bidder proposes and agrees, if this bid is found to provide the lowest overall cost to the Agency, and meets all Agency requirements, to execute a written contract following the format included in the bidding documents and designated in Section D, "Contract"; to secure and deliver to the Agency, the bonds, certificates of insurance and any other items required in the project specifications; to perform and furnish the work as specified and indicated in the bidding documents for the contract price indicated in this bid, within the contract time indicated in said form of the Contract, and in accordance with the other terms and conditions of the bidding documents.

B. Bidder Accepts Terms and Conditions

1. The bidder accepts the terms and conditions of the Bidding and Contract Requirements, Section A - Notice Inviting Bids, and Section B - Instructions to Bidders, including without limitations those dealing with the disposition of the bid security.
2. This bid will remain subject to acceptance for ninety (90) calendar days, after the day of opening the bids.
3. Upon receipt, the bidder will sign and return to the Agency the agreement, which follows the form of the Contract, Bidding and Contract Requirements, Section D – Contract and Relevant Documents Part 1.0.
4. The bidder will, within the time stipulated in the Bidding and Contract Requirements Section B - Instructions to Bidders, Part 19.0, "Execution of Contract", after receipt of the notice of award and the executed Contract

EXHIBIT A

deliver to the Agency the Performance Bond, the Payment Bond, and the Certificates of Insurance, and any other items required in the project specifications.

3.0 PRICES INCLUDE

A. Taxes and Fees

Applicable sales taxes; State, Federal, and special taxes; patent rights and royalties; and other applicable taxes and fees are included in the price of this bid.

B. All prices have been filled in and are proposed as firm fixed unit price amounts throughout this bid term validity.

4.0 BIDDING SCHEDULE

Schedule of prices to furnish and install HQ A Parking Lot Repairs including all material, equipment and labor complete in accordance with the specifications and accompanying drawings.

Prices bid shall include all labor, equipment, apparatus, materials, facilities transportation, insurance, taxes, permits, shop drawings, overhead, profit, mobilization costs, incidentals, and any other costs necessary to furnish, deliver, install or perform work under the subject bid item in conformance with the plans, specifications, and permits complete. For the purpose of evaluating bids, cost shall be broken out as indicated below; however, the IEUA reserves the right to negotiate the items cost individually. Payment of work shall be as specified in 4.0 Bidding Schedule, 6.0 Add and Deduct Unit Price, and Special Conditions 22. The Bidding Schedule Table is located on the following page, and must be completed, in full. If not listed specifically in the tables below, the Contractor shall allocate unlisted costs appropriately.

The Bidder declares that the cost for labor, materials, equipment and incidentals necessary for sheeting, shoring, bracing and other excavation supports required by the Labor Code of the State of California, the Construction Safety Orders of the Division of Industrial Safety of the State of California, and the California Occupational Safety and Health Act of 1973, is included in the total lump sum bid and that such cost is indicated in the Bid Schedule.

Only lump sum bids will be accepted. The Agency reserves the right to negotiate changes in scope, based on actual cost for work requested or permed.

Total Bid Price \$ 254,888.00 dollars
(in numeric figures)

Two Hundred Fifty Four Thousand Eight Hundred Eighty Eight Dollars
(written in words)

EXHIBIT A

5.0 BID ALTERNATES (NOT USED)

6.0 ADD OR DEDUCT UNIT PRICE

- A.** The undersigned bidder will accept as, adjustment to the lump sum bid for quantities of work different than indicated in the bidding documents, the amount resulting from applying to the differences (actual versus estimate) the below-listed unit prices. The Agency also reserves the right to add up to 59 Chinese Pistache trees to the Contractors Lump Sum Bid.
- B.** The Agency assumes that all additive or deductive unit prices have been filled in and that the prices are reasonable. However, it is understood that the additive or deductive prices are subject to the Agency's approval prior to award of the Contract.

Item	Additive/Deductive Items Description	Unit	Unit Price (\$)	Unit Price (written)
1	Replace Parking Slabs & Install Root Barriers	EA	8,225.00	Eight Thousand Two Hundred Twenty Five Dollars
2	Remove Shamel Ash Tree	EA	575.00	Five Hundred Seventy Five Dollars
3	Install new Chinese Pistache*	EA	450.00	Four Hundred Fifty Dollars
4	¾" Palm Springs Gold Gravel-O.F. Wolfinbarger.	CY	155.00	One Hundred Fifty Five Dollars
5	Parking Stall Concrete Grinding	LF	77.00	Seventy Seven Dollars
6	Slab Striping	EA	218.00	Two Hundred Eighteen Dollars
7	Permeable Concrete Cleaning	SF	1.68	One Dollar & Sixty Eight Cents

* Planning/Engineering will decide which removed Shamel Ash Tree to be replaced with the new Chinese Pistache Tree. Consider this as additive item when estimating the price.

C. Costs Included in the Preceding Lump Sum Bid

The undersigned bidder declares that the cost for labor, materials, equipment, and incidentals necessary for sheeting, shoring, bracing and other excavation supports required by the Labor Code of the State of California, the Construction Safety Orders of the Division of Industrial Safety of the State of California, and the California Occupational Safety and Health Act of 1973, is included in the lump sum price of this bid and that such cost is as follows:

\$ 0.00 (numbers)

Zero Dollars (words)

EXHIBIT A

7.0 LIST OF EQUIPMENT MANUFACTURERS (NOT USED)

8.0 LIST OF EQUIPMENT (NOT USED)

9.0 SHOP DRAWING SUBMITTALS WITH THE BID (NOT USED)

10.0 LIST OF SUBCONTRACTORS

- A. The undersigned bidder lists under the Bidding and Contract Requirements, Section C - Bid Forms, Part 10.0, "List of Subcontractors", the name and location of the place of business of each subcontractor who will perform work or labor or render service to the Contractor in or about the construction of the work in an amount in excess of one-half of one percent (0.5%) of the total bid, and the portion of the work which will be done by each subcontractor.
- B. The undersigned bidder understands that circumvention by the bidder of the requirement to list subcontractors by the device of listing one subcontractor who will in turn sublet portions constituting the majority of the work is a violation of the Subletting and Subcontracting Fair Practices Act (Division 2, Part 1, Chapter 4, of the California Public Contract Code) and shall subject the bidder to the penalties set forth in said Act (Sections 4110 and 4111 of said Code).

Name	Location of Business	Type of Work	License No.
None			

11.0 EXPERIENCE DATA

The undersigned bidder shall submit, under the Bidding and Contract Requirements, Section C - Bid Forms, Part 12.0, "Description of Previous Projects by the Bidder", a brief description of all work previously executed in the past seven (7) years by the bidder and the locations of all projects; giving the year in which done, the manner of execution, name, address, and telephone number of the owner, overall cost when constructed, and such other information so as to evidence the bidder's ability to perform the work.

12.0 DESCRIPTION OF PREVIOUS PROJECTS BY THE BIDDER

* Please see project reference sheet attached.

EXHIBIT A

13.0 WORKERS' COMPENSATION INSURANCE

In conformance with the current requirements of Section 1861 of the Labor Code of the State of California, the undersigned bidder confirms the following as its certification:

"I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work."

14.0 BIDDER IDENTIFICATION

The undersigned has the legal authority to bind the bidder to the Contract for the execution of the work.

A. Legal name of Bidder W A Rasic Construction Company Inc

B. Type of firm

Sole Proprietor Partnership Corporation

Other _____

If corporation, incorporated in the State of: California

C. Bidder's Business Address:

4150 Long Beach Blvd., Long Beach, CA 90807

D. Bidder's Business Telephone: (562) 928-6111

E. Business License number issued by the city where the bidder's principal place of business is located.

Number BU21225170

Issuing City Long Beach

Expiration Date August 1, 2017

EXHIBIT A

15.0 PERSONS AND PARTIES INTERESTED IN THIS BID

A. The names and residences of persons and parties interested in this bid, as principals, are listed under the Bidding and Contract Requirements, Section C - Bid Forms, Part 15.B, "List of Principals".

1. The first and last names are given in full.
2. In case of a corporation, the names and addresses of the President, Secretary, Treasurer, and Manager are given.
3. In case of a partnership or joint venture, the names and addresses of all the individual members are given.

B. List of Principals

Peter L. Rasic - President - 6491 Braddock Circle, Huntington Beach, CA 92648

Walter A. Rasic, Jr.- VP/SEC/TREAS- 8 Fiore, Newport Coast, CA 92657

No Manager

16.0 DECLARATION

A. I/WE declare under penalty of perjury under the laws of the State of California, that the statements in these Bid Forms are true and correct.

B. Date, November 29, 2016 at Long Beach, California.

C. By (signature) 

D. Printed Name and Position Walter A. Rasic, Jr. - VP/SEC/TREAS

E. Stamp Seal

17.0 ADDENDA

The undersigned acknowledges receipt of Addenda Nos.:

1

EXHIBIT A

18.0 BIDDER'S STATEMENT

Bid to: Inland Empire Utilities Agency, a Municipal Water District

The undersigned bidder hereby proposes to furnish, deliver and erect all equipment under the bidding schedule of the Agency's specifications entitled **HQ A Parking Lot Repairs, Project No. EN16047** in accordance with the intent of said specifications and all addenda issued by said Agency prior to opening of the bids.

Said bidder agrees that, if this bid is determined to provide the lowest overall cost to the Agency, and meets all Agency requirements, that upon receipt of the Contract, from said Agency, bidder will properly execute and return said Contract, of which the Notice Inviting Bids, Instructions to Bidders, Bid, Information Required of Bidder, Specifications, Drawings, and all addenda issued by said Agency prior to the opening of bids, are a part; and within ten (10) calendar days after receipt of the notice of award and the executed Contract, bidder will secure the required insurance and bonds and furnish the required certificates; and that upon failure to execute said Contract, and/or furnish the required insurance, bonds and certificates within said time, then the bid guarantee furnished by said bidder shall be forfeited to said Agency as liquidated damages for such failure; provided, that if said bidder shall execute the Contract, secure the required insurance and bonds, and furnish the required insurance certificates within said time, his bid guarantee, if furnished, shall be returned to him within five (5) calendar days thereafter, and the bid bond, if furnished, shall become void.

The bidder acknowledges and understands that a waiting period from time of bid opening until award may be ninety (90) calendar days during which bidder may not withdraw his bid. The bidder further acknowledges that he has adjusted his bid price to include all possible items which may influence the bid during the waiting period. Requests for bid price change due to such a delay shall not be agreed to by the Agency.

If the bidder is awarded a Contract in conjunction with this bid, the Surety who will provide the Performance Bond will be Liberty Mutual Insurance Company whose address is

790 The City Dr., Ste. 200, Orange, California, 92868
City State Zip

Said bidder further agrees to complete all work required under the Contract within the time stipulated in the specifications, and to accept, as full payment therefore, the prices(s) named in the above-mentioned bidding schedule.

Date: November 29, 2016

W.A. Rasic Construction Co., Inc.

(Bidder)

By:  _____

(Signature)

Vice President/ Secretary/ Treasurer

(Title)

EXHIBIT A

ADDENDUM NO. 1

FOR THE SPECIFICATIONS AND DRAWINGS FOR THE CONSTRUCTION OF HQ A PARKING LOT REPAIRS PROJECT NO. EN16047

December 1, 2016

To: All Plan Holders:

The following changes, clarifications, additions, and/ or deletions are hereby made as part of the Bid Documents to furnish, deliver and install the HQ A Parking Lot Repairs work as fully and completely as if the same were fully set forth therein:

I. BIDDING AND CONTRACT REQUIREMENTS: SECTION C – BID FORMS, 4.0 BIDDING SCHEDULE (pg.18)

The lump sum bid price should include the cost of all work except for the purchase and installation of Chinese Pistache trees. Please refer to **SPECIAL CONDITIONS, 22.0 AWARD/SELECTION CRITERIA**, below, for more information about the awarding process.

II. BIDDING AND CONTRACT REQUIREMENTS: SECTION C – BID FORMS, 6.0 ADD OR DEDUCT UNIT PRICE (pg.19)

1. Remove the star (*) in the add or deduct unit price table from Item 3.
2. Remove the description of the star (*) at the bottom of the table.
3. Add a paragraph below the table explaining:
"Prior to or during construction, the Agency reserves the right to decide which work to add or deduct as needed to fully optimize the project budget based on the unit prices above."

- III. SPECIAL CONDITIONS, 22.0 AWARD/SELECTION CRITERIA: Replace with:**
The Agency anticipates issuing a single award in conjunction with this proposal activity to the LOWEST responsive bidder, based on the Lump Sum Total Bid Price in **BID FORMS, 4.0 BIDDING SCHEDULE** plus one additional slab, one additional removal of a Shamel Ash Tree, and one installation of a new Chinese Pistache tree, based on **BID FORMS, 6.0 ADD OR DEDUCT UNIT PRICE**: Items 1 and 3 Unit Price. The Agency also reserves the right to negotiate unit costs based on these same costing guidelines in **6.0 ADD OR DEDUCT UNIT PRICE** and negotiate additional work that may be required. In addition, the Agency reserves the right to add or deduct work to meet its budget and adjust for potential variations of the quantity of work actually performed, based on field conditions. It is anticipated that any adjustments will be made prior to Board of Directors' Award, to minimize the need for Change Orders.

EXHIBIT A

IV. Clarification to Questions:

1. When removing existing Shamel Ash trees, grind/remove stumps and root crowns to a minimum of 24" in depth. Section 802-1.1.1.4 of Exhibit A states that existing tree and roots shall be sufficiently removed to allow the unobstructed planting of a new 15 gallon tree. This means that the lower trunk cores/root crowns that extend for more than 24" in depth and would interfere with planting a new tree should be removed. (**SPECIAL CONDITIONS, 3.0 SUMMARY OF WORK**, item b. and **EXHIBIT A – Tree Replacement and Root Barrier Specification 802-1.1.1.4**).
2. There is also a requirement for root removal under the slabs. After existing slab demolition and prior to new slab preparation work, contractor must remove all roots that are located within the top 12" of soil. (**SPECIAL CONDITIONS, 3.0 SUMMARY OF WORK**, item a. and **EXHIBIT A – Tree Replacement and Root Barrier Specification 802-1.1.1.4**).
3. The grinding of pervious concrete in front of stall 69 must be done prior to the cleaning process. (**SPECIAL CONDITIONS, 20.0 PERVIOUS CONCRETE TESTING AND CLEANING**).
4. Lump sum price in **BIDDING AND CONTRACT REQUIREMENTS: SECTION C – BID FORMS, 4.0 BIDDING SCHEDULE** should include the lump sum bid price for all work except the purchase and installation of new Chinese Pistache trees. Gravel and irrigation restoration work shall be included in lump sum price.
5. Contractor shall coordinate all work such that not more than 12 slabs are out of service at any given time. (**SPECIAL CONDITIONS, 3.0 SUMMARY OF WORK**).
6. Contractor shall install ½" felt separator between the existing asphalt and the new slab when installing new parking slabs. (Plans, Sheet C-3, Concrete Notes No. 12.)

EXHIBIT A

V. Contractor Acknowledgement:

The contractor shall review this Addendum, insert company name, sign and date this Addendum. This Addendum must be included with Contractor Bid Package, to be considered.

----- END OF ADDENDUM NO. 1 -----



Matthew A. Poeske, P.E.
Construction Project Manager

**Receipt acknowledged and
Conditions agreed to this**

5th day of Dec. 2016.

W.A. Rasic Construction

Company Name: Co., Inc.

Bidder: Walter A. Rasic, Jr. - VP/SEC

By: 

**ACTION
ITEM
1E**

Date: January 18, 2017

To: The Honorable Board of Directors

Through: Engineering, Operations, and Biosolids Management Committee (01/11/17)

From: P. Joseph Grindstaff
General Manager

Submitted by: Chris Berch
Executive Manager of Engineering/Assistant General Manager

Shaun J. Stone
Manager of Engineering

Subject: RP-1 Improvements Consultant Contract Amendment

RECOMMENDATION

It is recommended that the Board of Directors:

1. Approve the consultant contract amendment for additional design efforts for the RP-1 Improvements, Project No. EN14019 to RMC Water and Environment for the not-to-exceed amount of \$68,204; and
2. Authorize the General Manager to execute the amendment.

BACKGROUND

In 2009 and 2015, the Agency retained consultants to assess the condition of the RP-1 Headworks facility. Based on these assessments numerous deficiencies were identified which include inoperable/leaking gates, unreliable aerated grit chamber air system, concrete degradation in headworks structures, grit classifier corrosion, vortex grit chamber inaccessibility and limited automation integration of all equipment in the headworks. These deficiencies have resulted in reduced headworks performance and additional maintenance from staff. In order to maintain the operation of the existing RP-1 headworks, rehabilitation measures were necessary until the headworks undergoes full rehabilitation planned for 2030. On January 16, 2016, IEUA retained RMC Water and Environment for engineering and design services on the Headworks Improvements Project. During the development of the 50% design package, operations staff identified additional items not included in the original assessment including concrete corrosion,

unstable aluminum covers, damaged fiberglass covers, a new flowmeter, and associated electrical and controls.

Below are the projected costs for the project:

Description	Estimated Cost
Design	\$200,000
Consultant Engineer Contract Including Amendment	\$819,445
Construction	\$3,500,000
Construction Services (~15%)	\$525,000
Contingency (~10%)	\$350,000
Total Project Cost	\$5,394,445
Total Project Budget	\$10,440,000

The overall project schedule is as follows:

Project Milestone	Original Date	Revised Date
Design Completion	October 2016	March 2017
Bid and Award	January 2017	May 2017
Project Completion	November 2017	April 2018

The RP-1 Improvements project is consistent with *IEUA's Business Goal of Wastewater Management* that systems will be master planned, managed, and constructed to ensure that when expansion planning is triggered, designs/construction can be completed to meet regulatory/growth needs in an expeditious, environmentally responsible and cost effective manner.

PRIOR BOARD ACTION

On January 20, 2016, the Board of Directors approved the consulting engineering services contract award for the RP-1 Improvements project to RMC Water and Environment for the not-to-exceed amount of \$723,151.

IMPACT ON BUDGET

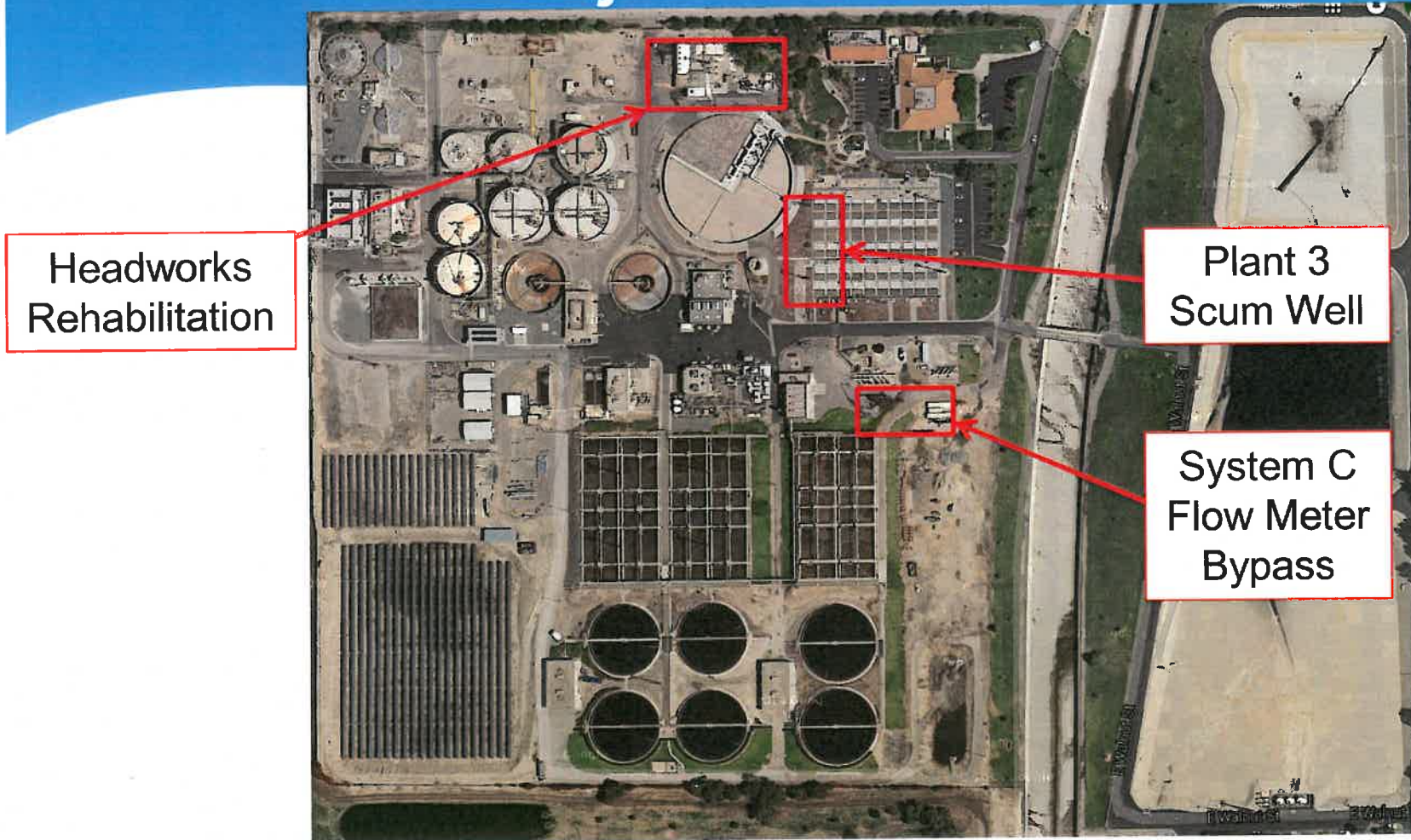
If approved, the consultant contract amendment for the RP-1 Improvements, Project No. EN14019, for the not-to-exceed amount of \$68,204, will be within the total project budget of \$10,440,000 in the Regional Wastewater Capital (RC) Fund.

PJG:CB:SS:nm

RP-1 Improvements Consultant Contract Amendment Project No. EN14019 January 2017



Project Location



IEUA RP-1 Facility

RP-1 Scope Amendment

At 50% design review meeting, additional work was identified:

- Repair additional corroded concrete
- Replace damaged aluminum covers and grating
- Replace various control and electrical panels
- Install new flow meter at the scum discharge line



Obsolete Electrical Components in Primary Gallery



Corroded Concrete deck

Project Budget and Schedule

Description	Estimated Cost
Design	\$200,000
Consultant Engineer w/Amendment	\$819,445
Construction	\$3,500,000
Construction Services (~15%)	\$525,000
Contingency (~15%)	\$350,000
Total Project Cost	\$5,394,445
Total Project Budget	\$10,440,000

Project Milestone	Original Date	Revised Date
Design Completion	October 2016	March 2017
Bid and Award	January 2017	May 2017
Project Completion	November 2017	April 2018



IEUA Recommendation/Goal

Staff recommends that the Board of Directors approve the consulting contract amendment to RMC Water and Environment for the RP-1 Improvements, Project No. EN14019, for the not-to-exceed amount of \$68,204 and authorize the General Manager to execute the amendment.

The RP-1 Improvements project is consistent with the **IEUA's Business Goal of Wastewater Management** that systems will be master planned, managed and constructed to ensure that when expansion planning is triggered, designs/construction can be completed to meet regulatory/growth needs in an expeditious, environmentally responsible and cost effective manner.



CONTRACT AMENDMENT: 4600002028-002

FOR

RP-1 HEADWORKS, PRIMARY, AND SECONDARY UPGRADES,

PROJECT NO. EN14019

THIS CONTRACT AMENDMENT TWO is made and entered into this ____ day of _____, 2017 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") and RMC Water and Environment, Inc., a wholly-owned subsidiary of Woodard & Curran, with offices located in Irvine, California (hereinafter referred to as "Consultant"), to provide professional engineering services in support of Project EN14019, and shall revise the Contract as amended:

SECTION 4., SCOPE OF WORK AND SERVICES, IS REVISED TO ADD THE FOLLOWING ITEM: Additional services and responsibilities shall include and be in accordance with **Exhibit A**, which is incorporated herein, attached hereto and made a part hereof by this reference.

SECTION 6., COMPENSATION, IS REVISED TO ADD THE FOLLOWING ITEM:

In compensation for the additional work represented by this contract amendment, Agency shall pay Contractor a **NOT-TO-EXCEED maximum total of \$819,445.00** for all services provided. (Note: This amendment represents a net increase of **\$68,204.00** to the Contract as per **Exhibit A** which is incorporated herein, attached hereto and made a part hereof by this reference.)

ALL OTHER PROVISIONS OF THIS CONTRACT REMAIN UNCHANGED.

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)

RMC WATER AND ENVIRONMENT, INC.,
A WHOLLY-OWNED SUBSIDIARY OF
WOODARD & CURRAN:

P. Joseph Grindstaff
General Manager

(Date)

Scott Goldman
Principal-in-Charge

(Date)

Exhibit A



National Experience. Local Focus.

December 15, 2016

Nasrin Maleki
Project Manager
Inland Empire Utilities Agency
6175 Kimball Avenue
Chino, CA 91708

**Subject: RP-1 Headworks, Primary and Secondary Upgrades, IEUA Project No. EN14019
Amendment Request No. 2 (Revision 01)**

Dear Ms. Maleki:

At the request of the Inland Empire Utilities Agency (IEUA), RMC Water and Environment (RMC) hereby submits the enclosed proposal for additional design costs for various modifications.

The enclosed proposal includes background, scope of work, schedule impacts, and fee impacts to complete the additional work. If you have any questions or would like to discuss this proposal, please contact Jon Ganz at (213) 223-9468.

Sincerely,
RMC Water and Environment

Richard Bichette
Principal

Approved by:
Inland Empire Utilities Agency

Name

Date

BACKGROUND

IEUA has requested that RMC prepare a proposal for additional design costs for the following project modifications:

Headworks

- Repair corroded concrete deck below leaking foul air line damper valves
- Chip out existing supply air line penetrations at air lift pumps and replace concrete to eliminate cracking/spalling
- Replace aluminum covers and grating that have been modified in field for pipe penetrations
- Replace gaskets at fiberglass covers
- Replace missing bolts at fiberglass covers
- Install new conduits for new compressors. Existing embedded conduits are corroded and cannot be re-used.

Primary Clarifier Gallery

- Replace control panel for two (2) existing 3-hp sump pumps
- Replace two (2) lighting panels and transformers
- Field verify devices and relocate feeders/starters for four (4) sludge pumps to MCC-2M
- Instead of relocating PLC-PG-01 to MCC-2M, replace PLC-PG-01 with new PLC at MCC-2M

Plant 3 Scum Well

- Install flow meter at the scum discharge line

SCOPE OF WORK

The proposed scope of work is divided into the following tasks.

Task 1 – Design Drawings and Specifications

RMC will incorporate the above modifications requested by IEUA into the Design Drawings and Specifications. The additional design costs have been estimated based on the following assumptions for each subtask:

- | | |
|----------|--|
| Task 1.1 | Repair corroded concrete deck below leaking foul air line damper valves <ul style="list-style-type: none">• Assume this will be addressed with photos/details on Drawings and the current concrete repair specifications. |
| Task 1.2 | Chip out existing supply air line penetrations at air lift pumps and replace concrete to eliminate cracking/spalling <ul style="list-style-type: none">• Assume this will be addressed with photos/details on Drawings and the current concrete repair specifications. |
| Task 1.3 | Replace aluminum covers and grating modified in field for pipe penetrations <ul style="list-style-type: none">• Assume additional details will be required on Drawings• Assume IEUA will be able to provide shop drawings for existing covers |

- Task 1.4 Replace gaskets at fiberglass covers
- Assume this can be addressed with notes on Drawings
 - Assume IEUA will be able to provide shop drawings for existing covers
 - Material takeoff to be developed by RMC and included in the Bid Items or otherwise indicated in the Bid Documents
- Task 1.5 Replace missing bolts at fiberglass covers.
- Assume this can be addressed with notes on Drawings
 - Assume IEUA will be provide shop drawings for existing covers
 - Material takeoff to be developed by RMC and included in the Bid Items or otherwise indicated in the Bid Documents
- Task 1.6 Install new conduits for new compressors.
- Assume conduits to be connected to MCC-1M at Building N.
 - Assume spare conduits are not available and excavation will be required.
 - The new conduits will be shown on Drawings E-10 and E-11
- Task 1.7 Replace control panel for two (2) existing 3-hp sump pumps
- Assume IEUA will provide as-built drawings for panels so that functionality can be duplicated.
- Task 1.8 Replace two (2) lighting panels and transformers
- Assume replacing panels and associated wiring and conduits.
 - Assume IEUA will provide as-built drawings for panels.
- Task 1.9 Field verify devices and relocate feeders/starters for four (4) sludge pumps to MCC-2M
- Assume IEUA will provide information on existing control scheme.
 - Assume starters can be reused, but new motor feeders will be required.
- Task 1.10 Instead of relocating PLC-PG-01 to MCC-2M, replace PLC-PG-01 with new PLC at MCC-2M
- Assume Process Control Narratives will need to be prepared for equipment connected to existing PLC-PG-01.
 - Assume P&IDs to be developed for existing sludge pumps and sludge/scum collection equipment.
- Task 1.11 Install flow meter at the scum discharge line.
- Assume electromagnetic flow meter will be installed.

RMC will submit 85% complete Drawings covering the work above, including only any new drawings and current Drawings that required revisions to show the extent of the work. All other Drawings, including drawings that only required updating to sheet numbering or similar minor revisions, will not

be resubmitted. Any new or revised technical specifications and revisions to the Front End Specifications will also be submitted.

In addition to the Drawing and Specification revisions required, RMC will include these additional items in the project construction cost estimate.

Task 2 - Project Management

The additional work is not anticipated to extend the project design schedule but will require that additional coordination, quality control, and contract amendment tasks be performed by RMC.

BUDGET IMPACT

The total additional design cost for proposed Amendment No. 2 is \$68,204. A breakdown of the additional fees is attached. The rates used in the fee estimate reflect RMC’s billing rates under the current project.

The estimated additional capital construction cost for the above tasks is \$149,000. A breakdown of these costs by subtask is included in the table below.

Task	Description	Estimated Capital Construction Cost
1.1	Repair Corroded Concrete Deck	\$6,000
1.2	Remove Air Line Penetrations / Repair Concrete	\$10,000
1.3	Replace Select Aluminum Covers/Gratings	\$12,000
1.4	Replace Gaskets at Fiberglass Covers	\$6,000
1.5	Replace Missing Bolts at Fiberglass Covers	\$7,500
1.6	Install New Conduits for New Compressors	\$20,000
1.7	Replace Control Panel for Sump Pumps	\$25,000
1.8	Replace Lighting Panels and Transformers	\$10,000
1.9	Relocate Feeders/Starters for Sludge Pumps	\$10,000
1.10	Replace PLC-PG-01 with New PLC	\$35,000
1.11	Install Flow Meter at Scum Discharge Line	\$7,500
Total:		\$149,000

SCHEDULE IMPACT

The additional work is not anticipated to extend the project design schedule assuming the following:

- RMC receives NTP by January 5, 2017.
- RMC will submit 85% complete Drawings to IEUA on January 19, 2017.
- RMC will receive all comments from IEUA by February 2, 2017.
- Any revisions to the Drawings to address IEUA comments will be included in the project 100% Design submittal.

INFORMATION

ITEM

2A

Engineering and Construction Management Industry Trends

January 2017

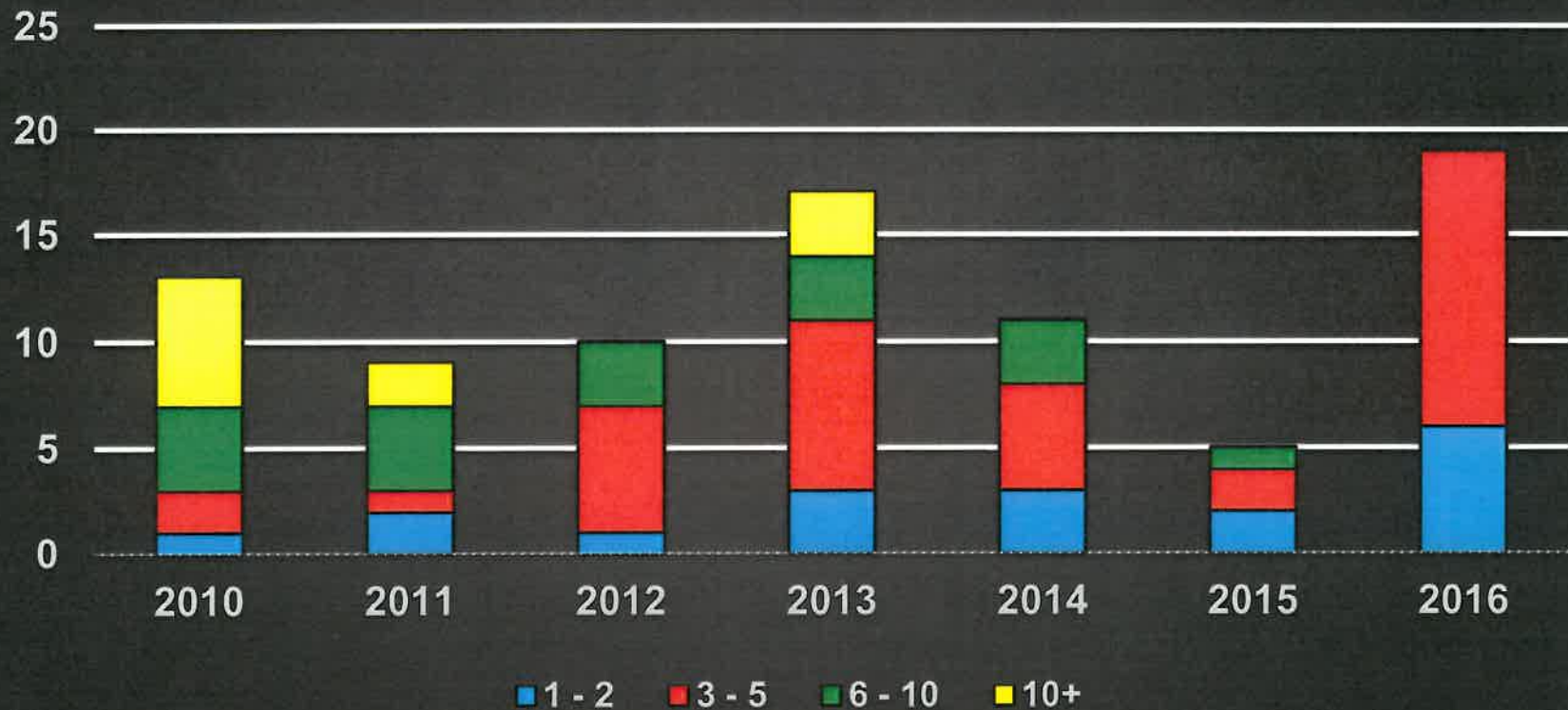


Inland Empire Utilities Agency
A MUNICIPAL WATER DISTRICT

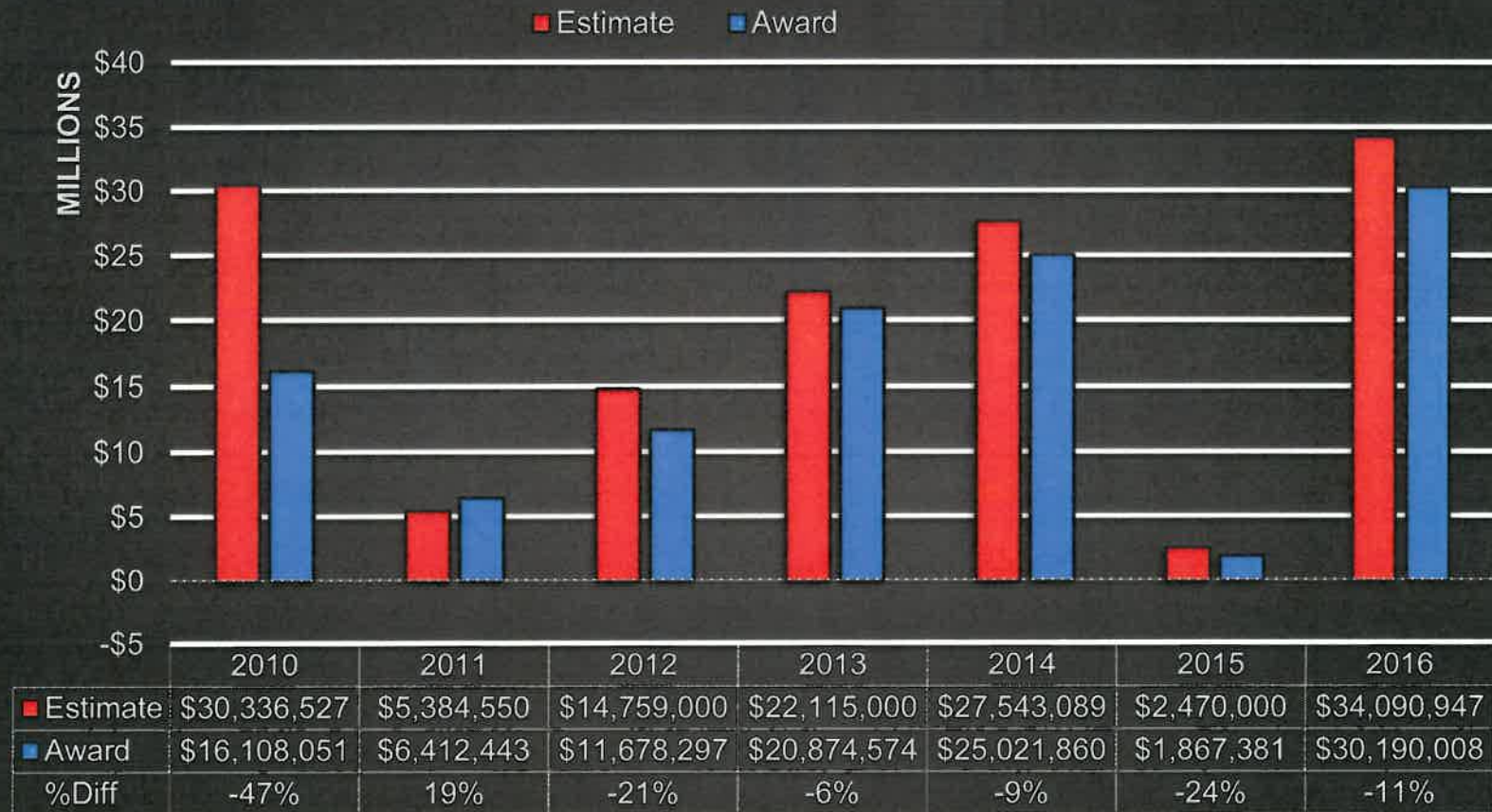
Shaun Stone, P.E.
Manager of Engineering

Average Number of Bids

No. of
Projects



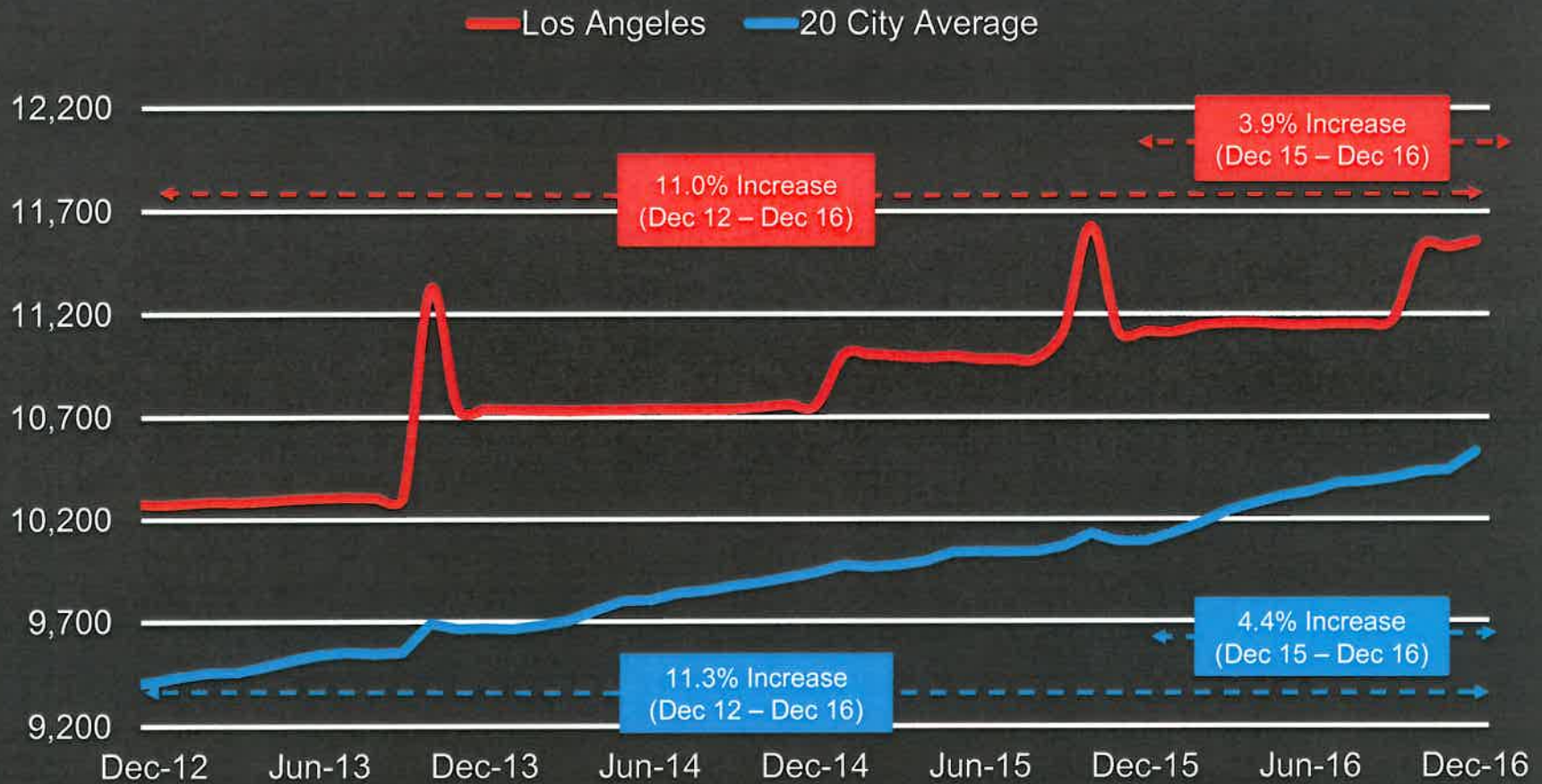
Engineer's Estimates



Estimate = Sum of all estimates for year
 Award = Sum of all awards for the year

Construction Cost Index

48 Months (Dec 2012 – Dec 2016)

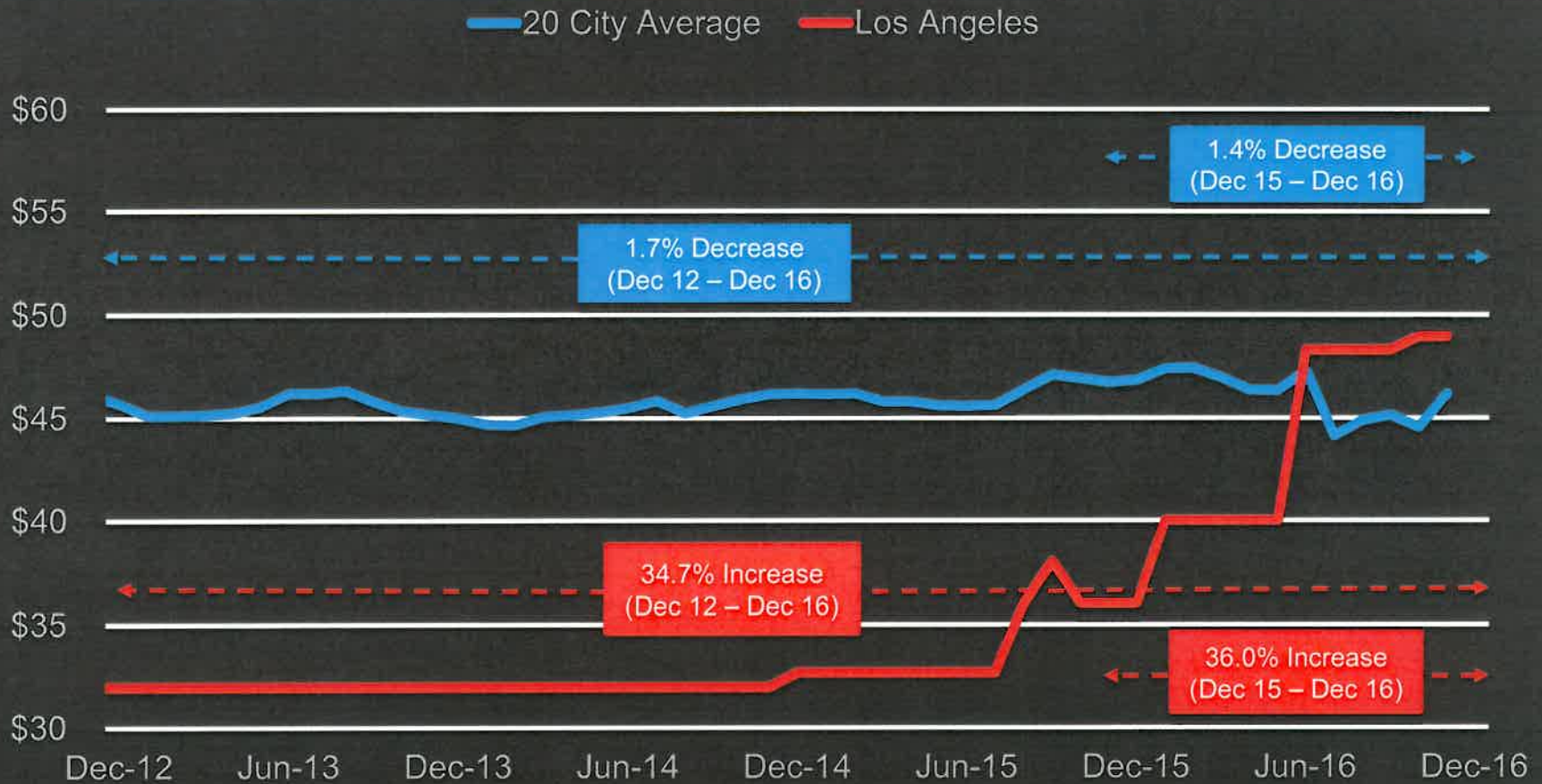


Baseline (1913 = 100)

Source: Engineering News Record

Reinforcing Bar Grade 60

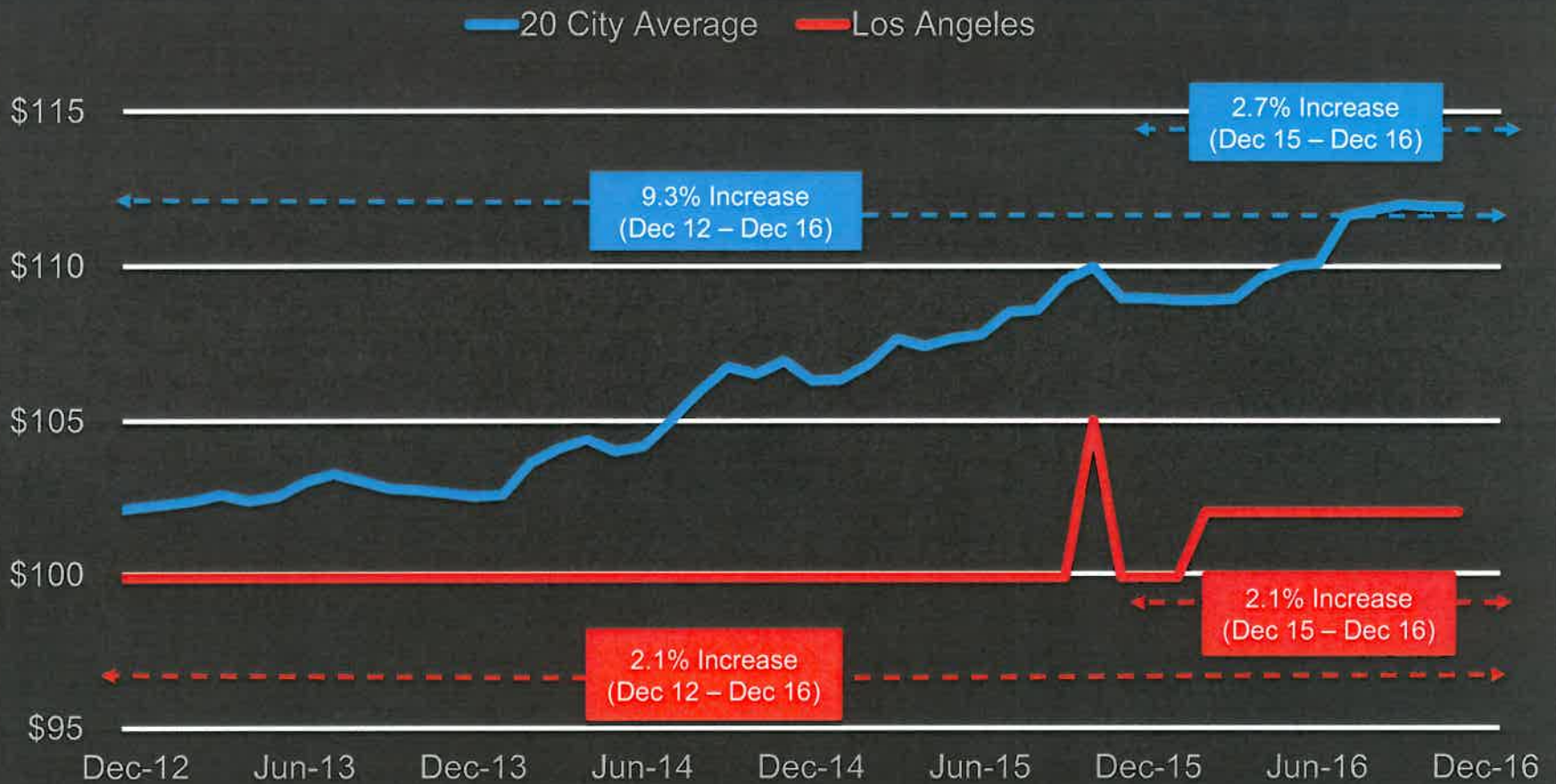
48 Months (Dec 2012 – Dec 2016)



Source: Engineering News Record

3,000 psi Concrete Ready Mix (cy)

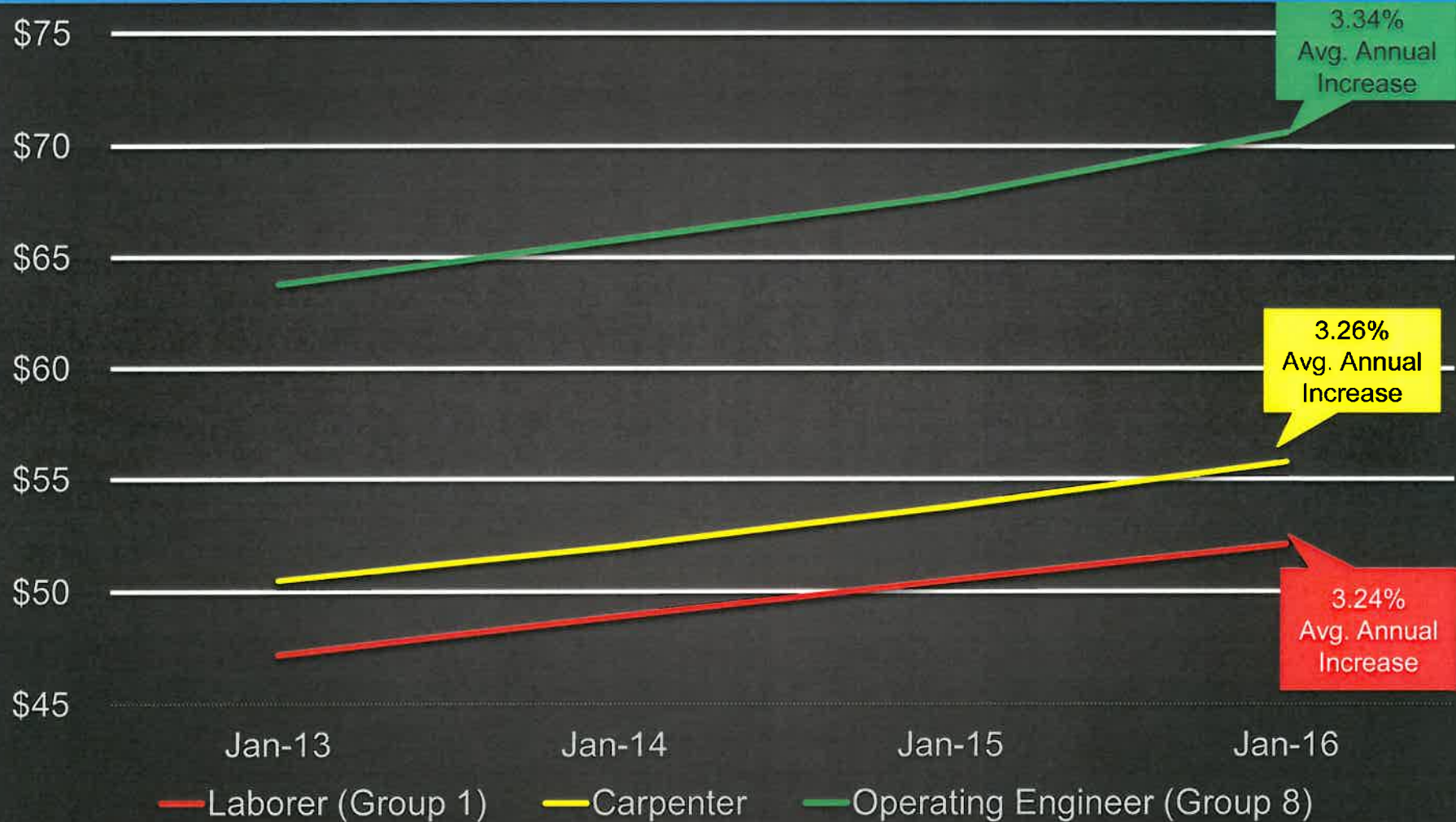
48 Months (Dec 2012 – Dec 2016)



psi – pounds per square inch
 cy – cubic yards

Prevailing Wages

36 Months (2013–16)



INFORMATION

ITEM

2B

Engineering and Construction Management Project Updates

January 18, 2017



Inland Empire Utilities Agency
A MUNICIPAL WATER DISTRICT

Jerry Burke
Deputy Manager of Engineering

EN15008 – Water Quality Laboratory

- Contractor: Kemp Bros. Construction, Inc.
- Current Contract (Construction): \$17 M
- Total Project Budget: \$25 M
- Project Completion: August 2018
- Scope of Work:
 - Construction of new Water Quality Laboratory
 - Central Chiller Plant Expansion
 - Construction of new 25-stall parking lot
- Current Activities:
 - Installing underground vault boxes
 - Preparing for Central Plant hydronic piping tie-in
 - Beginning stages of over excavation activities for lab building pad
 - Solar system design coordination pending



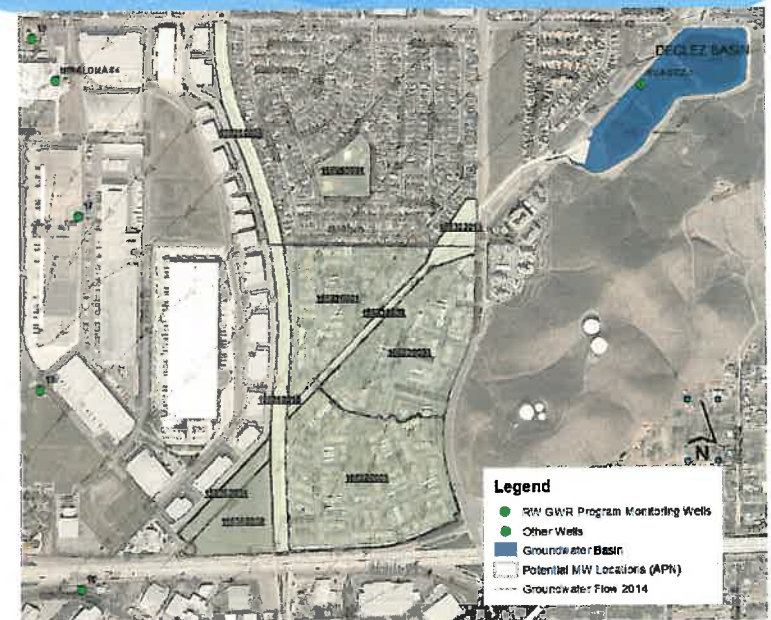
Asphalt Preparation



Trench Backfill and Compaction

EN17067 – Declez Monitoring Well Project

- Engineering Consultant: Thomas Harder & Co.
- Current Contract (Design): \$74 K
- Total Project Budget: \$360 K
- Project Completion: August 2017
- Scope of Work:
 - Meet regulatory requirements to recharge RW at Declez Basin
 - Identify potential site for monitoring well
 - Design and install new well
- Current Activities:
 - Finalize contract documents with consultant
 - Begin design kick-off in early January 2017



Declez Basin and Potential Sites for New Monitoring Well

EN17014.01 – NRWS Sewer Repair

- Engineering Consultant: In-House
- Current Contract (Design): N/A
- Total Project Budget: \$100 K
- Project Completion: December 2016
- Scope of Work:
 - Upgrade sewer lateral on the NRW system
 - Modify and clean the existing IEUA metering structure
- Current Activities:
 - Laid 40 feet of new 8" VCP sewer
 - Constructed a new 48" MH over the top of the existing 8" NRW line in Pacific Ave



Connection Point for New 8-In Sewer Lateral



New Manhole Construction Over the Existing

EN14042 – 1158 Recycled Water Pump Station Upgrade

- Engineering Consultant: TBD
- Current Contract (Design): TBD
- Total Project Budget: \$4 M
- Project Completion: May 2019
- Scope of Work:
 - Increase the RP-1 1158 RW Pump Station capacity
 - Upgrade Surge Protection System
- Current Activities:
 - Finalize the Charter Plan
 - Prepare design consultant solicitation RFP



RP-1 1158 RW PS

EN14018 – RP-4 Disinfection Facility Improvements

- Engineering Consultant: IDS
- Current Contract (Design): \$260 K
- Total Project Budget: \$2.4 M
- Project Completion: February 2018
- Scope of Work:
 - Relocate the chemical disinfection facility
 - New chemical metering pumps and chemical tanks
 - Install new injection pipelines
- Current Activities:
 - Bids due on January 2017



Existing and Old Diaphragm Pump



Corrosion from Bleach Leakage