



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

**WEDNESDAY, DECEMBER 13, 2017
9:45 A.M.**

*Or immediately following the
Finance & Administration
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 Water Resources Committee meeting minutes of November 8, 2017.

B. RP-1 CAPACITY RECOVERY PROJECT CONSULTANT CONTRACT AWARD

Staff recommends that the Committee/Board:

1. Award a consultant contract for the RP-1 Capacity Recovery, Project Nos. EN24001 and EN24002, to Carollo Engineers Inc. for the not-to-exceed amount of \$13,637,633; and
2. Authorize the General Manager to execute the consultant contract subject to non-substantive changes.

C. RP-5 AERATION DIFFUSER REPLACEMENT CONSTRUCTION CONTRACT AWARD

Staff recommends that the Committee/Board:

1. Award a construction contract for the RP-5 Aeration Diffuser Replacement, Project No. PA17006.02, to Genesis Construction in the amount of \$2,987,654; and
2. Authorize the General Manager to execute the contract.

D. HEADQUARTERS BUILDINGS ROOFING REPLACEMENT CONSTRUCTION CONTRACT AWARD

Staff recommends that the Committee/Board:

1. Award a construction contract for the Headquarters Buildings Roofing Replacement, Project No. CP16003, to Best Contracting Services Inc., in the amount of \$1,024,070;
2. Approve a project budget reclassification in the amount of \$1,311,000 in the Administration Services (GG) Fund from O&M to Capital Project; and
3. Authorize the General Manager to execute the contract and budget reclassification.

E. RP-1 AERATION BASIN PANEL REPAIR CONSTRUCTION CONTRACT CHANGE ORDER

Staff recommends that the Committee/Board:

1. Award a construction contract change order to J.F. Shea for the RP-1 Aeration Basin Panel Repairs, Project Nos. EN17040/PA17006.01, for the not-to-exceed amount of \$115,218; and
2. Authorize the General Manager to execute the construction contract change order.

F. ON-CALL DESIGN AND CONSTRUCTION SURVEYING MASTER SERVICES CONTRACT AWARDS

Staff recommends that the Committee/Board:

1. Approve a two-year On-Call Design and Construction Surveying Master Services Contract to WestLAND Group, Inc., for a not-to-exceed amount of \$750,000;
2. Approve a two-year On-Call Design and Construction Surveying Master Services Contract to CASC Engineering and Consulting, Inc., for a not-to-exceed amount of \$750,000; and
3. Authorize the General Manager to execute the Master Services Contracts subject to non-substantive changes.

G. BASELINE RECYCLED WATER PIPELINE EXTENSION CONSULTANT CONTRACT AWARD

Staff recommends that the Committee/Board:

1. Award a consultant contract for the Baseline Recycled Water Pipeline Extension, Project No. EN17049, to Carollo Engineers, Inc., for the not-to-exceed amount of \$394,766; and
2. Authorize the General Manager to execute the consultant contract subject to non-substantive changes.

H. ADOPTION OF RESOLUTION NO 2017-12-2, IEUA-SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT SPHERE ADJUSTMENT & REORGANIZATION

Staff recommends that the Committee/Board adopt Resolution No. 2017-12-2, requesting LAFCO to initiate a sphere adjustment and reorganization of the area to detach the 4.81 acres from IEUA and annex into SBVMWD.

I. REGIONAL PRETREATMENT AGREEMENT WITH THE CITY OF FONTANA

Staff recommends that the Committee/Board:

1. Approve the Regional Pretreatment Agreement (Agreement) between IEUA and the City of Fontana; and
2. Authorize the General Manager to execute the Agreement, subject to non-substantive changes.

2. INFORMATION ITEM

A. SEPTIC TO SEWER FEASIBILITY STUDY UPDATE (WRITTEN/POWERPOINT)

- B. UPPER SANTA ANA RIVER HABITAT CONSERVATION PLAN & INTEGRATED RIVER MODEL UPDATE (POWERPOINT)
- C. SARCCUP UPDATE (POWERPOINT)
- D. PLANNING AND ENVIRONMENTAL RESOURCES (ORAL)

RECEIVE AND FILE INFORMATION ITEM

- E. ENGINEERING AND CONSTRUCTION MANAGEMENT PROJECT UPDATES (POWERPOINT)
3. GENERAL MANAGER'S COMMENTS
 4. COMMITTEE MEMBER COMMENTS
 5. COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS
 6. ADJOURN

*A Municipal Water District

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

Proofed by: jh

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, December 7, 2017.

April Woodruff



**ACTION
ITEM
1A**



MINUTES

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

WEDNESDAY, NOVEMBER 8, 2017
9:45 A.M.

COMMITTEE MEMBERS PRESENT

Michael Camacho, Chair
Kati Parker

STAFF PRESENT

P. Joseph Grindstaff, General Manager
Chris Berch, Executive Manager of Engineering/AGM
Kathy Besser, Executive Manager of External Affairs & Policy Development/AGM
Randy Lee, Executive Manager of Operations/AGM
Christina Valencia, Executive Manager of Finance & Administration/AGM
Josh Biesiada, Project Manager I
Jerry Burke, Deputy Manager of Engineering
Lucia Diaz, Facilities Program Supervisor
Connie Gibson, Executive Assistant
Warren Green, Manager of Contracts & Procurement
Sally Lee, Executive Assistant
Sylvie Lee, Manager of Planning & Environmental Resources
Chander Letulle, Manager of Operations & Maintenance
Laura Mantilla, Executive Assistant
Kenneth Monfore, Deputy Manager of Maintenance
Lisa Morgan-Perales, Senior Water Resources Analyst
Shaun Stone, Manager of Engineering
Teresa Velarde, Manager of Internal Audit
April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT

None

The meeting was called to order at 9:34 a.m. There were no public comments received or additions to the agenda.

ACTION ITEMS

The Committee:

- ◆ Approved the Engineering, Operations, and Water Resources Committee meeting minutes of October 11, 2017.
- ◆ Recommended that the Board:

1. Award a three-year service contract with additional two, one-year options, to Cintas Corporation, for uniforms and related services for a not-to-exceed amount of \$600,000; and
2. Authorize the General Manager to execute the service contract;

as a Consent Calendar Item on the November 15, 2017 Board meeting agenda.

◆ Recommended that the Board:

1. Award a three-year service contract for RP-1 and RP-2 boilers semi-annual cleaning and annual tune-up services to R.F. MacDonald, in the amount of \$122,154; and
2. Authorize the General Manager to execute the service contract;

as a Consent Calendar Item on the November 15, 2017 Board meeting agenda.

◆ Recommended that the Board:

1. Award a contract for the RP-4 Trident Filters, Project No. EN17110.01, to J.F. Shea Construction, Inc. in the amount of \$3,799,000;
2. Approve a contract amendment to Carollo Engineers for engineering services, project management, and construction management for a not-to-exceed amount of \$454,858; and
3. Authorize the General Manager to execute the construction contract and consulting engineering services amendment subject to non-substantive changes;

as an Action Item on the November 15, 2017 Board meeting agenda.

◆ Recommended that the Board:

1. Approve a consulting engineering services contract amendment for the RP-4 Rehabilitation, Projects Nos. EN17043 and EN17110, to Carollo Engineers for a not-to-exceed amount of \$356,236; and
2. Authorize the General Manager to execute the consulting engineering services amendment subject to non-substantive changes;

as a Consent Calendar Item on the November 15, 2017 Board meeting agenda.

◆ Recommended that the Board:

1. Award a construction contract for the RP-1 Maintenance Building Training Room, Project No. EP17003, to New Millennium Construction in the amount of \$266,890; and
2. Authorize the General Manager to execute the construction contract;

as a Calendar Consent Item on the November 15, 2017 Board meeting agenda.

◆ Recommended that the Board:

1. Award a construction contract change order to SCW Contractors for the Flow Equalization and Effluent Monitoring, Project No. EN11031, in the amount of \$108,655; and
2. Authorize the General Manager to execute the construction contract change order;

as a Calendar Consent Item on the November 15, 2017 Board meeting agenda.

◆ Recommended that the Board:

1. Approve the Chino Basin Water Bank Planning Authority Joint Powers Authority Agreement; and
2. Authorize the General Manager to execute the Agreement, subject to non-substantive changes;

as an Action Item on the November 15, 2017 Board meeting agenda.

INFORMATION ITEMS

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

- ◆ Regional Water Use Efficiency Programs Annual Report – FY 2016/17
- ◆ FY 2016/17 Recycled Water Annual Report
- ◆ SARCCUP Update
- ◆ Engineering and Construction Management Projects Updates

GENERAL MANAGER'S COMMENTS

General Manager P. 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 10:25 a.m.

Respectfully submitted,

April Woodruff
Board Secretary/Office Manager


**A Municipal Water District*

APPROVED: DECEMBER 13, 2017

**ACTION
ITEM
1B**

Date: December 20, 2017

To: The Honorable Board of Directors


From: Halla Razak, General Manager

Committee: Engineering, Operations & Water Resources

12/13/17

Finance & Administration

12/13/17

Executive Contact: Chris Berch, Executive Manager of Engineering/AGM

Subject: RP-1 Capacity Recovery Project Consultant Contract Award

Executive Summary:

In March 2017, the RP-1 and RP-5 Expansion Preliminary Design Report was approved. The Preliminary Design Report established the plan for the capacity recovery at RP-1, including restoring the liquids treatment capacity to 40 MGD and solids treatment capacity to 60 MGD. Staff has been actively searching federal, state, and grant opportunities as well as exploring project delivery methods including progressive design build, construction management at risk, and public private partnerships. These funding opportunities typically require further developed project plans; and therefore, the project schedule has been accelerated to initiate the 30% design.

Four design consultants responded to the project solicitation and were evaluated to determine which proposal offered the best value to IEUA. A selection committee comprised of IEUA and Contracting Agency staff determined that Carollo Engineers Inc., provided the best value for this project. Carollo has the technical experience and responsiveness to make this project a success. Carollo's fee proposal is within the project budget and was determined to be comprehensive and reasonable.

Staff's Recommendation:

1. Award a consultant contract for the RP-1 Capacity Recovery, Project Nos. EN24001 and EN24002, to Carollo Engineers Inc., for the not-to-exceed amount of \$13,637,633; and
2. Authorize the General Manager to execute the consultant contract subject to non-substantive changes.

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

Account/Project Name:

EN24001/RP-1 Liquids Capacity Recovery
EN24002/RP-1 Solids Capacity Recovery

Fiscal Impact (explain if not budgeted):

N/A

Prior Board Action:

On March 15, 2017, the Board of Directors adopted the RP-1 and RP-5 Expansion Preliminary Design Report.

Environmental Determination:

Program Environmental Impact Report (Finding of Consistency)

Staff is currently completing a Finding of Consistency with IEUA's Program Environmental Impact Report and a CEQA Plus evaluation for SRF Loan Funding.

Business Goal:

The RP-1 Capacity Recovery Project is consistent with the Agency's Business Goal of Wastewater Management specifically the Water Quality objective that IEUA will ensure that Agency systems are planned, constructed, and managed to protect public health, the environment, and meet anticipated regulatory requirements.

Attachments:

Attachment 1 - Background

Attachment 2 - PowerPoint

Attachment 3 - Consultant Contract [Click to download](#) (hard copies available upon request)

Background

Subject: RP-1 Capacity Recovery Project Consultant Contract Award

The existing Regional Water Recycling Plant No. 1 (RP-1) capacity is limited to approximately 32 MGD due to limitations in the secondary treatment system caused by increased wastewater strength coming into the plant. Beginning in June 2013, IEUA started a planning initiative to update the Wastewater Facilities Master Plan (WFMP). As part of the WFMP, IEUA planned facilities for growth and optimization of wastewater collection, treatment, and recycled water systems. The WFMP incorporated the wastewater flow projections, developed by the Integrated Water Resources Plan (IRP) and operational knowledge of the existing treatment systems, to develop a comprehensive facilities and operations plan. The WFMP confirmed the need to recover treatment capacity (defined as MGD of flow) in the RP-1 Liquids and Solids Treatment Systems due to increased wastewater strength observed in the RP-1 influent flow.

To investigate the current systems and detail system requirements, IEUA completed the RP-1 and Regional Water Recycling Plant No. 5 (RP-5) Expansion Preliminary Design Report (PDR) in March 2017. The PDR established the plan for the capacity recovery at RP-1, liquids treatment expansion at RP-5, the RP-5 Solids Treatment Facility, and the decommissioning required at RP-2. Additionally, the PDR details a project budget and schedule for each project component. The two main objectives of the RP-1 Capacity Recovery Project are:

1. Rehabilitate the RP-1 Liquids Treatment Systems to allow for the treatment of the ultimate influent sewer flow of 40 MGD.
2. Rehabilitate the RP-1 Solids Treatment Systems to allow for the treatment of the solids produced from both RP-1 and RP-4 at the total ultimate influent sewer flow of 60 MGD.

Based on the major recommendations resulting from the RP-1 Capacity Recovery Project PDR, the Project will consist of the following major components:

- Rehabilitate preliminary and primary treatment
- Expand the Intermediate Pump Station
- Convert the existing conventional activated sludge secondary system to a membrane bioreactor (MBR) system including fine screening consistent with RP-5 Liquid Treatment Expansion
- Modify Lagoon No. 3 piping system to allow for secondary effluent equalization
- Replace the existing solids thickening systems with new rotary drum thickeners to improve solids thickening
- Construct three new smaller acid phase digesters to improve operational performance
- Add recuperative thickening to the digestion process to increase performance and eliminate the need to construct one additional digester
- Replace the existing odor control with a new two-stage bioscrubber with carbon polishing

In addition to the project components listed above, this contract award will include an alternative funding opportunities evaluation and a site master plan of RP-1.

The current Ten-Year Capital Improvement Plan (TYCIP) schedule for the project has the design beginning in 2023 with a construction completion date in 2029 to meet the WFMP 2030 requirement for capacity recovery. IEUA has been actively searching federal, state, and grant opportunities as well as exploring project delivery methods including progressive design build, construction management at risk, and public private partnerships. These funding opportunities typically require further developed project plans. For this reason, the TYCIP included budget in FY 2017/18 to complete the RP-1 Capacity Recovery Project 30% design; completion of the 30% design will position IEUA to compete for funding should it become available.

On August 15, 2017, IEUA issued a Request for Proposals for Design Services for the RP-1 Capacity Recovery Project on *PlanetBids*. On October 12, 2017, four proposals were received from the qualified firms listed below:

- Black & Veatch/AECOM
- Carollo
- CDM Smith
- CH2M

The proposals were reviewed by a selection committee consisting of IEUA staff from Engineering and Construction Management, Operations and Maintenance, and Contracts and Procurement as well as representatives from Cucamonga Valley Water District, the City of Montclair, and the City of Ontario. IEUA greatly appreciates the support and dedication provided by these representatives in reviewing over 1,400 pages of proposal documentation. The proposals were evaluated based on project team qualifications, experience with MBR systems, construction management at risk project delivery, understanding of the project scope, ability to provide innovative alternatives, and ability to meet the project schedule. Based on these criteria, the committee selected two consultants for interviews as listed below:

- Carollo
- CH2M

The selection committee conducted interviews on November 14, 2017. Each interview included a consultant presentation to introduce the project team as well as highlight noteworthy aspects of their proposal, a question-and-answer session to allow the selection committee to ask specific questions of each consultant as it pertained to their proposal, and a consultant final statement. Based upon the written proposal and interview, the selection committee unanimously determined that Carollo provided the best value to IEUA for this project. The major reasons for this selection included:

1. The proposal provided a clear vision for the RP-1 site master plan as the facility evolved from current conditions through ultimate build-out including impacts of major expansions and future repair and rehabilitation projects.
2. The project team created a comprehensive scope of work, project plan, and provided a detailed month-by-month schedule of all work efforts, workshops, and deliverables to complete the 30% design on schedule.
3. The project approach included innovative and cost savings ideas, especially the consolidation of the primary effluent and return activated sludge pump stations to mitigate hydraulic constraints through the secondary treatment system.

4. The project team has proven experience with the design and construction of large MBR systems as well as successfully completing projects through the construction management at risk project delivery method.

The anticipated cost for the RP-1 Capacity Recovery Project is provided in the table below:

Description	Estimated Cost
Design Services	\$20,637,633
Design Consultant (this item/not-to-exceed)	\$13,637,633
Other Design Services (4%)	\$7,000,000
Construction Services	\$ 14,100,000
Engineering Services During Construction (3%)	\$5,300,000
Other Construction Services (5%)	\$8,800,000
Construction	\$ 176,000,000
Construction	\$135,400,000
Contingency (30%)	\$40,600,000
Total Project Cost	\$210,737,633
Total Project Budget	\$ 230,100,000
Remaining Budget	\$19,362,367

IEUA staff is currently in negotiations with Carollo to finalize the scope of work and fee. Carollo's fee proposal of \$13,637,633 is within the project budget and the engineer's estimate of 8% of the construction value of the project. The contract award will be for the entirety of the design; however, a notice-to-proceed will only be issued for an alternative funding evaluation, site master plan, and the 30% design. Additionally, to maintain consistency in the project, it is staff's intention to amend Carollo's contract at the conclusion of the final design to include engineering services during construction, an estimated amendment value of \$5,300,000, contingent upon Carollo's excellent performance throughout the final design.

A more detailed project schedule is provided below:

Project Milestone	Date
Design Contract Board Award/Approval	December 2017
Funding Evaluation	March 2018
RP-1 Site Master Plan	June 2018
30% Design Completion	December 2018
50%, 85%, 100% Design Completion	TBD

The RP-5 Liquids Expansion and Solids Treatment Facility projects are consistent with *IEUA's Business Goal of Wastewater Management* specifically the Water Quality objective that IEUA will ensure that systems are planned, constructed, and managed to protect public health, the environment, and meet anticipated regulatory requirements.

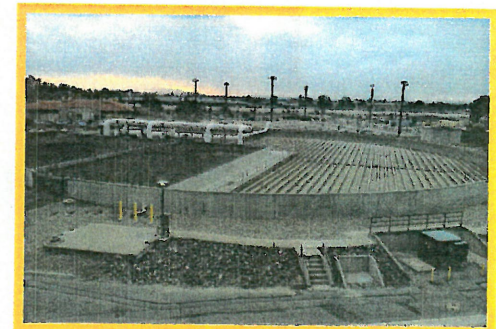
Fiscal Impact:

If approved, the consultant contract for the RP-1 Capacity Recovery Project Nos. EN24001 and EN24002, for the not-to-exceed amount of \$13,637,633, will be within the combined total project budgets of \$230,100,000 in the Regional Wastewater Capital (RC) and the Regional Wastewater

O&M (RO) Funds. An estimated combined amount of \$2,350,000 will be spent on both projects this fiscal year, within the combined FY 2017/18 budget of \$4,000,000. The future year funding will be re-appropriated accordingly during the FY 2017/18 review of the Ten-Year Capital Improvement Plan.

RP-1 Capacity Recovery Project Consultant Contract Award

Project Nos. EN24001 and EN24002



Jason Marseilles, P.E.
December 2017

Project Location



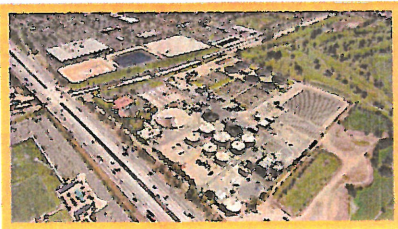
Project Background

- Wastewater Facilities Master Plan created from 2013 – 2015
- RP-1 and RP-5 Expansion Preliminary Design Report (PDR) created from 2016 – 2017
- TYCIP scheduled RP-1 Capacity Recovery design to begin in 2023 with construction being completed by 2030
- Potential future funding opportunities are more attainable with further developed project plans
- Staff has initiated the RP-1 Capacity Recovery Project 30% Design



Project Scope

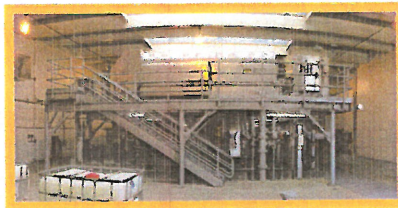
Major Tasks



Site Master Plan



Liquids Capacity Recovery



Solids Capacity Recovery

- Existing Structure Utilization
- Site Master Plan
- Funding Opportunities
- Primary Effluent Equalization Conversion
- Headworks Improvements
- Primary Clarifier Rehab
- Intermediate Pump Station Expansion
- Aeration Basin Modifications
- Membrane Bio-Reactor
- Rotary Drum Thickening
- Phased Digestion
- Liquids & Solids Odor Control
- Electrical System Improvements
- Utility System Rehabilitation

Consultant Selection

- Request for Proposals issued on August 15, 2017
- Four Proposals Received on October 12, 2017

Proposals Received
Black & Veatch/AECOM
Carollo
CDM Smith
CH2M

- Evaluation and Selection Committee
 - Engineering and Construction Management, Operations and Maintenance, Contracts and Procurement, Cucamonga Valley Water District, the City of Montclair, and the City of Ontario

Consultant Selection Continued

- Two Consultants invited for interviews on November 14, 2017

Consultant Interviews	
Carollo	
CH2M	

- Carollo unanimously selected for the RP-1 Capacity Recovery Project:
 - Clear vision for RP-1 site master plan
 - Comprehensive scope of work, project plan, and detailed deliverable schedule
 - Project approach including innovative and cost saving alternatives
 - Project team experience with MBR and construction management at risk

Project Budget and Schedule

Description	Estimated Cost
Design Services	\$20,637,633
Consultant Design Contract (this item/NTE)	\$13,637,633
Other Design Services (4%)	\$7,000,000
Construction Services	\$14,100,000
Engineering Services During Construction (3%)	\$5,300,000
Other Construction Services (5%)	\$8,800,000
Construction	\$176,000,000
Construction (estimate)	\$135,400,000
Contingency (30%)	\$40,600,000
Total Project Cost:	\$210,737,633
Total Project Budget:	\$230,100,000
Remaining Budget:	\$19,362,367

Project Milestone	Date
Design	
Consultant Design Contract Award	December 2017
Funding Evaluation	March 2018
RP-1 Site Master Plan	June 2018
30% Design Completion	December 2018
50%, 85%, 100% Design Completion	TBD
Construction	
Construction Contract Award	TBD
Construction Completion	TBD

Recommendation

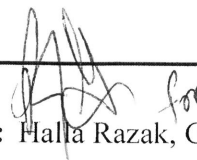
- Award a consultant contract for the RP-1 Capacity Recovery, Project Nos. EN24001 and EN24002, to Carollo Engineers Inc., for the not-to-exceed amount of \$13,637,633; and
- Authorize the General Manager to execute the contract subject to non-substantive changes.

The RP-1 Capacity Recovery Project is consistent with **IEUA's Business Goal of Wastewater Management** specifically the Water Quality objective that IEUA will ensure that systems are planned, constructed, and managed to protect public health, the environment, and meet anticipated regulatory requirements.

**ACTION
ITEM
1C**

Date: December 20, 2017

To: The Honorable Board of Directors

 for
From: Halla Razak, General Manager

Committee: Engineering, Operations & Water Resources
Finance & Administration

12/13/17

12/13/17

Executive Contact: Chris Berch, Executive Manager of Engineering/AGM

Subject: RP-5 Aeration Diffuser Replacement Construction Contract Award

Executive Summary:

The wastewater treatment process utilizes air diffusers to process the wastewater for discharge or use as recycle water. Over time, the diffusers have become less effective due to aging and clogging, which negatively impacts the treatment process and increases electricity usage and cost. Most of the diffusers are original from the 2004 construction of RP-5 and have reached the end of their useful life. Typical life expectancy for the diffusers ranges from three to ten years. This project is intended to replace the diffusers and several other aging process components.

On November 7, 2017, IEUA received four pre-qualified contractor bids. Genesis Construction was the lowest responsive bidder, with a bid price of \$2,987,654. The construction contract was unanimously recommended for IEUA Board approval by the Regional Technical and Policy Committees. Genesis Construction successfully completed an aeration diffuser replacement maintenance project at RP-1 in 2013.

Staff's Recommendation:

1. Award a construction contract for the RP-5 Aeration Diffuser Replacement, Project No. PA17006.02, to Genesis Construction in the amount of \$2,987,654; and
2. Authorize the General Manager to execute the contract.

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

Account/Project Name:

PA17006.02/RP-5 Aeration Diffuser Replacement

Fiscal Impact (explain if not budgeted):

N/A

Prior Board Action:

N/A

Environmental Determination:

Categorical Exemption

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

Business Goal:

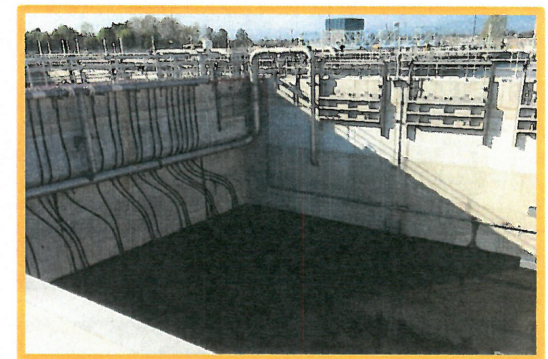
The RP-5 Aeration Diffuser Replacement Project is consistent with IEUA's Business Goal of Wastewater Management, specifically the Asset Management objective that IEUA will ensure the regional sewer system and treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use.

Attachments:

Attachment 1 - PowerPoint

Attachment 2 - Construction Contract

RP-5 Aeration Diffuser Replacement Construction Contract Award Project No. PA17006.02



Project Location

Page 10 of 14



Secondary Treatment Process:
Aeration Diffusers

The Project

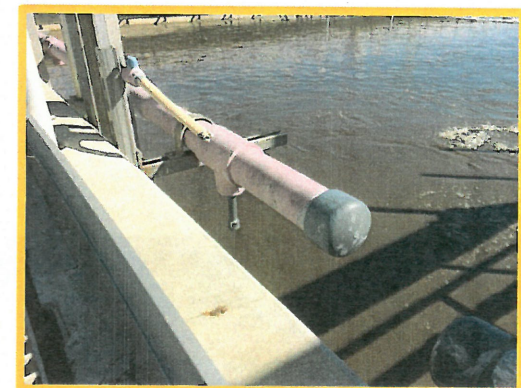
- Equipment and diffusers original from 2004
- Partial diffuser replacement of two zones in 2011
- Reduced process performance and reliability
- Increased process electricity usage
- Failed surface sprayers piping and mixers
- Replace diffusers, surface sprayer piping, and mechanical mixers



Aeration Basin Surface Boil



RP-5 Aeration Basin with Failed Diffusers



Out of Service Surface Sprayer Pipeline

Contractor Selection

Four bids were received on November 7, 2017:

Bids Received

Bidder's Name	Total
Genesis Construction	\$ 2,987,654
J.F. Shea Construction, Inc.	\$ 3,004,800
Environmental Construction, Inc.	\$ 4,050,643
Mike Bubalo Construction Co., Inc.	\$ 4,300,000
Engineer's Estimate	\$ 1,800,000

Project Budget and Schedule

Description	Estimated Cost	Project Milestone	Date
Design Services	\$74,733	Construction	
IEUA Design Services (actual cost)	\$74,733	Construction Contract Award	December 2017
Construction Services	\$149,383	Construction Completion	December 2018
IEUA Construction Services (5%)	\$149,383		
Construction	\$3,286,419		
Construction Contract (this action)	\$2,987,654		
Contingency (10%)	\$298,765		
Total Project Cost:	\$3,510,535		
Other Aeration Diffuser Replacement Projects	\$1,880,554		
Total Project Budget:	\$10,120,000		
Remaining Budget:	\$4,728,911		

Recommendation

- Award a construction contract for the RP-5 Aeration Diffuser Replacement, Project No. PA17006.02, to Genesis Construction in the amount of \$2,987,654; and
- Authorize the General Manager to execute the contract.

The RP-5 Aeration Diffuser Replacement Project is consistent with **IEUA's Business Goal of Wastewater Management**, specifically the Asset Management objective that IEUA will ensure the regional sewer system and treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use.

1.0 CONTRACT

THIS CONTRACT, made and entered into this ____ day of December, 2017, by and between Hemet Manufacturing Co., Inc. dba Genesis Construction, hereinafter referred to as "Contractor," and The Inland Empire Utilities Agency, a Municipal Water District, located in San Bernardino County, California, hereinafter referred to as "Agency".

WITNESSETH:

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

1. Contractor agrees to perform and complete in a workmanlike manner, all work required under the bidding schedule of said Agency's specifications entitled SPECIFICATIONS FOR THE CONSTRUCTION OF THE RP-5 AERATION DIFFUSER REPLACEMENT, PROJECT NO. PA17006.02, 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 \$ Two Million Nine Hundred Eighty Seven Thousand Six Hundred Fifty Four 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 two hundred and forty (240) working 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 three thousand (\$3,000) dollars for each day of delay, which shall be the period between the expiration of the contract time and the date of final acceptance by the Agency, as liquidated damages and not as a penalty.
9. All work shall be completed before final payment is made. 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.
10. In addition to the liquidated damages, which may be imposed if the Contractor fails to complete the work within the time agreed upon, the Agency may also deduct from any sums due or to become due to the Contractor, penalties and fines for violations of applicable local, state, and federal law.
11. 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.

12. 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.
13. 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.
14. That the Contractor shall carry Workers' Compensation Insurance and require all subcontractors to carry Workers' Compensation Insurance as required by the California Labor Code.
15. 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.
16. The Contractor The Contractor hereby agrees to protect, defend, indemnify and hold the Agency and its employees, agents, officers, directors, servants and volunteers free and harmless from any and all liability, claims, judgments, costs and demands, including demands arising from injuries or death of persons (including employees of the Agency and the Contractor) and damage to property, arising directly or indirectly out of the obligation herein undertaken or out of the operations conducted by the Contractor, its employees agents, representatives or subcontractors under or in connection with this Contract to the extent permitted by law.

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

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

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

By _____
General Manager

*Municipal Water District

Contractor
Hemet Manufacturing Company,
Inc. dba Genesis Construction

By *Candace D. Perry*
Candace D. Perry, President
11-28-17

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT Civil Code § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

County of Riverside

On 11-28-17 before me, Tia M. Clark, Notary Public,
Date Insert Name of Notary exactly as it appears on the official seal

personally appeared Candace D. Perry

Name(s) of Signer(s)

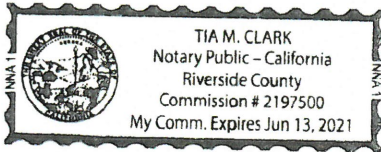
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Signature

Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of the form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer is Representing: _____

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

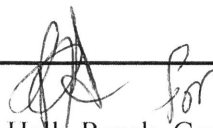


Signer is Representing: _____

**ACTION
ITEM
1D**

Date: December 20, 2017

To: The Honorable Board of Directors


From: Halla Razak, General Manager

Committee: Engineering, Operations & Water Resources

12/13/17

Finance & Administration

12/13/17

Executive Contact: Chris Berch, Executive Manager of Engineering/AGM

Subject: Headquarters Buildings Roofing Replacement Construction Contract Award

Executive Summary:

Over the past several years, the existing roofing system on IEUA Headquarters Buildings A and B have developed leaks and the fiberglass skylights are severely weathered. The Headquarters Buildings Roofing Replacement Project will replace the existing roofing system and skylights on IEUA Headquarters Buildings A and B with a 20-year roofing system.

On October 26, 2017, IEUA received seven bids. Best Contracting Services Inc., was the lowest responsive bidder, with a bid price of \$1,024,070.

IEUA received the following two bid protests:

1. San Marino Roofing Company was deemed non-responsive for not having the correct contractor's license to perform the skylight work and protested this determination.
2. Letner Roofing Company submitted protest letters indicating that the lowest three bids should be rejected as non-responsive. Staff and legal counsel found no basis for the protest, so the protest was denied.

Staff's Recommendation:

1. Award a construction contract for the Headquarters Buildings Roofing Replacement, Project No. CP16003, to Best Contracting Services Inc., in the amount of \$1,024,070;
2. Approve a project budget reclassification in the amount of \$1,311,000 in the Administration Services (GG) Fund from O&M to Capital Project; and
3. Authorize the General Manager to execute the contract and budget reclassification.

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

Account/Project Name:

CP16003/Headquarters Buildings Roofing Replacement Project

Fiscal Impact (explain if not budgeted):

If approved, the Headquarters Buildings Roofing Replacement, Project No. CP16003, will be re-classified from O&M classification to Capital classification in the Administration Services (GG) Fund.

Prior Board Action:

None.

Environmental Determination:

Categorical Exemption

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

Business Goal:

The Headquarters Buildings Roofing Replacement Project is consistent with the IEUA's Business Goal of Wastewater Management and Work Environment specifically the Asset Management and Staff Safety objectives that IEUA will ensure the regional sewer system and treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, can accommodate changes in regional water use, and will promote and ensure a safe and healthy work environment, exceeding industry best practices.

Attachments:

Attachment 1 - PowerPoint
Attachment 2 - Construction Contract

Headquarters Buildings Roofing Replacement Construction Contract Award Project No. CP16003



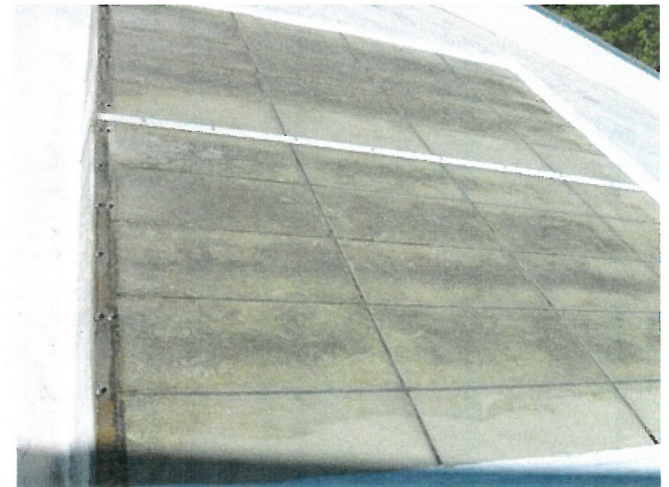
Project Location



Agency Headquarters Buildings

The Project

- Remove/replace existing roofing membrane and skylights
- Add 10 additional tubular skylights
- Install hose bibs on roofs for maintenance activities
- Install new scupper drain downspouts



Discolored and Deteriorated Skylight

Contractor Selection

Seven bids were received on October 26, 2017:

Bids Received

Bidder's Name	Total
Best Contracting Services Inc.	\$ 1,024,070
Exbon Development Inc.	\$ 1,144,000
Letner Roofing Company	\$ 1,145,000
Courtney Inc.	\$ 1,155,690
Rite Way Roof Corporation	\$ 1,193,369
WSP Roofing	\$ 1,197,000
San Marino Roof Company Inc.	Non-Responsive
Engineer's Estimate	\$998,000

Project Budget and Schedule

Description	Estimated Cost	Project Milestone	Date
Design Services	\$126,000	Construction	
Design Contract (actual cost)	\$27,500	Construction Contract Award	December 2017
IEUA Design Services and Permits (actual cost)	\$98,500	Construction Completion	July 2018
Construction Services	\$89,725		
Engineering Services During Construction	\$7,800		
IEUA Construction Services (~8%)	\$81,925		
Construction	\$1,126,470		
Construction Contract (this action)	\$1,024,070		
Contingency (10%)	\$102,400		
Total Project Cost:	\$1,342,195		
Total Project Budget:	\$1,395,822		
Remaining Budget:	\$53,627		

Recommendation

- Award a construction contract for the Headquarters Buildings Roofing Replacement, Project No. CP16003, to Best Contracting Services Inc., in the amount of \$1,024,070;
- Approve a project budget reclassification in the amount of \$1,311,000 in the Administration Services (GG) Fund from O&M to Capital Project; and
- Authorize the General Manager to execute the contract and budget reclassification.

The Headquarters Building Roofing Replacement Project is consistent with the **IEUA's Business Goal of Wastewater Management and Work Environment** specifically the Asset Management and Staff Safety objectives that IEUA will ensure the regional sewer system and treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, can accommodate changes in regional water use, and will promote and ensure a safe and healthy work environment, exceeding industry best practices.

SECTION D - CONTRACT AND RELEVANT DOCUMENTS

1.0 CONTRACT

THIS CONTRACT, made and entered into this 20 day of December, 2017, by and between Best Contracting Services Incorporated , 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 Headquarters Buildings Roofing Replacement Project, Project No. CP16003**, 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: One-million, twenty-four thousand and seventy (\$ 1,024,070) 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 One-Hundred and Eighty (180) 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 damages in the table provided below 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. Liquidated damages will be assessed against the CONTRACTOR for CONTRACTOR'S failure to meet schedule mandatory milestones as defined in the following table:

Headquarters building Roofing Replacement Project No. CP16003	Liquidated Damages for Delay
Approval of Shop Drawings/Submittals within forty-five (45) Calendar Days of Contract Award for the following items: ❖ Polyvinyl Chloride (PVC) single ply roofing membrane ❖ Skylights ❖ Tubular Skylights	\$250 / day
Project Completion within one-hundred and eighty (180) Calendar Days of Contract Award.	\$1,000 / day

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,*
San Bernardino County, California.

By _____

Halla Razak
General Manager

Best Contracting Services, Inc.

Contractor

By  _____

Kayhan Fatemi
Executive V.P.

*Municipal Water District

Attachments:

- A. Contractor Bid Documents dated 10-26-17
- B. Contractor Final and Best Offer on Add/Deduct Items

48

AUGUST 2017
IFB-MB-17-023

CONTRACT AND
RELEVANT DOCUMENTS
PROJECT NO. CP16003
HEADQUARTERS BUILDINGS ROOFING REPLACEMENT

Attachment A
Contractor Bid Documents
Dated 10-26-17



19027 S. Hamilton Avenue
Gardena, CA 90248
Contr. Lic#: 456263
(310) 328-6969

***Scaled Bid Enclosed
DO NOT OPEN WITH
REGULAR MAIL***

**Inland Empire Utilities Agency
6075 Kimball Avenue
Building "A"
Chino, CA 91708**

**Bid of BEST CONTRACTING SERVICES, INC.
for HEADQUARTER BUILDINGS ROOFING REPLACEMENT, PROJECT NO. CP16003
BID DUE DATE AND TIME:
Thursday, October 26, 2017 @ 2:30 pm**

IEUA
SEALED BID
RECEIVED
10/26/17 1:05pm
DATE TIME
Becky Ramirez
BY

SECTION C - BID FORMS

1.0 THIS BID IS SUBMITTED

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

Headquarters Buildings Roofing Replacement, Project No. CP16003

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> or the Agency's web site: www.ieua.org.

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 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 Headquarters Buildings Roofing Replacement, Project No. CP16003 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. Payment of bid items shall be as specified in SECTION D - CONTRACT AND RELEVANT DOCUMENTS, Part 1.0. The Bidding Schedule Table is located on the following page, and must be completed, in full.

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.

Total Bid Price \$ 1,024,070.00 dollars
(in numeric figures)

One Million Twenty Four Thousand Seventy Dollars
(written in words)

ITEM	DESCRIPTION	UNIT PRICE	UNIT PRICE (written)
ADDITIVE/DEDUCTIVE ITEMS			
1.	Total all-inclusive <u>per 4' x 8' sheet</u> cost to remove and replace the existing 3/4" OSB decking where found to be deteriorated or damaged. New replacement decking material is to match the same thickness, type and grade and nailing schedule as that of the existing OSB decking material.	\$160.00 / ea.	dollars (written) One Hundred Sixty Thousand Dollars
2.	Provide a total all-inclusive <u>per 8' length of 6" wood nailer</u> cost to remove and replace existing wood nailer where found to be deteriorated or damaged. New replacement wood nailer is to be No.1 & Btr grade Pressure Treated Douglas fir (PTDF) wood.	\$86.00	dollars (written) Eighty Six Dollars
3.	Provide a total all-inclusive <u>per square foot</u> cost to install 1/2" : 12" tapered expanded polystyrene (ESP) crickets at upslope side of equipment curbs, platforms 48" or wider and skylights as required. The cricket are to be loose-laid directly over the prepared OSB deck for concurrent attachment with the gypsum cover board in accordance with the mechanical attachment requirements as indicated.	\$5,700.00	dollars (written) Five Thousand Seven Hundred Dollars
4.	Provide a total all-inclusive <u>per lineal foot</u> cost to install the specified 72-mil minimum walkway tread in accordance with the attachment requirements.	\$9,510.00	dollars (written) Ninc Thousand Five Hundred Ten Dollars

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:

\$ 1,024,070.00 (numbers)

One Million Twenty Four Thousand Seventy Dollars (words)

7.0 LIST OF EQUIPMENT MANUFACTURERS

- A. The undersigned bidder is naming in this Section, the manufacturer or supplier that will furnish the respective item of equipment for the work identified in the Bidding and Contract Requirements, Section C - Bid Forms, Part 8.0, and "List of Equipment". Bidder shall list one name for each item of equipment identified in the Bidding and Contract Requirements, Section C - Bid Forms, Part 8.0, "List of Equipment".
- B. The bidder agrees that in the event any listed manufacturer or supplier is not specifically named in the specifications, the bidder shall, prior to award, submit complete information, satisfactory to the Agency, demonstrating that such manufacturer's or supplier's equipment meets the requirements of the bidding documents.

If, in the opinion of the Agency, the listed manufacturer's or supplier's equipment does not meet the requirements of the bidding documents, the bidder's bid will be rejected unless, prior to award, the bidder, in writing agrees to furnish and install equipment that does meet the requirements of the bidding documents, without change in the prices of the bid.

- C. Where manufacturers' or suppliers' names are listed next to specific items of equipment, this shall be interpreted to mean that such manufacturers may not be substituted, in accordance with the stipulations in the Bidding and Contract Requirements, Section B - Instructions to Bidders, Part 4.0, "Product Substitution".

8.0 LIST OF EQUIPMENT

Section No.	Equipment Description	Manufacturer
07519	ROBOTIC WELDER GENERATOR SCREW GUN HAND HELD WELDER CRANE REACH-FORK BOOM LIFT	LEISTER GENERIC DEWALT LEISTER SMITH BROS. SKYLIFT SKYLIFT

9.0 SHOP DRAWING SUBMITTALS WITH THE BID (Optional Section)

All bids shall be submitted with shop drawings for the items listed below in accordance with the contract documents:

SECTION NO.	ITEM
N/A	N/A

The Agency shall provide compensation for preparation of shop drawings only to the lowest responsible bidder whose bid complies with all the requirements prescribed in the contract documents.

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).

<u>Name</u>	<u>Location of Business</u>	<u>Type of Work</u>	<u>License No.</u>
Klondike Construction Services Inc.	10016 Pioneer Blvd. Ste 102 Santa Fe Springs, CA 90670	Roof Demo	# 990645

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

Rancho Campana HS & Performing Arts Center completed 10/7/2016 for the amount of \$ 1,110,773.00, (owner) Camarillo Unified School District

600 Temple Avenue , Camarillo CA 93010, Sandra Munos (661)392-7000 New Single ply installed.

South Hall Convention Center completed on 9/16/16 for the amount of \$ 3,999,511.00, (owner) City of Los Angeles- 555 Ramirez Street

Space 150 Los Angeles CA 90012- Steve Potik (213) 741-1151 Reroof Single ply installed.

Central Los Angeles Learning Center No. 1 Phase 2 completed on 4/8/2011 for the amount \$ 9,674,284.00, (Owner) Los Angeles Unified School District

1545 Wilshire Blvd. Suite 100 Los Angeles CA 900174, Martin Rosales (323) 789-7041- New Single Ply installed

University Park South completed on 3/11/2011 for the amount of \$ 2,431,307.00, (Owner) San Francisco State University

1600 Holloway Avenue San Francisco CA 94132- Rose Balancio- Dimaggio (415) 405-3654 Replace Single ply installed

* Additional References Attached *

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."

SIMILAR PROJECTS IN THE PAST 7 YEARS

Project Name	Project Address LMA #	Project City	City State	Bid Amount	Final Contract Amount	Completion Date	Type of Service	Discipline Type	Company	First Owner	Last Address	Phone	Cell
Rancho Conejo HS & Performing Arts Center	Los Posas Road	Camarillo	CA	\$1,040,000.00	\$1,110,773.00	10/7/2016	New	Single Ply	SC Anderson	Sandra	Munoz	(661) 392-7000	(661) 391-9999
South Hall Convention Center	1201 South Figueroa Street	Los Angeles	CA	90016 \$3,551,010.63	\$3,999,511.00	8/16/2016	Reroof	Single Ply	City of Los Angeles	Marlo	Sanchez	(213) 743-1151	
Reroof at El Camino Real High School	5440 Valley Circle Blvd	Los Angeles	CA	91267 \$1,019,000.00	\$1,029,111.00	10/9/2015	Reroof	Single Ply	LAUSD	Martin	Rosales	(323) 789-7041	(213) 419-4010
USPS San Francisco Area G		San Francisco	CA	\$1,449,892.00	\$1,532,464.00	8/8/2014	Replace	Single Ply	USPS	Guy	Eberle	(214) 819-7100	(214) 819-7125
Miramar College Library Learning Resource Center	10440 Black Mountain Road	San Diego	CA	92126 \$932,966.00	\$1,390,791.00	2/1/2013	New	Single Ply	Sunbelt Construction Company	Matt	Schelten	(619) 321-4884	(619) 321-4900
LAX Terminal 5 Delta Airlines Airside	World Way West	Los Angeles	CA	\$3,985,624.00	\$9,980,740.00	10/28/2012	Reroof	Single Ply	PMTCHNOLOGIES	David	Barron	(678) 323-1600	(678) 323-1639
Central Library New Roof	630 West 5th Street	Los Angeles	CA	\$1,264,451.50	\$1,686,145.00	6/15/2012	Reroof	Single Ply	City of Los Angeles Contract No: 58581	Frank	Alvarado	(213) 473-8505	(213) 743-8552
Palomar Medical Center West New Hospital	2185 Chtracado Parkway	Escondido	CA	92029 \$4,890,000.00	\$6,591,537.00	2/10/2012	New	Single Ply	DPR Construction Inc.	John	Cole	(619) 921-7832	(619) 597-7001
Central Los Angeles Learning Center No 1 Phase 2	701 South Catalina Street	Los Angeles	CA	90005 \$1,497,000.00	\$9,674,284.00	4/8/2011	New	Single Ply	Hensel Phelps	Jarvis	Haugness	(949) 852-0111	(949) 852-0218
Painted Hills Middle School (New Middle School No 5 Phase A)	9250 Sonora Drive	Desert Hot Springs	CA	92240 \$995,488.00	\$1,012,689.00	4/6/2011	New	Single Ply	McCarthy Building Companies	Kevin	Helgevoid	(949) 651-8988 ext 392	(949) 756-6043
William Morris Agency Project	231 - 265 Beverly Drive	Beverly Hills	CA	90210 \$1,524,000.00	\$1,841,109.64	3/25/2011	New	Single Ply	Tishman Construction Corporation of California	Jennifer	Gardner	(213) 327-3020 ext 3059	(213) 962-1002
University Park South	1600 Holloway Ave	San Francisco	CA	\$2,173,000.00	\$2,431,907.00	3/11/2011	Replace	Single Ply	San Francisco State University	Rose	Belenzo-DiMaggio	(415) 409-3654	(415) 338-1984
Multi-Campus Re-Roofing and PV Infrastructure	400 Murckisson Drive	Millbrae	CA	94030 \$5,354,400.00	\$5,809,237.00	3/4/2011	Reroof	Single Ply	Graystone West, Co.	Todd	Lee	(707) 993-0624	
UC Davis Surgery and Emergency Pavilion	1 Shields Avenue	Davis	CA	95616 \$4,400,000.00	\$11,652,442.00	1/14/2011	New	Single Ply	Swinerton Builders	Tony	Williamson	(415) 984-1227	(977) 349-7167
Crocker Art Museum				\$957,500.00	\$3,200,117.00	12/17/2010	-	Single Ply	Rudolph & Sletten General and Engr Contractors	Jim	Pan	(916) 781-8001 Johnnie@	(916) 781-8003
Morroe High School	9299 Haskell Avenue	North Hills	CA	91343 \$1,784,338.00	\$1,318,708.00	10/22/2010	Reroof	Single Ply	Las Angeles Unified School District	Patrick	Sweetland	(818) 610-4275	(818) 610-5006
CSU Long Beach Student Recreational Center and Wellness Center	1250 Bellflower Boulevard	Long Beach	CA	90840 \$994,309.00	\$1,094,588.00	8/20/2010	New	Single Ply	Various GCs		Various GCs	(800) 000-0000	
CSU Long Beach Student Recreational Center and Wellness Center	1250 Bellflower Boulevard	Long Beach	CA	90840 \$994,309.00	\$1,034,588.00	8/20/2010	New	Single Ply	CW Driver		Vicky	(626) 351-8800	(626) 351-8880
CSU Long Beach Student Recreational Center and Wellness Center	1250 Bellflower Boulevard	Long Beach	CA	90840 \$994,309.00	\$1,034,588.00	8/20/2010	New	Single Ply	CW Driver		Patrick	(626) 351-8800	(626) 351-8880
CSU Long Beach Student Recreational Center and Wellness Center	1250 Bellflower Boulevard	Long Beach	CA	90840 \$994,309.00	\$1,094,588.00	8/20/2010	New	Single Ply	CW Driver		Rob	(626) 351-8800	(626) 351-8880

Grand Totals (20 rows)

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 Best Contracting Services, Inc.

B. Type of firm

sole proprietor partnership corporation

Other _____

If corporation, incorporated in the State of: California

C. Bidder's Business Address:

19027 S. Hamilton Ave.

Gardena, CA 90248

D. Bidder's Business Telephone: (310) 328-6969

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

Number 0000477286-0001-9 Issuing City Los Angeles

Expiration Date 2/28/2018

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

Moji Tabazadeh, President - 19027 S. Hamilton Ave. Gardena, CA 90248

Sean Tabazadeh, CEO/Secretary/RMO - 19027 S. Hamilton Ave. Gardena, CA 90248

Fatemeh Tabazadeh, Treasurer - 19027 S. Hamilton Ave. Gardena, CA 90248

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, October 26, 2017 at Gardena, California

C. By (signature) 

D. Printed Name and Position Sean Tabazadeh, CEO/Secretary

E. Stamp Seal

17.0 ADDENDA

The undersigned acknowledges receipt of Addenda Nos.:

1, 2, 3, 4 & 5

19.0 STATEMENT OF COORDINATION

The Undersigned acknowledges that, in the process of preparing a bid for the referenced category of Work, he has examined the Contract Drawings; read and understands the requirements of the General and Supplementary Conditions; Addenda, if any; technical sections of the Specifications describing work categories for which the Undersigned is directly responsible, and all related sections which include additional requirements for cooperation, coordination, and compliance.

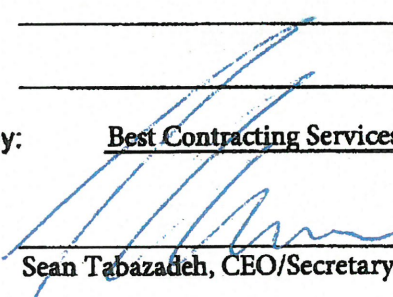
The Undersigned acknowledges his obligation to identify below any errors, omissions, conflicts, code violations and improper use of materials discovered in the Contract Documents that could interfere with the timely completion, or increase the cost, of the category of Work for which the Undersigned is responsible.

Except as noted below, the Undersigned has no objection to, or reservation about, the materials to be furnished or the conditions under which they will be installed, and is satisfied that he can complete his contractual responsibilities in a first class workman-like manner without extensive modifications or additional expense.

Exceptions: NONE

Alternates to Exceptions:
NONE

Submitted by: Best Contracting Services, Inc.

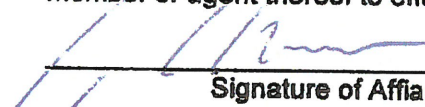
Signed By:  _____ Date: October 05, 2017
Sean Tabazadeh, CEO/Secretary

20.0 NONCOLLUSION AFFIDAVIT

STATE OF CALIFORNIA
COUNTY OF Los Angeles)ss.

Sean Tabazadeh, affiant, the
(Individual completing affidavit)
CEO/Secretary, of
(Position with firm of the individual completing affidavit)
Best Contracting Services, Inc., the
(Name of the Firm)

party making the foregoing bid, having first been duly sworn, deposes and says that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or that of any other bidder, or to secure any advantage against the public body awarding the Contract of anyone interested in the proposed Contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.


Sean Tabazadeh, CEO/Secretary
Signature of Affiant

SEE ATTACHED NOTARY
Subscribed and sworn to before me

this _____ day of _____, 20__ .

Signature of Notary Public in and for
the County of _____,
State of California.

CALIFORNIA JURAT WITH AFFIANT STATEMENT

GOVERNMENT CODE § 8202

- See Attached Document (Notary to cross out lines 1-6 below)
- See Statement Below (Lines 1-6 to be completed only by document signer[s], *not* Notary)

Signature of Document Signer No. 1

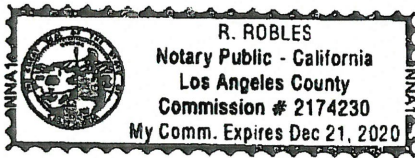
Signature of Document Signer No. 2 (if any)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
 County of Los Angeles

Subscribed and sworn to (or affirmed) before me
 on this 9th day of October, 2017
 by Sean Tabazadeh
 (1) _____

(and (2) _____),
Name(s) of Signer(s)



proved to me on the basis of satisfactory evidence
 to be the person(s) who appeared before me.

Signature *R. Robles*
Signature of Notary Public

Seal
 Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Non Collusion Affidavit Document Date: 10/09/17

Number of Pages: 1 Signer(s) Other Than Named Above: _____

21.0 BIDDER'S BOND (Ten (10) Percent of the Total Bid)

Bond Number N/A

BID BOND

KNOW ALL MEN BY THESE PRESENTS,

That Best Contracting Services, Inc., as Principal
and The Hanover Insurance Company, as Surety

are held and firmly bound unto the Inland Empire Utilities Agency, a Municipal Water District hereinafter designated as the "Agency", in the sum of dollars, (not less than ten (10) percent of the total amount of the bid) for the payment of which sum will and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, said Principal has submitted a bid to said Agency to perform all work required under the bidding schedule(s) titled:

Inland Empire Utilities Agency HQ Building Roof, Project No. CP16003, IFB-MB-17-023

NOW, THEREFORE, if said Principal is awarded the Contract by said Agency and within the time and in the manner required under the Instructions to Bidders (Part 1, Section II) bound with said specifications, enters into a written agreement and fully executes the Contract bound with said specifications and furnishes the required bonds and verification of insurance, then this obligation shall be null and void, otherwise it shall remain in full force and effect. In the event a suit is brought upon this bond by said Agency and judgment is recovered, said Surety shall pay all costs incurred by said Agency in such suit, including a reasonable attorney's fee to be fixed by the Court.

SIGNED AND SEALED, this 28th day of September, 2017

Best Contracting Services, Inc.

Principal (print name)

By:

Sean Tabazadeh,
CEO/Secretary

Signature

(Corporate Seal)

Continued on page 2

THE HANOVER INSURANCE COMPANY
MASSACHUSETTS BAY INSURANCE COMPANY
CITIZENS INSURANCE COMPANY OF AMERICA

POWER OF ATTORNEY

THIS Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

KNOW ALL PERSONS BY THESE PRESENTS:

That THE HANOVER INSURANCE COMPANY and MASSACHUSETTS BAY INSURANCE COMPANY, both being corporations organized and existing under the laws of the State of New Hampshire, and CITIZENS INSURANCE COMPANY OF AMERICA, a corporation organized and existing under the laws of the State of Michigan, (hereinafter individually and collectively the "Company") does hereby constitute and appoint,

Patrick T. Moughan, Mark D. Kiger, Alec D. Martinez, Erin Powell and/or Jinghan Guo

Of Global Risk, LLC of Los Angeles, CA each individually, if there be more than one named, as its true and lawful attorney(s)-in-fact to sign, execute, seal, acknowledge and deliver for, and on its behalf, and as its act and deed any place within the United States, any and all surety bonds, recognizances, undertakings, or other surety obligations. The execution of such surety bonds, recognizances, undertakings or surety obligations, in pursuance of these presents, shall be as binding upon the Company as if they had been duly signed by the president and attested by the secretary of the Company, in their own proper persons. Provided however, that this power of attorney limits the acts of those named herein; and they have no authority to bind the Company except in the manner stated and to the extent of any limitation stated below:

Any such obligations in the United States, not to exceed Fifty Million and No/100 (\$50,000,000) in any single instance

That this power is made and executed pursuant to the authority of the following Resolutions passed by the Board of Directors of said Company, and said Resolutions remain in full force and effect:

RESOLVED: That the President or any Vice President, in conjunction with any Vice President, be and they hereby are authorized and empowered to appoint Attorneys-in-fact of the Company, in its name and as it acts, to execute and acknowledge for and on its behalf as surety, any and all bonds, recognizances, contracts of indemnity, waivers of citation and all other writings obligatory in the nature thereof, with power to attach thereto the seal of the Company. Any such writings so executed by such Attorneys-in-fact shall be binding upon the Company as if they had been duly executed and acknowledged by the regularly elected officers of the Company in their own proper persons.

RESOLVED: That any and all Powers of Attorney and Certified Copies of such Powers of Attorney and certification in respect thereto, granted and executed by the President or Vice President in conjunction with any Vice President of the Company, shall be binding on the Company to the same extent as if all signatures therein were manually affixed, even though one or more of any such signatures thereon may be facsimile. (Adopted October 7, 1981 – The Hanover Insurance Company; Adopted April 14, 1982 – Massachusetts Bay Insurance Company; Adopted September 7, 2001 – Citizens Insurance Company of America)

IN WITNESS WHEREOF, THE HANOVER INSURANCE COMPANY, MASSACHUSETTS BAY INSURANCE COMPANY and CITIZENS INSURANCE COMPANY OF AMERICA have caused these presents to be sealed with their respective corporate seals, duly attested by two Vice Presidents, this 29th day of March, 2017.

The Hanover Insurance Company
Massachusetts Bay Insurance Company
Citizens Insurance Company of America

John C. Roche

John C. Roche, EVP and President



The Hanover Insurance Company
Massachusetts Bay Insurance Company
Citizens Insurance Company of America

James H. Kawlecki

James H. Kawlecki, Vice President

THE COMMONWEALTH OF MASSACHUSETTS)
COUNTY OF WORCESTER) ss.

On this 29th day of March, 2017 before me came the above named Vice Presidents of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America, to me personally known to be the individuals and officers described herein, and acknowledged that the seals affixed to the preceding instrument are the corporate seals of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America, respectively, and that the said corporate seals and their signatures as officers were duly affixed and subscribed to said instrument by the authority and direction of said Corporations.



Diane J. Marino
Diane J. Marino, Notary Public
My Commission Expires March 4, 2022

I, the undersigned Vice President of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America, hereby certify that the above and foregoing is a full, true and correct copy of the Original Power of Attorney issued by said Companies, and do hereby further certify that the said Powers of Attorney are still in force and effect.

GIVEN under my hand and the seals of said Companies, at Worcester, Massachusetts, this 28th day of September 2017

CERTIFIED COPY

Theodore G. Martinez
Theodore G. Martinez, Vice President

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

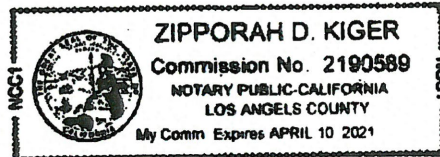
County of Los Angeles }

On 9/28/17 before me, Zipporah D. Kiger, Notary Public
(Here insert name and title of the officer)

personally appeared Jinghan Guo
who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~~~(s)~~ are subscribed to the within instrument and acknowledged to me that he~~(s)~~ they executed the same in his~~(s)~~ their authorized capacity~~(ies)~~, and that by his~~(s)~~ their signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



[Signature]
Notary Public Signature

(Notary Public Seal)

ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____ Document Date _____

CAPACITY CLAIMED BY THE SIGNER

Individual (s)
 Corporate Officer

(Title)

Partner(s)
 Attorney-in-Fact
 Trustee(s)
 Other _____

INSTRUCTIONS FOR COMPLETING THIS FORM

This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they, is /are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ◆ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ◆ Indicate title or type of attached document, number of pages and date.
 - ◆ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document with a staple.

22.0 CONTRACTOR'S LICENSE DECLARATION

(Business and Professions Code Section 7028-15)

The undersigned declares that he/she is Sean Tabazadeh, CEO/Secretary/RMO
(party preparing foregoing bid)

of Best Contracting Services, Inc.
(name of bidding firm)

A. Bidders California Contractor's License Number:

1. Bidder's Contractor's License Number is as follows:

456263 Classification: A,B,C17,C39,C43

2. The expiration date of bidder's Contractor's License

is: May 31, 2018

3. Bidder acknowledges that Section 7028.15 (e) of the Business and Professions Code provides as follows:

"A licensed contractor shall not submit a bid to a public agency unless his or her contractor's license number appears clearly on the bid, the license expiration date is stated, and the bid contains a statement that the representations therein are made under penalty of perjury. Any bid not containing this information, or a bid containing information which is subsequently proven false, shall be considered non-responsive and shall be rejected by the public agency."

*** SEE ATTACHED POCKET LICENSE ***



CONTRACTORS
STATE LICENSE BOARD
ACTIVE LICENSE



456263

CORP

BEST CONTRACTING SERVICES
INC

C39 B A C43 C17

05/31/2018

www.cslb.ca.gov



23.0 BUSINESS OWNERSHIP INFORMATION

Business Ownership Information

Are you a WMDVBE* certified business? Yes No
*(Women, Minority, Disabled, Veteran Business Enterprise)

Certification must be received from California Public Utilities Commission clearing House. Call Toll Free: 800-359-7998 or 415-928-6892 for additional information. Please check those that apply: * NOT APPLICABLE *

- | | |
|--|--|
| <input type="checkbox"/> Women-Owned Business | <input type="checkbox"/> African-American-Owned Business |
| <input type="checkbox"/> Disabled-Owned Business | <input type="checkbox"/> Veteran-Owned Business |
| <input type="checkbox"/> Native-American-Owned Business | <input type="checkbox"/> Hispanic-Owned Business |
| <input type="checkbox"/> Caucasian-American-Owned Business | <input type="checkbox"/> Underrepresented Asian-Owned Business |

24.0 GENERAL CHECKLIST

- 1) **Listed below are items that are required to be submitted with the Bid Located under Section C: BID FORMS**
 - 1) Experience Data
 - 2) Financial Statement (upon request)
 - 3) Bidder Identification
 - 4) Contractor's License Declaration
 - 5) Bidder's Statement
 - 6) Statement of Coordination
 - 7) Non-Collusion Affidavit
 - 8) Bidders Bond

- 2) **Listed below are items that are required within 10 days from the date of mailing the Notice of Contract Award (submitted items require IEUA approval within this same time frame):**
 - 1) Contract
 - 2) Contract Performance Bond
 - 3) Certificate as to Corporate Principal
 - 4) Payment Bond
 - 5) Certificate of Insurance & Endorsements
 - 6) Commercial General Liability Endorsement
 - 7) Automobile Liability Special Endorsement
 - 8) Workers' Compensation & Employer's Liability Special Endorsement
(Waiver of subrogation)
 - 9) Escrow agreement for Security Deposits in Lieu of Retention
 - 10) Construction Schedule

- 11) Emergency contact number
 - 12) Preliminary Schedule of Values
- 3) Listed below are items that are required within 20 to 30 days from mailing the Notice of Contract Award (submitted items require IEUA approval within this time frame)
- 1) Construction Schedule
 - 2) Schedule of Values

(This page was left blank intentionally)

ADDENDUM No. 1
FOR PLANS AND SPECIFICATIONS FOR
THE CONSTRUCTION OF THE
HEADQUARTER BUILDINGS ROOFING REPLACEMENT
PROJECT NO. CP16003
September 27, 2017

To: All Plan Holders

The following changes, additions, and/or deletions are hereby made a part of the Specifications for the Construction of the Headquarter Buildings Roofing Replacement Project NO. CP16003 as fully and completely as if the same were fully set forth therein:

Reference:

INLAND EMPIRE UTILITIES AGENCY – PLANS AND SPECIFICATIONS FOR THE
CONSTRUCTION OF THE HEADQUARTER BUILDINGS ROOFING REPLACEMENT

1. Attachment C, Drawings, Sheet 4 of 26, A-1

Delete Current sheet and replace with the attached revised sheet. The change made is the depiction of four (4) existing skylights on this specific sheet that did not originally show these four skylights. Quantities noted in other locations of the bid documents are correct and shall not be adjusted.

2. Attachment C, Drawings, Sheet 5 of 26, A-2

Delete Current sheet and replace with the attached revised sheet. The change made is the numbering of the skylights. The skylights are depicted correctly on this sheet, however the "SB" numbering system was not sequential.

Attachments for Addendum No. 1

Attachment A- Revised Sheet A-1


Attachment B- Revised Sheet A-2

** END OF ADDENDUM **

Plans/Specifications for the Construction of the
Headquarter Buildings Roofing Replacement Project No. CP16003

ADDENDUM NO. 1

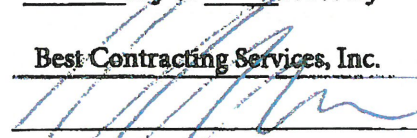
September 27, 2017


Matthew A. Poeske, P.E.
Senior Engineer/Project Manager


David Mendez
Deputy Manager of Capital Improvements

Receipt acknowledged and
Conditions agreed to this
5th day of October 2017. By

Company: Best Contracting Services, Inc.

Signature: 

Print Name/Title: Sean Tabazadeh, CEO/Secretary

Plans/Specifications for the Construction of the
Headquarter Buildings Roofing Replacement Project No. CP16003

ADDENDUM NO. 1

September 27, 2017

ADDENDUM No. 2
FOR PLANS AND SPECIFICATIONS FOR
THE CONSTRUCTION OF THE
HEADQUARTER BUILDINGS ROOFING REPLACEMENT
PROJECT NO. CP16003
October 3, 2017

To: All Plan Holders

The following changes, additions, and/or deletions are hereby made a part of the Specifications for the Construction of the Headquarter Buildings Roofing Replacement Project NO. CP16003 as fully and completely as if the same were fully set forth therein:

Reference:

INLAND EMPIRE UTILITIES AGENCY – PLANS AND SPECIFICATIONS FOR THE
CONSTRUCTION OF THE HEADQUARTER BUILDINGS ROOFING REPLACEMENT

1. **Cover page. Specifications for the Construction of the Headquarter Buildings Roofing Replacement.**

Delete the Date "October 5, 2017" and replace with "October 10, 2017".

2. **Page 3 of Specifications for the Construction of the Headquarter Buildings Roofing Replacement under section 1.0 RECEIPT OF BIDS**

Replace the paragraph under this section with the following:

"Sealed bids will be received at the office of the Agency, Inland Empire Utilities Agency, located at 6075 Kimball Avenue Building "A", Chino, California, 91708, until 10:30 a.m. on October 10, 2017 for the Headquarter Buildings Roofing Replacement Project (CP16003).

The bids will be publicly read immediately following receipt of bids at the office of the Agency listed above."

3. **Attachment C, Drawings, Sheet 4 of 26, A-1 and Attachment A, Addendum No. 1, Sheet 4 of 26, A-1**

Delete Current sheets and replace with the attached revised sheet. The change made is the correction of Construction Note #4 regarding quantity of skylights.

4. **The following questions were received.**

Which skylights are to have motorized louvers and how they are controlled? Are they controlled separately or are they grouped together?

Please refer to No. 5, No. 6, and No. 7 of this Addendum and Specification Section 08451, PART 2, 2.4 E Daylighting Controls.

Plans/Specifications for the Construction of the
Headquarter Buildings Roofing Replacement Project No. CP16003

5. Attachment C, Drawings, Sheet 5 of 26, A-2 and Attachment B, Addendum No. 1, Sheet 5 of 26, A-2

Delete Current sheets and replace with the attached revised sheet. The changes made are the correction of Construction Note #4 regarding quantity of skylights, clarification of construction Note #7 regarding louvered skylights and location/quantity of louver controls, and additional references to Detail 5 on Sheet A-6 for integral louvers.

6. Attachment C, Drawings, Sheet 6 of 26, A-3

Delete Current sheet and replace with the attached revised sheet. The change made is the addition of Construction Note #3 to clarify location of controllers for tubular skylights.

7. Attachment C, Drawings, Sheet 7 of 26, A-4

Delete Current sheet and replace with the attached revised sheet. The change made is the addition of Construction Note #3 to clarify location of controllers for tubular skylights.

Attachments for Addendum No. 2

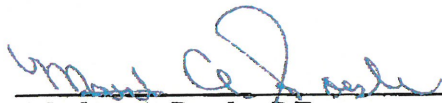
Attachment A- Revised Sheet A-1

Attachment B- Revised Sheet A-2

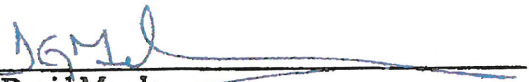
Attachment C- Revised Sheet A-3

Attachment D- Revised Sheet A-4

**** END OF ADDENDUM ****



Matthew A. Poeske, P.E.
Senior Engineer/Project Manager



David Mendez
Deputy Manager of Capital Improvements

Receipt acknowledged and
Conditions agreed to this
10th day of October 2017. By

Company: Best Contracting Services, Inc.

Signature: 

Print Name/Title: Sean Tabazadeh, CEO/Secretary

Plans/Specifications for the Construction of the
Headquarter Buildings Roofing Replacement Project No. CP16003

ADDENDUM NO. 2

October 3, 2017

**ADDENDUM No. 3
FOR PLANS AND SPECIFICATIONS FOR
THE CONSTRUCTION OF THE
HEADQUARTER BUILDINGS ROOFING REPLACEMENT
PROJECT NO. CP16003
October 9, 2017**

To: All Plan Holders

The following changes, additions, and/or deletions are hereby made a part of the Specifications for the Construction of the Headquarter Buildings Roofing Replacement Project NO. CP16003 as fully and completely as if the same were fully set forth therein:

Reference:

**INLAND EMPIRE UTILITIES AGENCY – PLANS AND SPECIFICATIONS FOR THE
CONSTRUCTION OF THE HEADQUARTER BUILDINGS ROOFING REPLACEMENT**

1. Cover page. Specifications for the Construction of the Headquarter Buildings Roofing Replacement.

Delete the Date "October 5, 2017" and replace with "October 12, 2017".

2. Page 3 of Specifications for the Construction of the Headquarter Buildings Roofing Replacement under section 1.0 RECEIPT OF BIDS

Replace the paragraph under this section with the following:

"Sealed bids will be received at the office of the Agency, Inland Empire Utilities Agency, located at 6075 Kimball Avenue Building "A", Chino, California, 91708, until 2:30 p.m. on October 12, 2017 for the Headquarter Buildings Roofing Replacement Project (CP16003).

The bids will be publicly read immediately following receipt of bids at the office of the Agency listed above."

**** END OF ADDENDUM ****

Plans/Specifications for the Construction of the
Headquarter Buildings Roofing Replacement Project No. CP16003

ADDENDUM NO. 3

October 9, 2017

Agreed For Matt Poeske
Matthew A. Poeske, P.E.
Senior Engineer/Project Manager

Agreed
David Mendez
Deputy Manager of Capital Improvements

Receipt acknowledged and
Conditions agreed to this
12 day of October 2017. By

Company: Best Contracting Services, Inc.

Signature: 

Print Name/Title: Sean Tabazadeh, CEO/Secretary

Plans/Specifications for the Construction of the
Headquarter Buildings Roofing Replacement Project No. CP16003

ADDENDUM NO. 3

October 9, 2017

ADDENDUM No. 4
FOR PLANS AND SPECIFICATIONS FOR
THE CONSTRUCTION OF THE
HEADQUARTER BUILDINGS ROOFING REPLACEMENT
PROJECT NO. CP16003
October 11, 2017

To: All Plan Holders

The following changes, additions, and/or deletions are hereby made a part of the Specifications for the Construction of the Headquarter Buildings Roofing Replacement Project NO. CP16003 as fully and completely as if the same were fully set forth therein:

Reference:

INLAND EMPIRE UTILITIES AGENCY – PLANS AND SPECIFICATIONS FOR THE
CONSTRUCTION OF THE HEADQUARTER BUILDINGS ROOFING REPLACEMENT

1. Cover page. Specifications for the Construction of the Headquarter Buildings Roofing Replacement.

Delete the Date "October 5, 2017" and replace with "October 26, 2017".

2. Page 3 of Specifications for the Construction of the Headquarter Buildings Roofing Replacement under section 1.0 RECEIPT OF BIDS

Replace the paragraph under this section with the following:

"Sealed bids will be received at the office of the Agency, Inland Empire Utilities Agency, located at 6075 Kimball Avenue Building "A", Chino, California, 91708, until 2:30 p.m. on October 26, 2017 for the Headquarter Buildings Roofing Replacement Project (CP16003).

The bids will be publicly read immediately following receipt of bids at the office of the Agency listed above."

3. Clarification regarding the skylight requirements will be provided in Addendum No. 5 scheduled to be issued tomorrow October 12, 2017.

** END OF ADDENDUM **

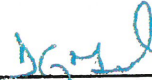
Plans/Specifications for the Construction of the
Headquarter Buildings Roofing Replacement Project No. CP16003

ADDENDUM NO. 4

October 11, 2017



Matthew A. Poeske, P.E.
Senior Engineer/Project Manager



David Mendez
Deputy Manager of Capital Improvements

Receipt acknowledged and
Conditions agreed to this
26th day of October 2017. By

Company: Best Contracting Services, Inc.

Signature: 

Print Name/Title: Sean Tabazadeh, CEO/Secretary

Plans/Specifications for the Construction of the
Headquarter Buildings Roofing Replacement Project No. CP16003

ADDENDUM NO. 4

October 11, 2017

ADDENDUM No. 5
FOR PLANS AND SPECIFICATIONS FOR
THE CONSTRUCTION OF THE
HEADQUARTER BUILDINGS ROOFING REPLACEMENT
PROJECT NO. CP16003
October 12, 2017

To: All Plan Holders

The following changes, additions, and/or deletions are hereby made a part of the Specifications for the Construction of the Headquarter Buildings Roofing Replacement Project NO. CP16003 as fully and completely as if the same were fully set forth therein:

Reference:

INLAND EMPIRE UTILITIES AGENCY – PLANS AND SPECIFICATIONS FOR THE
CONSTRUCTION OF THE HEADQUARTER BUILDINGS ROOFING REPLACEMENT

1. Attachment C, Drawings, Sheet 2 of 26, G-2
Delete Current sheet and replace with the attached revised sheet.

2. Attachment C, Drawings, Sheet 3 of 26, G-3
Delete Current sheet and replace with the attached revised sheet.

3. Attachment C, Drawings, Sheet 5 of 26, A-2
Delete Current sheet and replace with the attached revised sheet.

4. Attachment C, Drawings, Sheet 9 of 26, A-6
Delete Current sheet and replace with the attached revised sheet.

5. Technical Specification, Section 084501 Controlled Daylighting @ Translucent Skylight Assembly
Delete entire section and replace with the revised section.

Plans/Specifications for the Construction of the
Headquarter Buildings Roofing Replacement Project No. CP16003

ADDENDUM NO. 5

October 12, 2017

Attachments for Addendum No. 5

Attachment A- Revised Sheet G-2


Attachment B- Revised Sheet G-3

Attachment C- Revised Sheet A-2

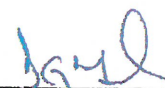
Attachment D- Revised Sheet A-6

Attachment E- Revised Section 084501 Controlled Daylighting @ Translucent Skylight Assembly

**** END OF ADDENDUM ****


Matthew A. Poeske, P.E.
Senior Engineer/Project Manager

515 10-12-17


David Mendez
Deputy Manager of Capital Improvements

Receipt acknowledged and
Conditions agreed to this
26th day of October 2017. By

Company: Best Contracting Services, Inc.

Signature: 

Print Name/Title: Sean Tabazadeh, CEO/Secretary

Plans/Specifications for the Construction of the
Headquarter Buildings Roofing Replacement Project No. CP16003

ADDENDUM NO. 5

October 12, 2017

Attachment B
Contractor Final and Best Offer
On
Additive/Deductive Items
(Replaces Page 28 in Attachment A)

ITEM	DESCRIPTION	UNIT PRICE	UNIT PRICE (written)
ADDITIVE/DEDUCTIVE ITEMS			
1.	Total all-inclusive <u>per 4' x 8' sheet</u> cost to remove and replace the existing 3/4" OSB decking where found to be deteriorated or damaged. New replacement decking material is to match the same thickness, type and grade and nailing schedule as that of the existing OSB decking material.	\$160.00 / ea.	dollars (written) One Hundred Sixty Dollars
2.	Provide a total all-inclusive <u>per 8' length of 6" wood nailer</u> cost to remove and replace existing wood nailer where found to be deteriorated or damaged. New replacement wood nailer is to be No.1 & Btr grade Pressure Treated Douglas fir (PTDF) wood.	\$72.00 / ea.	dollars (written) Seventy Two Dollars
3.	Provide a total all-inclusive <u>per square foot</u> cost to install 1/2" : 12" tapered expanded polystyrene (ESP) crickets at upslope side of equipment curbs, platforms 48" or wider and skylights as required. The cricket are to be loose-laid directly over the prepared OSB deck for concurrent attachment with the gypsum cover board in accordance with the mechanical attachment requirements as indicated.	\$4.00 / SF	dollars (written) Four Dollars
4.	Provide a total all-inclusive <u>per lineal foot</u> cost to install the specified 72-mil minimum walkway tread in accordance with the attachment requirements.	\$14.35 / LF	dollars (written) Fourteen Dollars and Thirty Five Cents

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:

28

AUGUST 2017
IFB-MB-17-023

BID FORMS
PROJECT NO. CP16003
HEADQUARTERS BUILDINGS ROOFING REPLACEMENT

October 31, 2017



Sean Tabazadeh, CEO/Secretary

**ACTION
ITEM
1E**



Date: December 20, 2017

To: The Honorable Board of Directors

From:  for Hala Razak, General Manager

Committee: Engineering, Operations & Water Resources

12/13/17

Executive Contact: Chris Berch, Executive Manager of Engineering/AGM

Subject: RP-1 Aeration Basin Panel Repair Construction Contract Change Order

Executive Summary:

In September 2016, the construction contract was awarded to J.F. Shea for the RP-1 Aeration Basin Panel Repairs Project.

During the shutdown of Aeration Trains 1 and 2, staff observed the air header pipe connecting to the panels were showing signs of wear, specifically stress cracking in areas near fittings. Upon startup and testing of the aforementioned Trains, the subject piping developed leaks, which were spot repaired. These leaks resulted in short term delays in the overall project schedule. To avoid further issues with the same system in Trains 3-6, IEUA determined the best solution to be full replacement of the air header piping. The current piping in all six Trains was last installed in 1997.

Staff is recommending a change order to replace the air header piping in the remaining basins. The change order in the amount of \$115,218 has been evaluated and justified as fair and reasonable.

Staff's Recommendation:

1. Award a construction contract change order to J.F. Shea for the RP-1 Aeration Basin Panel Repairs, Project Nos. EN17040/PA17006.01, for the not-to-exceed amount of \$115,218; and
2. Authorize the General Manager to execute the construction contract change order.

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

Account/Project Name:

EN17040, PA17006.01/RP-1 Aeration Basin Panel Repairs Project

Fiscal Impact (explain if not budgeted):

N/A

Prior Board Action:

On September 21, 2016, the Board of Directors awarded a construction contract for the RP-1 Mixed Liquor Return Pumps, Project No. EN16024, in the amount of \$4,888,000 and RP-1 Aeration Basin Panel Repairs, Project No. EN17040, to J.F. Shea Construction, Inc., in the amount of \$1,745,000 for a total contract amount of \$6,633,000.

Environmental Determination:

Categorical Exemption

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

Business Goal:

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

Attachments:

Attachment 1 - PowerPoint

Attachment 2 - Construction Contract Change Order

RP-1 Aeration Basin Panel Repair Construction Contract Change Order Project No. EN17040/PA17006.01

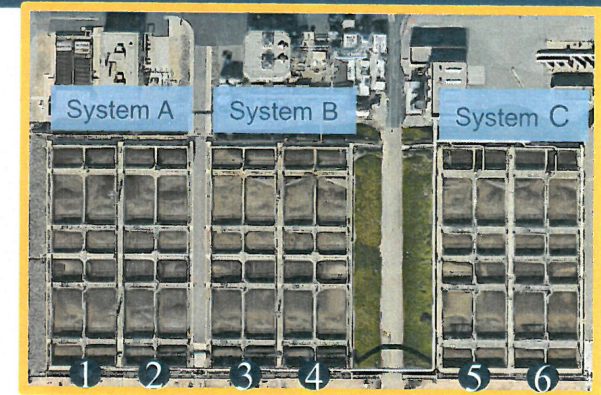


Project Location

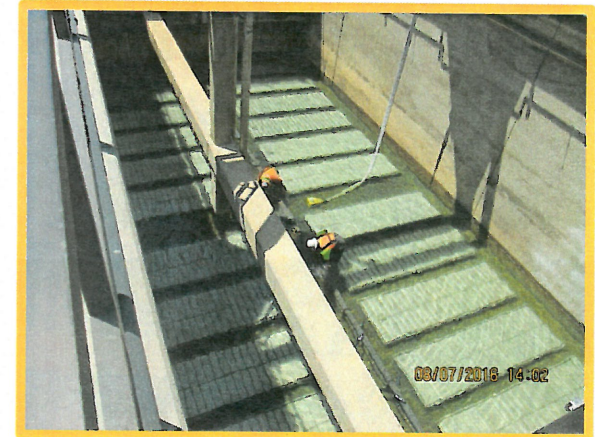


The Project

- Construction Contract Award on September 2016
 - Contractor: J.F. Shea Construction
 - Contract Value: \$1,745,000
- Current air header piping was installed in 1997
- Train No. 2 was drained in March 2017
 - PVC header pipe connecting to panels showed signs of wear
 - Staff determined full replacement of the air header piping
- Experienced delays due to having to re-drain and repair header piping for Train Nos. 1 and 2



RP-1 Aeration Basins



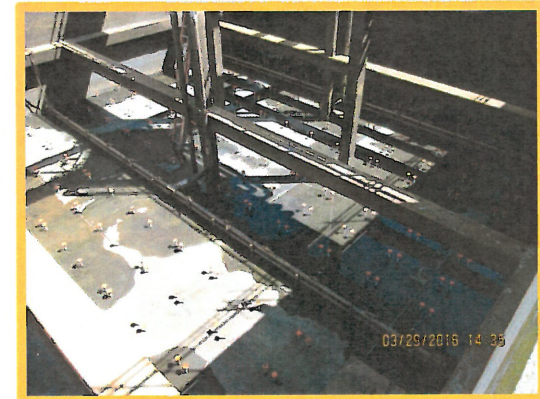
Repairing air header piping

Change Order Request

- Removal and replacement of air header piping in Train Nos. 3, 4, 5, and 6
 - Demo PVC air laterals and drops
 - Load out debris and dispose
 - Reconnect new drops and laterals
- Total Change Order amount: \$115,218



Air header leak during panel testing



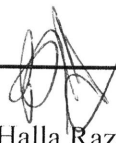
PVC air header piping

Recommendation

- Approve a construction contract change order with J.F. Shea for the RP-1 Aeration Basin Panel Repairs, Project Nos. EN17040/PA17006.01, for the not-to-exceed amount of \$115,218; and
- Authorize the General Manager to execute the construction contract change order.

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

**ACTION
ITEM
1F**



Date: December 20, 2017

To: The Honorable Board of Directors

From: Halla Razak, General Manager

Committee: Engineering, Operations & Water Resources

12/13/17

Contact: Chris Berch, Executive Manager of Engineering/AGM

Subject: On-Call Design and Construction Surveying Master Services Contract Awards

Executive Summary:

Two master services contracts for on-call surveying were utilized in support of the Engineering Department's projects since 2011. Their tasks included the review of legal descriptions prepared by other entities, the creation of legal descriptions for proposed easements, topographic, and construction surveying for capital projects.

On November 2, 2017, eight proposals were received. A four-member panel evaluated the proposals to determine the top two firms with the highest collective score under the categories established in the Request for Proposals (RFP). Based on the firms' capabilities, resources, key personnel qualifications, location, unit rates, and RFP exceptions, the panel selected WestLAND Group, Inc. (WestLAND) and CASC Engineering and Consulting, Inc. (CASC) as the most qualified.

Staff is recommending the award of two (2), two-year master services contracts, with the option of two one-year extensions to WestLAND and CASC for a combined total amount of \$1,500,000.

Staff's Recommendation:

1. Approve a two-year On-Call Design and Construction Surveying Master Services Contract to WestLAND Group, Inc., for a not-to-exceed amount of \$750,000;
2. Approve a two-year On-Call Design and Construction Surveying Master Services Contract to CASC Engineering and Consulting, Inc., for a not-to-exceed amount of \$750,000; and
3. Authorize the General Manager to execute the Master Services Contracts subject to non-substantive changes.

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

Account/Project Name:

Various current and future capital projects.

Fiscal Impact (explain if not budgeted):

There is no direct impact on IEUA's fiscal year budget as a result of this action. These contracts are for work which will be required on various project and at various times throughout the next two years. The funding for this work is included in each individual project budget that requires design and construction surveying services.

Full account coding (internal AP purposes only): - - - Project No.: Various
- - -

Prior Board Action:

None

Environmental Determination:

Not Applicable

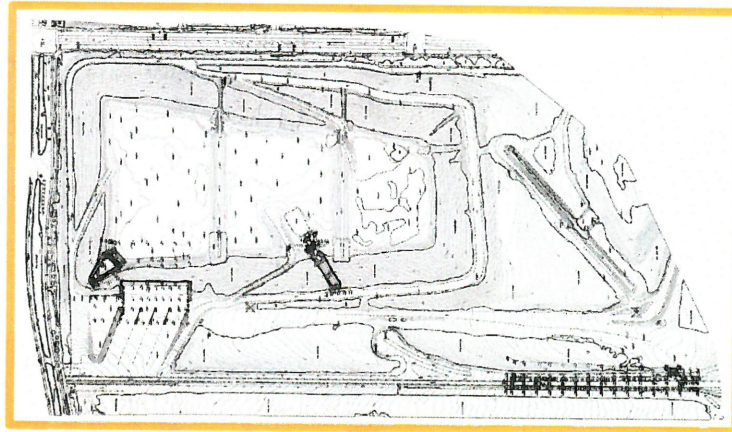
Business Goal:

The On-Call Design and Construction Surveying Master Services Contract award is consistent with IEUA's Business Goal of Business Practices specifically the Efficiency and Effectiveness objective that IEUA will apply best industry practices in all processes to maintain or improve the quality and value of the services we provide to our member agencies and the public.

Attachments:

- Attachment 1 - PowerPoint
- Attachment 2 - WestLAND Contract
- Attachment 3 - CASC Contract

On-Call Design and Construction Surveying Master Services Contract Awards



Background

- 2010 – 2017
 - Approximately \$1,400,000 was expended on surveying tasks
- Services required for current and future capital projects
 - Design topographic survey
 - Construction staking survey
 - Legal description preparation and review
- RFP posted on PlanetBids
 - On-Call Design and Construction Surveying and Other Related Services



GPS Manhole Locating

Consultant Selection

- Evaluation and selection committee
 - Engineering and Construction Management Department
- 8 Proposals received on November 2, 2017
- Evaluation Criteria for consultant selection
 - Resources, key personnel qualifications, and project experience
 - Organization, history, reputation, location, capability
 - Pricing and rates
 - Contract and RFP exceptions
 - DIR Registration
- Selection
 - WestLAND Group Inc.
 - CASC Engineering and Consulting Inc.

Proposals Received

WestLAND Group Inc.
CASC Engineering and Consulting Inc.
K&A Engineering Inc.
Hernandez, Kroon & Associates
Stantec
KDM Meridien
Albert Webb Associates
Huitt-Zollars

Recommendation

- Award a two-year On-Call Design and Construction Surveying Master Services Contract to WestLAND Group, Inc., for a not-to-exceed amount of \$750,000;
- Award a two-year On-Call Design and Construction Surveying Master Services Contract to CASC Engineering and Consulting, Inc., for a not-to-exceed amount of \$750,000; and
- Authorize the General Manager to execute the Master Services Contracts subject to non-substantive changes.

The On-Call Design and Construction Surveying Master Services Contract award is consistent with the *IEUA's Business Goal of Business Practices* specifically the Efficiency and Effectiveness objective that IEUA will apply best industry practices in all processes to maintain or improve the quality and value of their services we provide to our member agencies and the public.



MASTER SERVICES CONTRACT NUMBER: 4600002447
FOR PROVISION OF ON-CALL DESIGN,
CONSTRUCTION SURVEYING,
AND RELATED SERVICES

THIS CONTRACT (the "Contract"), 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 interchangeably as "IEUA" and "Agency") and WestLAND Group, Inc., with offices located in Ontario, California (hereinafter referred to as "Contractor"), in order to establish mutually acceptable terms and conditions which will hold for and govern all On-Call and "Task Order" releases subsequently issued under this Master Services Contract.

RECITALS

Whereas the Agency anticipates future need(s) to retain the services of the Contractor to provide professional engineering services on an "on-call" or "as needed" Task Order assignment basis;

Whereas the Contractor is willing to undertake performance of such On-Call or Task Order assignments under which the terms and conditions set forth herein shall apply;

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

1. ORDER OF PRECEDENCE: The documents referenced below constitute the Contract Documents and are each hereby incorporated herein. In the event of any conflicts or inconsistencies between any of the Contract Documents, the governing order of precedence shall be as follows:
 - A. Amendments to Task Order releases under this Master Services Contract.
 - B. On-Call and Task Order releases under this Master Services Contract.
 - C. Amendments to this Master Services Contract No. 4600002447
 - D. Master Services Contract Number 4600002447, General Terms and Conditions.
 - E. Agency's Request for Proposals Number RFP-RW-17-029, incorporated by reference.
 - F. Contractor's Schedule of Rates (**Attachment B**).
 - G. Contractor's Proposal dated November 1, 2017, incorporated by reference.

2. **SCOPE OF WORK AND SERVICES:** The Contractor shall provide all labor, materials, tools, machinery, equipment, and other items and services necessary to properly perform the work (hereinafter referred to as the "Work") as set forth in each individual On-Call Assignment or Task Order agreed to and released under this Master Services Contract, including exhibits and amendments hereto. The Work shall be carried out in accordance with the Contract Documents in a diligent and workman-like manner, utilizing qualified personnel and good and sufficient materials and equipment. Further, the Contractor shall perform only those work assignments authorized by On-Call assignments or Task Orders issued in conjunction with this Contract.

Ordering Provisions and Understandings:

Negotiation of Task Orders: Agency and Contractor each reserve and retain the right to negotiate the scope of work, price, and term of any specific Task Order. However, both parties agree that the various proposed labor and expense rates used to develop each Task Order's price will be consistent with those specified within Contractor's Schedule of Rates, attached hereto, referenced herein, and made a part hereof as **Attachment B**.

Task Order Price: A firm fixed price or not-to-exceed price for each Task Order will be addressed and authorized via the content of each specific Task Order.

Task Order Format: Each Task Order issued under this Master Services Contract will be of similar form to the Sample Task Order, attached hereto, referenced herein, and made a part hereof as **Attachment A**.

Task Order Assignment Method:

- a. As the need for work arises, specific Statements of Work will be forwarded to all Contractors in possession of master services contracts for purposes of competitive proposal formulation. If the Contractor desires to propose for award of the work, the Contractor shall respond no-later-than the specified proposal submittal date/time, (which shall be not less than 5 working days after solicitation issuance) with submittal of a price and technical proposal (if applicable) to perform the requested services. This proposal will be reviewed and, if selected by the Agency, negotiated (if required) to develop mutually-agreed-upon Task Order content and price. Each Task Order will designate a specific scope of work, schedule, firm-fixed or not-to-exceed compensation, and other specifications and terms particular to the Work. Upon agreement and execution by both parties, the Task Order will be released, a written notice-to-proceed order will be issued and the Contractor may then begin performance of the Work provided for under the executed Task Order.
- b. There is neither a maximum nor minimum number of Task Orders that may be issued under this Contract. Further, there is no guarantee that any Task Orders will

be released against this Contract. Conversely, multiple Task Orders may be issued requiring work in support of concurrent projects.

- c. Any Task Order executed during the term of this Contract, and not completed within the term of this Contract, shall nevertheless be completed within the time specified in the Task Order. This Contract shall govern the rights and obligations of the parties with respect to that Task Order to the same extent as if it were being completed within the Contract's term.
 - d. Each Task Order executed hereunder, including any changes to or terminations of such Task Orders, shall be automatically incorporated into this Contract, and therefore shall be subject to the terms and conditions of this Contract.
3. TERM OF CONTRACT AND OPTION: The initial term of this Contract shall extend from the date of the contract execution and terminate on December 31, 2019, unless agreed to by both parties, reduced to writing, and formally incorporated as an amendment to this Contract. Additionally, at the unilateral discretion and option of the Agency, the Contractor shall agree to allow the Agency to extend this Contract for on an annual basis, up to a total Contract term of two (2) additional years. In the event the Agency desires to exercise the Contract extension option provided for in this Section, the Agency shall provide written notice to the Contractor, prior to the expiration of the original Contract term. If such option is exercised, the original Schedule of Rates shall be re-negotiated for the Contract Amendment "option" term.
 4. SCHEDULE: The Contractor shall complete the Work specified by each Task Order in accordance with the schedule established within said Task Order. All Work shall be fully finished no later than the date specified in said Task Order, unless terminated sooner or extended as provided for herein.
 5. INVOICING, PAYMENT DISCOUNT & PAYMENT: Throughout the term of this Contract, Contractor's invoices issued in conjunction with "time and materials" Task Orders may be submitted on a monthly basis and shall be calculated in accordance with the labor and expense rates specified within **Attachment B** – Contractor's Schedule of Rates. Unless a given Task Order establishes its own milestone payment schedule, invoices in conjunction with "firm fixed price" Task Orders shall be submitted upon completion of all Task Order scope requirements as one-time, "lump sum" invoices valued at the total price established for that Task Order.

Agency shall pay the full/approved invoice amount within thirty (30) days following receipt of the invoice. Payment will be withheld for any service which does not meet the requirements of this Contract or the associated Task Order, until such service is revised, the invoice resubmitted and accepted by the Project Manager.

Contractor's invoices shall include reference to "Master Services Contract Number 4600002447" and the associated Task Order Number. All original invoices shall be submitted electronically with all required back-up to apgroup@ieua.org .

6. COMPENSATION AND CHANGES: As compensation for the Work satisfactorily performed against Task Order releases under this Contract, Agency shall pay Contractor in accordance with Contractor's approved Schedule of Rates for time and materials task orders or, alternately, the established lump-sum or fixed price milestones in the case of firm, fixed price Task Orders, a total ***not-to-exceed maximum of \$750,000.00*** for all materials and services satisfactorily provided hereunder during the term of this Contract.

Any additional services/costs must be approved in advance by the Agency's Contract Administrator and a subsequent Task Order, or Task Order Amendment, for the additional work must be issued and bi-laterally executed.

7. CONTROL OF THE WORK: Contractor shall perform the Work in compliance with the Task Order-specified 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 for consideration by the Project Manager.

8. FITNESS FOR DUTY:

A. Fitness: Contractor's 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.

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. General Liability: 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, claim 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 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).
 - 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

Contractor 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.

- D. Acceptability of Insurers: Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A minus:VII, and who are admitted insurers in the State of California.
- E. Verification of Coverage: 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: Risk Specialist Angela Witte
P.O. Box 9020
Chino Hills, CA 91709

Via Email: AWitte@ieua.org

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: The Contractor 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 Contractor 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 Contractor or its employees.
- D. Subcontracted Services: Any subcontracts for the performance of any services under this Contract shall be subject to the prior written approval of the Project Manager.
- E. Grant Funded Projects: The Contractor shall be responsible to comply with all grant requirements specified within any Task Order assignments. 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, Records Retention and Public Access to Records, and Compliance

Review. Contractor shall be advised for each Task Order issued if work is grant funded.

- F. Liens: Contractor shall pay all sums of money that become due from any labor, services, materials or equipment furnished to Contractor 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. Contractor shall fully discharge each such lien at the time performance of the obligation secured matures and becomes due.
- G. Indemnification: Contractor shall indemnify and hold harmless and defend as permitted by law, the Agency, its directors, officers, employees, or authorized volunteers, each of them from and against:
1. Any and all claims, demands, causes of action, damages, costs, expenses, losses or liabilities, in law or in equity, of every kind or nature whatsoever for, but not limited to, injury to or death of any person including Agency and/or Contractor, or any directors, officers, employees, or authorized volunteers of Agency or Contractor, and damages to or destruction of property of any person, including but not limited to, Agency and/or Contractor or their directors, officers, employees, or authorized volunteers, arising out of or in any manner directly or indirectly connected with the work to be performed under this agreement, however caused, except for the sole negligence or willful misconduct or active negligence of the Agency or its directors, officers, employees, or authorized volunteers;
 2. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising out of, resulting from, or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of the Contractor;
 3. Any and all losses, expenses, damages (including damages to the work itself), attorneys' fees, and other costs, including all costs of defense, which any of them may incur with respects to the failure, neglect, or refusal or Contractor to faithfully perform the work and all of the Contractor's obligations under the agreement. Such costs, expenses, and damages shall include all costs, including attorneys' fees, incurred by the indemnified parties in any lawsuit to which they are a party.
- 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: 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.
- J. Non-Conforming Work: Contractor represents that the Work and Documentation shall meet the standard of care of Contractor's profession. For a period of not less than one (1) year after acceptance of the completed Work, Contractor shall, at no additional cost to Agency, correct any and all agreed-to errors in the Work or Documentation, regardless of whether any such errors are brought to the attention of Contractor by Agency, or any other person or entity. Contractor shall within three (3) calendar days, correct any error that renders the Work or Documentation dysfunctional or unusable and shall correct other errors within thirty (30) calendar days after Contractor's receipt of notice of the error. Upon request of Agency, Contractor 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 Contractor'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, Contractor shall notify the Project Manager, in writing, detailing the dispute and reason for the Contractor's position. Any dispute that cannot be resolved between the Project Manager and Contractor 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 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 mediation.
 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 mediation with the Project Manager within seven (7) calendar days after receiving written notice of the General Manager's decision.

3. In the event of mediation, the parties hereto agree that there shall be a single neutral Mediator who shall be selected in the following manner:
 - a. The Demand for a Mediator shall include a list of five names of persons acceptable to the Contractor to be appointed as Mediator. The Agency shall determine if any of the names submitted by Contractor are acceptable and, if so, such person will be designated as Mediator.
 - b. In the event that none of the names submitted by Contractor are acceptable to Agency, or if for any reason the Mediator 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 Mediator. The Contractor shall, in turn, have seven (7) calendar days in which to determine if one such person is acceptable.
4. Joinder in Mediation/Arbitration: The Agency may join the Contractor in mediation or arbitration commenced by an agreement mediator 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. 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. Any reuse of such documents for other than the specific purpose, intended as stated herein, shall be at the sole risk of the user, and without liability or legal exposure to the Contractor.

Notwithstanding any provision to the contrary contained in this Contract, Contractor shall retain sole ownership to its preexisting information including but not limited to computer programs, software, standard details, figures, templates and specifications.

When transferring data in electronic media format, Contractor makes no representation as to long term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used by Contractor at the beginning of the Project.

Because data stored in electronic media format can deteriorate or be modified inadvertently or otherwise without authorization of the data's creator, the party receiving electronic files agrees that it will perform acceptance tests or procedures within sixty (60) days of receipt, after which the Agency shall have deemed to have accepted the data transferred. Any errors detected within the sixty days will be corrected by the Contractor at no additional cost to the Agency. Contractor shall not be responsible to maintain documents stored in electronic media format after acceptance by the Agency. The original hard copy of the documents containing the professional engineer's seal shall take precedence over the electronic documents.

12. 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.

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 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 at hand.

- 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. 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 Contract 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.

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 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.

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

Contractor: Mary Susan Josenhans
President
WestLAND Group, Inc.
4150 Concours, Suite 100
Ontario, CA 91764

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. RIGHT TO AUDIT: The Agency reserves the right to review and/or audit all Contractors' records related to the work assigned by subsequent Task Orders. 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.
19. INTEGRATION: The Contract Documents represent the entire agreement 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.
20. GOVERNING LAW: This Agreement is to be governed by and constructed in accordance with the laws of the State of California.
21. TERMINATION FOR CONVENIENCE: The Agency reserves and has the right to immediately suspend, cancel or terminate this Agreement 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.
22. 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, etc.
23. CHANGES: The Agency may, at any time, make changes to a given Task Order's Scope of Work, including additions, reductions, and changes to any or all of the Work, as directed in writing via a Task Order Change Order issued by the Agency and executed by both Parties. The Task Order Change Order will, if warranted, convey any associated change to the established Task Order price and/or performance schedule.
24. NOTICE TO PROCEED: No services shall be performed or furnished under this Master Services Contract unless and until an associated Task Order has bi-laterally executed and issued to the Contractor.

[Signature Page To Follow]

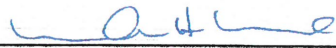
IN WITNESS WHEREOF, the parties hereto have caused this Contract to be entered as of the day and year written above.

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

WESTLAND GROUP, INC.:

Halla Razak
General Manager

(Date)



Matthew H. Okubo
Executive Vice President/Principal

11/28/17

(Date)

[Balance Of This Page Intentionally Left Blank]

Attachment A

Attachment A

SAMPLE TASK ORDER

Date: XXXXXXXXXXXX

Task Order Number: XXX

Consultant: XXXXXXXXXXXX

Contract Number: 460000XXXX

Project / Task Description:

I. RECITALS

This Task Order is issued for the procurement of services needed in conjunction with Agency Project No. XXXXXXXX .

Agency and Consultant previously entered into Master Services Contract No. 460000XXXX. Except as otherwise specified herein, all terms and conditions of that Agreement are incorporated into this Task Order via this reference.

II. TASK ORDER AGREEMENTS

1. Scope of Work: Consultant shall furnish the qualified personnel, equipment, materials, and supplies necessary to perform the work described in the attached Statement of Work.
2. Period of Performance: XXXXXX through XXXXXX. All work is to be performed in a timely manner and in accordance with the Project Manager's schedule.
3. Compensation: Authorized total payments to Consultant for performance of this time-and-materials Task Order shall sum to a total not-to-exceed price of \$ XXXXXXXX. (NOTE: Compensation is based on submitted fees rates included in the Master Services Contract.)
4. Assigned Personnel: The below-listed named personnel are assigned to direct the performance of this Task Order on behalf of the respective Parties.

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

Project Manager: XXXXXXXXXXXXXXXX
Address: 6075 Kimball Ave, Bldg. X
Chino, California 91708

Telephone: (909) 993-XXXX
Facsimile: (909) XXXXXXXX
Email: XXXXXXXX@ieua.org

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

Consultant: XXXXXXXXXXXXXXXXXXXX
Project Manager: XXXXXXXXXXXXXXXXXXXX
Address: XXXXXXXXXXXXXXXXXXXX

XXXXXXXXXXXXXXXXXXXX
Telephone: XXXXXXXXXXXXXXXXXXXX
Facsimile: XXXXXXXXXXXXXXXXXXXX
Email: XXXXXXXXXXXXXXXXXXXX

5. Task Order Modifications: No communication, either written or oral, by other than written and bi-laterally executed change order shall be effective to modify or otherwise affect the provisions of this Task Order.

III. SIGNATURES

Inland Empire Utilities Agency: XXXXXXXXXXXXXXXXXXXX:

Date: _____ Date: _____

[Balance Of This Page Intentionally Left Blank]

Attachment B



MASTER SERVICES CONTRACT NUMBER: 4600002448
FOR PROVISION OF ON-CALL DESIGN,
CONSTRUCTION SURVEYING,
AND RELATED SERVICES

THIS CONTRACT (the "Contract"), 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 interchangeably as "IEUA" and "Agency") and CASC Engineering and Consulting, Inc., with offices located in Colton, California (hereinafter referred to as "Contractor"), in order to establish mutually acceptable terms and conditions which will hold for and govern all On-Call and "Task Order" releases subsequently issued under this Master Services Contract.

RECITALS

Whereas the Agency anticipates future need(s) to retain the services of the Contractor to provide professional engineering services on an "on-call" or "as needed" Task Order assignment basis;

Whereas the Contractor is willing to undertake performance of such On-Call or Task Order assignments under which the terms and conditions set forth herein shall apply;

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

1. **ORDER OF PRECEDENCE:** The documents referenced below constitute the Contract Documents and are each hereby incorporated herein. In the event of any conflicts or inconsistencies between any of the Contract Documents, the governing order of precedence shall be as follows:
 - A. Amendments to Task Order releases under this Master Services Contract.
 - B. On-Call and Task Order releases under this Master Services Contract.
 - C. Amendments to this Master Services Contract No. 4600002448
 - D. Master Services Contract Number 4600002448, General Terms and Conditions.
 - E. Agency's Request for Proposals Number RFP-RW-17-029, incorporated by reference.
 - F. Contractor's Schedule of Rates (**Attachment B**).
 - G. Contractor's Proposal dated November 2, 2017, incorporated by reference.

2. **SCOPE OF WORK AND SERVICES:** The Contractor shall provide all labor, materials, tools, machinery, equipment, and other items and services necessary to properly perform the work (hereinafter referred to as the "Work") as set forth in each individual On-Call assignment or Task Order agreed to and released under this Master Services Contract, including exhibits and amendments hereto. The Work shall be carried out in accordance with the Contract Documents in a diligent and workman-like manner, utilizing qualified personnel and good and sufficient materials and equipment. Further, the Contractor shall perform only those work assignments authorized by On-Call assignments or Task Orders issued in conjunction with this Contract.

Ordering Provisions and Understandings:

Negotiation of Task Orders: Agency and Contractor each reserve and retain the right to negotiate the scope of work, price, and term of any specific Task Order. However, both parties agree that the various proposed labor and expense rates used to develop each Task Order's price will be consistent with those specified within Contractor's Schedule of Rates, attached hereto, referenced herein, and made a part hereof as **Attachment B**.

Task Order Price: A firm fixed price or not-to-exceed price for each Task Order will be addressed and authorized via the content of each specific Task Order.

Task Order Format: Each Task Order issued under this Master Services Contract will be of similar form to the Sample Task Order, attached hereto, referenced herein, and made a part hereof as **Attachment A**.

Task Order Assignment Method:

- a. As the need for work arises, specific Statements of Work will be forwarded to all Contractors in possession of master services contracts for purposes of competitive proposal formulation. If the Contractor desires to propose for award of the work, the Contractor shall respond no-later-than the specified proposal submittal date/time, (which shall be not less than 5 working days after solicitation issuance) with submittal of a price and technical proposal (if applicable) to perform the requested services. This proposal will be reviewed and, if selected by the Agency, negotiated (if required) to develop mutually-agreed-upon Task Order content and price. Each Task Order will designate a specific scope of work, schedule, firm-fixed or not-to-exceed compensation, and other specifications and terms particular to the Work. Upon agreement and execution by both parties, the Task Order will be released, a written notice-to-proceed order will be issued and the Contractor may then begin performance of the Work provided for under the executed Task Order.
- b. There is neither a maximum nor minimum number of Task Orders that may be issued under this Contract. Further, there is no guarantee that any Task Orders will be released against this Contract. Conversely, multiple Task Orders may be issued requiring work in support of concurrent projects.

- c. Any Task Order executed during the term of this Contract, and not completed within the term of this Contract, shall nevertheless be completed within the time specified in the Task Order. This Contract shall govern the rights and obligations of the parties with respect to that Task Order to the same extent as if it were being completed within the Contract's term.
 - d. Each Task Order executed hereunder, including any changes to or terminations of such Task Orders, shall be automatically incorporated into this Contract, and therefore shall be subject to the terms and conditions of this Contract.
3. **TERM OF CONTRACT AND OPTION:** The initial term of this Contract shall extend from the date of the contract execution and terminate on December 31, 2019, unless agreed to by both parties, reduced to writing, and formally incorporated as an amendment to this Contract. Additionally, at the unilateral discretion and option of the Agency, the Contractor shall agree to allow the Agency to extend this Contract for on an annual basis, up to a total Contract term of two (2) additional years. In the event the Agency desires to exercise the Contract extension option provided for in this Section, the Agency shall provide written notice to the Contractor, prior to the expiration of the original Contract term. If such option is exercised, the original Schedule of Rates shall be re-negotiated for the Contract Amendment "option" term.
4. **SCHEDULE:** The Contractor shall complete the Work specified by each Task Order in accordance with the schedule established within said Task Order. All Work shall be fully finished no later than the date specified in said Task Order, unless terminated sooner or extended as provided for herein.
5. **INVOICING, PAYMENT DISCOUNT & PAYMENT:** Throughout the term of this Contract, Contractor's invoices issued in conjunction with "time and materials" Task Orders may be submitted on a monthly basis and shall be calculated in accordance with the labor and expense rates specified within **Attachment B – Contractor's Schedule of Rates**. Unless a given Task Order establishes its own milestone payment schedule, invoices in conjunction with "firm fixed price" Task Orders shall be submitted upon completion of all Task Order scope requirements as one-time, "lump sum" invoices valued at the total price established for that Task Order.
- Agency shall pay the full/approved invoice amount within thirty (30) days following receipt of the invoice. Payment will be withheld for any service which does not meet the requirements of this Contract or the associated Task Order, until such service is revised, the invoice resubmitted and accepted by the Project Manager.
- Contractor's invoices shall include reference to "Master Services Contract Number 4600002448" and the associated Task Order Number. All original invoices shall be submitted electronically with all required back-up to apgroup@ieua.org.

6. COMPENSATION AND CHANGES: As compensation for the Work satisfactorily performed against Task Order releases under this Contract, Agency shall pay Contractor in accordance with Contractor's approved Schedule of Rates for time and materials task orders or, alternately, the established lump-sum or fixed price milestones in the case of firm, fixed price Task Orders, a total *not-to-exceed maximum of \$750,000.00* for all materials and services satisfactorily provided hereunder during the term of this Contract.

Any additional services/costs must be approved in advance by the Agency's Contract Administrator and a subsequent Task Order, or Task Order Amendment, for the additional work must be issued and bi-laterally executed.

7. CONTROL OF THE WORK: Contractor shall perform the Work in compliance with the Task Order-specified 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 for consideration by the Project Manager.

8. FITNESS FOR DUTY:

A. Fitness: Contractor's 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.

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. General Liability: 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, claim 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 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).
 - 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

Contractor 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.

- D. Acceptability of Insurers: Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A minus:VII, and who are admitted insurers in the State of California.
- E. Verification of Coverage: 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: Risk Specialist Angela Witte
P.O. Box 9020
Chino Hills, CA 91709

Via Email: AWitte@ieua.org

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: The Contractor 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 Contractor 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 Contractor or its employees.
- D. Subcontracted Services: Any subcontracts for the performance of any services under this Contract shall be subject to the prior written approval of the Project Manager.
- E. Grant Funded Projects: The Contractor shall be responsible to comply with all grant requirements specified within any Task Order assignments. 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, Records Retention and Public Access to Records, and Compliance Review. Contractor shall be advised for each Task Order issued if work is grant funded.
- F. Liens: Contractor shall pay all sums of money that become due from any labor, services, materials or equipment furnished to Contractor 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. Contractor shall fully discharge each such lien at the time performance of the obligation secured matures and becomes due.

- G. Indemnification: Contractor shall indemnify and hold harmless and defend as permitted by law, the Agency, its directors, officers, employees, or authorized volunteers, each of them from and against:
1. Any and all claims, demands, causes of action, damages, costs, expenses, losses or liabilities, in law or in equity, of every kind or nature whatsoever for, but not limited to, injury to or death of any person including Agency and/or Contractor, or any directors, officers, employees, or authorized volunteers of Agency or Contractor, and damages to or destruction of property of any person, including but not limited to, Agency and/or Contractor or their directors, officers, employees, or authorized volunteers, arising out of or in any manner directly or indirectly connected with the work to be performed under this agreement, however caused, except for the sole negligence or willful misconduct or active negligence of the Agency or its directors, officers, employees, or authorized volunteers;
 2. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, or every kind or nature whatsoever, arising out of, resulting from, or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of the Contractor;
 3. Any and all losses, expenses, damages (including damages to the work itself), attorneys' fees, and other costs, including all costs of defense, which any of them may incur with respects to the failure, neglect, or refusal of Contractor to faithfully perform the work and all of the Contractor's obligations under the agreement. Such costs, expenses, and damages shall include all costs, including attorneys' fees, incurred by the indemnified parties in any lawsuit to which they are a party.
- 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: 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.
- J. Non-Conforming Work: Contractor represents that the Work and Documentation shall meet the standard of care of Contractor's profession. For a period of not less than one (1) year after acceptance of the completed Work, Contractor shall, at no additional cost to Agency, correct any and all agreed-to errors in the Work or Documentation, regardless of whether any such errors are brought to the attention of Contractor by Agency, or any other person or entity. Contractor shall within three (3) calendar days, correct any error that renders the Work or Documentation dysfunctional or unusable

and shall correct other errors within thirty (30) calendar days after Contractor's receipt of notice of the error. Upon request of Agency, Contractor 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 Contractor'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, Contractor shall notify the Project Manager, in writing, detailing the dispute and reason for the Contractor's position. Any dispute that cannot be resolved between the Project Manager and Contractor 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 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 mediation.
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 mediation with the Project Manager within seven (7) calendar days after receiving written notice of the General Manager's decision.
3. In the event of mediation, the parties hereto agree that there shall be a single neutral Mediator who shall be selected in the following manner:

- a. The Demand for a Mediator shall include a list of five names of persons acceptable to the Contractor to be appointed as Mediator. The Agency shall determine if any of the names submitted by Contractor are acceptable and, if so, such person will be designated as Mediator.
 - b. In the event that none of the names submitted by Contractor are acceptable to Agency, or if for any reason the Mediator 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 Mediator. The Contractor shall, in turn, have seven (7) calendar days in which to determine if one such person is acceptable.
 4. Joinder in Mediation/Arbitration: The Agency may join the Contractor in mediation or arbitration commenced by an agreement mediator 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. 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. Any reuse of such documents for other than the specific purpose, intended as stated herein, shall be at the sole risk of the user, and without liability or legal exposure to the Contractor.

Notwithstanding any provision to the contrary contained in this Contract, Contractor shall retain sole ownership to its preexisting information including but not limited to computer programs, software, standard details, figures, templates and specifications.

When transferring data in electronic media format, Contractor makes no representation as to long term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used by Contractor at the beginning of the Project.

Because data stored in electronic media format can deteriorate or be modified inadvertently or otherwise without authorization of the data's creator, the party receiving electronic files agrees that it will perform acceptance tests or procedures within sixty (60) days of receipt, after which the Agency shall have deemed to have accepted the data transferred. Any errors detected within the sixty days will be corrected by the Contractor at no additional cost to the Agency. Contractor shall not be responsible to maintain documents stored in electronic media

format after acceptance by the Agency. The original hard copy of the documents containing the professional engineer's seal shall take precedence over the electronic documents.

12. 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.

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 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 at hand.
- 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. 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 Contract 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.
- 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 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.
- 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 Procurement
Inland Empire Utilities Agency, a Municipal Water District
P.O. Box 9020
Chino Hills, California 91709

Contractor: Richard J. Sidor
Chief Executive Officer
CASC Engineering and Consulting, Inc.
1470 E. Cooley Drive
Colton, CA 92324

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. RIGHT TO AUDIT: The Agency reserves the right to review and/or audit all Contractors' records related to the work assigned by subsequent Task Orders. 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.
19. INTEGRATION: The Contract Documents represent the entire agreement 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.
20. GOVERNING LAW: This Agreement is to be governed by and constructed in accordance with the laws of the State of California.
21. TERMINATION FOR CONVENIENCE: The Agency reserves and has the right to immediately suspend, cancel or terminate this Agreement 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.

22. **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, etc.
23. **CHANGES:** The Agency may, at any time, make changes to a given Task Order's Scope of Work, including additions, reductions, and changes to any or all of the Work, as directed in writing via a Task Order Change Order issued by the Agency and executed by both Parties. The Task Order Change Order will, if warranted, convey any associated change to the established Task Order price and/or performance schedule.
24. **NOTICE TO PROCEED:** No services shall be performed or furnished under this Master Services Contract unless and until an associated Task Order has bi-laterally executed and issued to the Contractor.

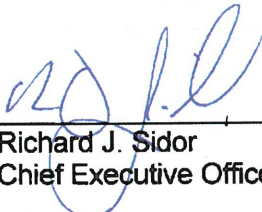
IN WITNESS WHEREOF, the parties hereto have caused this Contract to be entered as of the day and year written above.

INLAND EMPIRE UTILITIES AGENCY:
(A Municipal Water District)

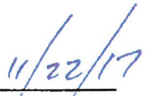
CASC ENGINEERING AND CONSULTING, INC.:

 Halla Razak
 General Manager

(Date)



 Richard J. Sidor
 Chief Executive Officer



 (Date)

[Balance Of This Page Intentionally Left Blank]

Attachment A

Attachment 2

SAMPLE TASK ORDER

Date: XXXXXXXXXXXX

Task Order Number: XXX

Consultant: XXXXXXXXXXXXX

Contract Number: 46000XXXX

Project / Task Description:

I. RECITALS

This Task Order is issued for the procurement of services needed in conjunction with Agency Project No. XXXXXXXX.

Agency and Consultant previously entered into Master Services Contract No. 46000XXXX. Except as otherwise specified herein, all terms and conditions of that Agreement are incorporated into this Task Order via this reference.

II. TASK ORDER AGREEMENTS

- Scope of Work:** Consultant shall furnish the qualified personnel, equipment, materials, and supplies necessary to perform the work described in the attached Statement of Work.
- Period of Performance:** XXXXXX through XXXXXX. All work is to be performed in a timely manner and in accordance with the Project Manager's schedule.
- Compensation:** Authorized total payments to Consultant for performance of this time-and-materials Task Order shall sum to a total not-to-exceed price of \$ XXXXXXXX. (NOTE: Compensation is based on submitted fees rates included in the Master Services Contract.)
- Assigned Personnel:** The below-listed named personnel are assigned to direct the performance of this Task Order on behalf of the respective Parties.

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

Project Manager: XXXXXXXXXXXXXXXX
Address: 6075 Kimball Ave, Bldg. X
Chino, California 91708
Telephone: (909) 993-XXXX
Facsimile: (909) XXXXXXXX
Email: XXXXXXXX@ieua.org

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

Consultant: XXXXXXXXXXXXXXXXXXXX
Project Manager: XXXXXXXXXXXXXXXXXXXX
Address: XXXXXXXXXXXXXXXXXXXX

XXXXXXXXXXXXXXXXXXXX
Telephone: XXXXXXXXXXXXXXXXXXXX
Facsimile: XXXXXXXXXXXXXXXXXXXX
Email: XXXXXXXXXXXXXXXXXXXX

5. Task Order Modifications: No communication, either written or oral, by other than written and bi-laterally executed change order shall be effective to modify or otherwise affect the provisions of this Task Order.

III. SIGNATURES

Inland Empire Utilities Agency: XXXXXXXXXXXXXXXXXXXX

Date: _____

Date: _____

[Balance Of This Page Intentionally Left Blank]

Attachment B

ATTACHMENT "B"

PROPOSAL FEE SCHEDULE

Offeror shall complete this Proposal Fee Schedule and shall return with their submittal. All proposal costs shall include respective itemized costs associated with all labor, equipment, materials, transportation, overhead, travel, profit, insurance, sales and other taxes, licenses, incidentals, and all other related costs necessary to provide on-call design and construction surveying and related services shall be held firm-fixed throughout the anticipated two (2) year contract performance period (other than prevailing wage classifications which shall be paid in accordance with the current year prevailing wage determination as made by the Department of Industrial Relations). At any time, IEUA may require that these costs be itemized.

Offeror shall hold their prices firm-fixed as indicated on the itemized fee schedule.

Offeror has thoroughly read this RFP and agrees to all the terms and conditions provided herein.

DESCRIPTION

FEE

Project Manager	\$ <u>175</u> /Hour
Survey Supervisor	\$ <u>146</u> /Hour
Two-Man Survey Crew	\$ <u>205</u> /Hour
Three-Man Survey Crew	\$ <u>231</u> /Hour
Senior CAD Technician	\$ <u>118</u> /Hour
Drafter/CAD Technician	\$ <u>125</u> /Hour
Other: Specify	
_____	\$ _____ /Hour
_____	\$ _____ /Hour
_____	\$ _____ /Hour

Michelle E. Furlong

 Offeror Signature

 Michelle E. Furlong
 Printed Name

 Secretary/Treasurer

 Title

CASC Engineering and Consulting Inc.

 Company Name

 47525
 Consultant License Number


 10/26/2017

 Date

**ACTION
ITEM
1G**

Date: December 20, 2017

To: The Honorable Board of Directors


From: Halla Razak, General Manager

Committee: Engineering, Operations & Water Resources

12/13/17

Contact: Chris Berch, Executive Manager of Engineering/AGM

Subject: Baseline Recycled Water Pipeline Extension Consultant Contract Award

Executive Summary:

The Baseline Recycled Water Pipeline Extension Project will extend an existing 24-inch recycled water pipeline in Baseline Avenue from American Way to Cherry Avenue in the City of Fontana. In December 2015, IEUA submitted an application for the State Water Resources Control Board (SWRCB) Proposition 1 Water Recycling Grant Program which included the Baseline Recycled Water Pipeline Extension project. The SWRCB notified IEUA of a pending State Revolving Fund (SRF) principle forgiveness and loan award for the project in early 2018. Therefore, staff proceeded with the solicitation for consulting engineering services to design the project and issued a Request for Proposal (RFP) in October 2017. Additionally, staff has begun extensive coordination on local laterals with the Cucamonga Valley Water District (CVWD) and the City of Fontana.

On November 9, 2017, IEUA received seven proposals. A review committee consisting of staff from IEUA Engineering and CVWD reviewed the proposals. Based on the firm's qualifications, experience, capability, and understanding of the scope, the committee unanimously concurred that Carollo Engineers, Inc. was the most qualified to perform the work.

Staff's Recommendation:

1. Award a consultant contract for the Baseline Recycled Water Pipeline Extension, Project No. EN17049, to Carollo Engineers, Inc., for the not-to-exceed amount of \$394,766; and
2. Authorize the General Manager to execute the consultant contract subject to non-substantive changes.

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

Account/Project Name:

EN17049/Baseline Recycled Water Pipeline Extension

Fiscal Impact (explain if not budgeted):

N/A

Prior Board Action:

None

Environmental Determination:

Addendum to

IEUA prepared an Addendum to the original Program Environmental Impact Report for this project and a copy of the Addendum is attached for information.

Business Goal:

The Baseline Recycled Water Pipeline Extension Project is consistent with IEUA's Business Goal of Water Reliability, specifically the Recycled Water objective that IEUA will maximize the use of recycled water to enhance regional water reliability.

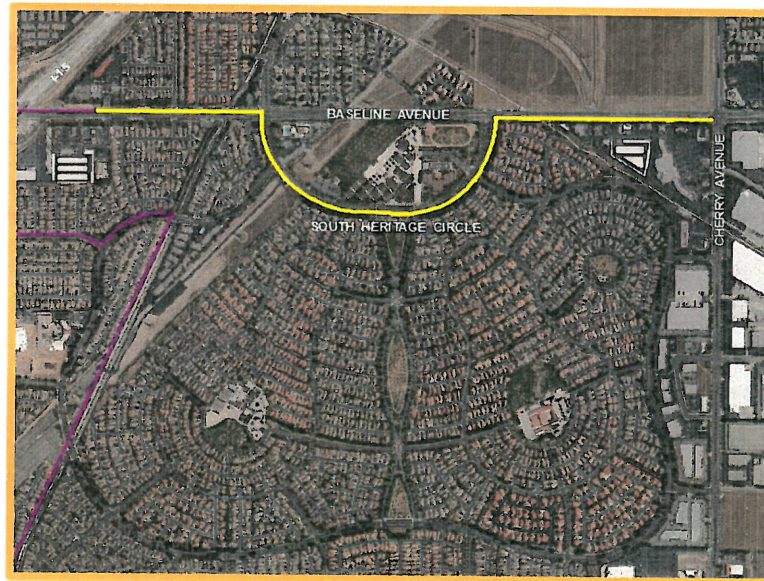
Attachments:

Attachment 1 - PowerPoint

Attachment 2 - Consultant Contract

Attachment 3 - EIR Addendum [Click to download](#) (hard copies available upon request)

Baseline Recycled Water Pipeline Extension Consultant Contract Award Project No. EN17049



The Project

- 8,200 feet of 24-inch recycled water pipeline will be designed
- 105 acre-feet per year of new recycled water use in the City of Fontana



Park Landscaping



Median and Parkway Landscaping

Consultant Selection

- Seven proposals received on November 9, 2017
- Evaluation and Selection Committee
 - Engineering and Construction Management Department and Cucamonga Valley Water District
- Evaluation criteria for selection:
 - Qualifications and experience
 - Project scope understanding
 - Ability to meet project schedule
 - SWRCB Disadvantage Business Enterprise Good Faith Effort completion
- Justification for unanimously selecting Carollo
 - Success in similar past projects
 - Comprehensive understanding of project scope and expectation

Proposals Received
Carollo
CWE
GHD
Infrastructure Engineering
Lee & Ro
Michael Baker International
Stantec

Project Budget and Schedule

Description	Estimated Cost
Design Services	\$611,266
Design Consultant (9%) (this action)	\$394,766
IEUA Design Services (5%)	\$216,500
Construction Services	\$649,500
Engineering Services During Construction (4%)	\$173,200
IEUA Construction Services (7%)	\$303,100
Construction Services Contingency (4%)	\$173,200
Construction	\$4,763,000
Construction	\$4,330,000
Contingency (10%)	\$433,000
Total Project Cost:	\$6,023,766
Total Project Budget:	\$4,950,000
Remaining Budget	(\$1,073,766)

Project Milestone	Date
Design	
Consultant Design Contract Award	December 2017
Design Completion	July 2018
Construction	
Construction Contract Award	October 2018
Construction Completion	August 2019

Pending State Water Resources Control Board State Revolving Fund Principle Forgiveness and Low Interest Loan Award – Early 2018

Recommendation

- Award a consultant contract for the Baseline Recycled Water Pipeline Extension, Project No. EN17049, to Carollo Engineers, Inc., for the not-to-exceed amount of \$394,766; and
- Authorize the General Manager to execute the consultant contract subject to non-substantive changes.

The Baseline Recycled Water Pipeline Extension Project is consistent with **IEUA's Business Goal of Water Reliability**, specifically the Recycled Water objective that IEUA will maximize the use of recycled water to enhance regional water reliability.



CONTRACT NUMBER: 4600002451
CONSULTING ENGINEERING SERVICES
FOR THE
BASELINE RECYCLED WATER PIPELINE EXTENSION PROJECT NO. EN17049

THIS CONTRACT (the "Contract"), 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 interchangeably as "IEUA" and "Agency") and Carollo Engineers, Inc. with offices located in Riverside, Irvine, and Los Angeles (hereinafter referred to as "Consultant"), for professional design services for the Baseline Recycled Water Pipeline Extension Project EN17049.

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: Liza Muñoz, P.E., Senior Engineer
Address: 6075 Kimball Avenue, Building "B"
Chino, California 91708
Telephone: (909) 993-1522
Facsimile: (909) 993-1982
Email: lmunoz@ieua.org

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

Consultant: Miko Aivazian, P.E.
Principal Infrastructure Engineer/Vice President
Address: 707 Wilshire Blvd., Suite 3920
Los Angeles, CA 90017
Telephone: P: (213) 279-3319
C: (626) 379-2370
Email: maivazian@carollo.com
Facsimile: (213) 572-0361

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 Number 4600002451
 - B. Contract Number 4600002451 General Terms and Conditions.
 - C. Project Manager's Request for Proposals (RFP) RFP-RW-17-024 and germane Addenda, incorporated herein by reference.
 - D. Consultant's Proposal dated November 9, 2017, incorporated herein by reference.

4. SCOPE OF WORK AND SERVICES: Consultant's services and responsibilities shall be in accordance with Project Manager's Request for Proposals (RFP) RFP-RW-17-024 and germane Addenda, incorporated herein by reference.

5. TERM: The term of this Contract shall extend from the date of the Notice to Proceed, and terminate within one (1) year upon acceptance of the design's construction by the Agency's Board of Directors, cognizant Engineering & Construction Management Department personnel, and project management, unless agreed to by both parties, reduced to writing, and amended to this Contract.

6. COMPENSATION: Agency shall pay Consultant's once-monthly, properly-executed invoice, approved by the Project Manager (basis Consultant's Fee Schedule attached hereto, referenced herein, and made a part hereof as **Attachment 1**) within thirty (30) days following receipt of the invoice by IEUA Accounts Receivable, utilizing Consulting Services Invoice Template **Attachment 2**, attached hereto and made a part hereof, for the submittal of each invoice. (The template in Excel format will be furnished to Consultant by the cognizant IEUA Project Manager.) Invoices shall include the name of assigned personnel, fully-burdened hourly billing rate, dates worked, a brief description of work, as well as the Contract Number 4600002451 for payment. Payment shall be withheld for any service which does not meet Agency requirements or have proven unacceptable until such service is revised, the invoice resubmitted and accepted by the Project Manager. Consultant's original invoice shall be submitted electronically to apgroup@ieua.org. Should Consultant engage in any public works activity in excess of \$25,000.00 in billing value, Consultant shall provide with all public works invoicing 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>].

In compensation for the work represented by this Contract, Agency shall pay Consultant NOT-TO-EXCEED a maximum total of **\$394,766.00** for all services provided in accordance with **Attachment 1**, referenced herein, attached hereto, and made a part hereof.

Agency may, at any time, make changes to the Scope of 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. Any changes shall be made by a written Amendment to the Contract. 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, all associated labor 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, using the Agency's standard Excel-based invoicing template **Attachment 2**. Invoice shall not be submitted in advance and shall not be dated earlier than the actual date of submittal.

7. **CONTROL OF THE WORK:** The 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 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. **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.
 - B. California Department of Industrial Relations: **For all public works performed in excess of \$1,000.00, SB854 is applicable:**
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 under the direction of the IEUA Project Manager or their designee.
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: Angela Witte
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. For this project subcontractor list law shall apply.

E. Grant-Funded Projects: This is a grant-funded (e.g., Federal Grant and State Revolving Funds combined) project. For grant-funded projects, the Consultant 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. Grant requirement flow-down language is attached hereto, referenced herein, and made a part hereof as **Attachment 3**.

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 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.

H. 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.

The total amount of all claims the Agency may have against the Consultant under this Contract or arising from the performance or non-performance of the Work under any theory of law, including but not limited to claims for negligence, negligent misrepresentation and breach of contract, shall be strictly limited to the lesser of the fees or \$500,000. As the Agency's sole and exclusive remedy under this Contract any claim, demand or suit shall be directed and/or asserted only against the Consultant and not against any of the Consultant's employees, officers or directors.

The Consultant's liability with respect to any claims arising out of this Contract shall be absolutely limited to direct damages arising out of the Work and the Consultant shall bear no liability whatsoever for any consequential loss, injury or damage incurred by the Agency, including but not limited to, claims for loss of use, loss of profits and loss of markets.

I. 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 subcontractor 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.

11. **INDEMNIFICATION:** Consultant shall indemnify the Agency, its directors, employees and assigns, and shall defend and hold them harmless from all liabilities, demands, actions, claims, losses and expenses, including reasonable attorneys' fees, which arise out of or are related to the negligence, recklessness or willful misconduct of the Consultant, its directors, employees, agents and assigns, in the performance of work under this Contract, to the

extent caused by Consultant's negligence or willful misconduct. Notwithstanding the foregoing, to the extent that this Contract includes design professional services as addressed 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.

Notwithstanding the foregoing, for any claim alleging Consultant's negligent performance of professional services, Consultant's obligations regarding the Agency's defense under this paragraph include only the reimbursement of the Agency's reasonable defense costs incurred to the extent of Consultant's negligence as expressly determined by a final judgment, arbitration, award, order, settlement, or other final resolution. Consultant shall not be responsible for warranties, guarantees, fitness for a particular purpose, breach of fiduciary duty, or loss of anticipated profits. Additionally, Consultant shall not be responsible for acts and decisions of third parties, including governmental agencies, other than Consultant's subconsultants, that impact project completion and/or success.

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:

1. Proprietary Rights conceived, developed, or reduced to practice by Consultant in the performance of the Work shall be the property of Agency, and Consultant shall cooperate with all appropriate requests to assign and transfer same to Agency.
2. If Proprietary Rights conceived, developed, or reduced to practice by Consultant prior to the performance of the Work are used in and become integral with the Work or 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.
3. 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 and Procurement
Inland Empire Utilities Agency, a Municipal Water District
P.O. Box 9020
Chino Hills, California 91709

Consultant: Mr. Balakrishnan Narayanan
Chief Executive Officer
Carollo Engineers, Inc.
2700 Ygnacio Valley Road, Suite 300
Walnut Creek, CA 94598

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 this work.

In the event of litigation concerning disclosure of information Consultant considers exempt from disclosure, (e.g., "Confidential," "Proprietary" or "Trade Secret,") 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 termination of the Contract. 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, County of San Bernardino.
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.
25. AGENCY-PROVIDED INFORMATION AND SERVICES: The Agency shall furnish Consultant available studies, reports and other data pertinent to Consultant's services; obtain or authorize Consultant to obtain or provide additional reports and data as required; furnish to Consultant services of others required for the performance of Consultant's services hereunder, all subject to Agency's prior approval, and Consultant shall be entitled to use and rely upon all such information and services provided by the Agency or others in performing Consultant's services under this Agreement.

26. ESTIMATES AND PROJECTIONS: Consultant has no control over the cost of labor, materials, equipment or services furnished by others, over the incoming water quality and/or quantity, or over the way the Agency's plant and/or associated processes are operated and/or maintained. Data and cost projections are based on Consultant's opinion based on experience and judgment. Consultant cannot and does not guarantee that actual base unit quantities realized and/or costs will not vary from the data and cost projections prepared by Consultant and Consultant does not and will be not liable to and/or indemnify the Agency and/or any third party related to any inconsistencies between Consultant's data and/or cost projections and actual base unit quantities and/or associated energy cost savings realized by the Agency and/or any third party in the future. However, nothing herein shall relieve Consultant from liability for its failure to perform the work to the standard of skill and care expected of a consultant under the same or similar circumstances.
27. THIRD PARTIES: The services to be performed by Consultant are intended solely for the benefit of the Agency. No person or entity not a signatory to this Agreement shall be entitled to rely on Consultant's performance of its services hereunder, and no right to assert a claim against Consultant by assignment of indemnity rights or otherwise shall accrue to a third party as a result of this Agreement or the performance of Consultant's services hereunder.

[Signature Page Immediately Follows]

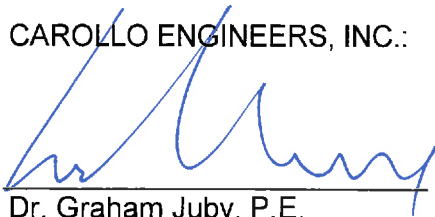
IN WITNESS WHEREOF, the parties hereto have caused the Contract to be entered as of the day and year written above.

INLAND EMPIRE UTILITIES AGENCY:
(A Municipal Water District)

CAROLLO ENGINEERS, INC.:

Halla Razak
General Manager

(Date)



Dr. Graham Juby, P.E.
Vice President

11/28/17
(Date)



Eric M. Mills, P.E.
Senior Vice President

11/28/17
(Date)

[Balance Of This Page Intentionally Left Blank]

Attachment 1

Inland Empire Utilities Agency
Carollo Fee Estimate
Consulting Engineering Services for Baseline Recycled Water Pipeline Extension (EN17049)

Task No.	TASK DESCRIPTION	Hourly Billing Rate	\$284	\$252	\$252	\$230	\$194	\$159	\$126	\$105	TOTAL HOURS	LABOR COST	Project Equipment and Communication Expense [PECE] (\$11.70 per labor hour)	OTHER DIRECT COSTS	Subconsultants	Markup on ODCs and Subconsultants	TOTAL PROJECT FEE
		Senior Company Officer	Project Manager	Lead Professional QA/QC	Project Professional	Professional	Assistant Professional	CAD Technician	Clerical								
A	Kickoff Meeting	0	2	0	8	0	8	0	0	1	19	\$ 3,721	\$ 222	\$ -	\$ -	\$ -	\$ 3,943
a.1	Review and assess existing documents, reports, and other relevant documents		2		8		8			1	19	\$ 3,721	\$ 222	\$ -	\$ -	\$ -	\$ 3,943
a.2	Attend a kickoff meeting (see Task I)										0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
B	Environmental Review	0	2	0	4	2	2	2	2	1	13	\$ 2,487	\$ 152	\$ 200	\$ -	\$ 20	\$ 2,859
b.1	Provide engineering support needed to incorporate the environmental review into final design		2		4	2	2	2	2	1	13	\$ 2,487	\$ 152	\$ 200	\$ -	\$ 20	\$ 2,859
C	Preliminary Design (10% Design)	0	26	24	40	38	0	104	4	4	236	\$ 42,696	\$ 2,761	\$ 1,000	\$ 78,800	\$ 7,980	\$ 133,237
c.1	Preapre and submit four (4) Technical Memorandums		8	16	12	12			24		72	\$ 14,160	\$ 842	\$ 200	\$ -	\$ 20	\$ 15,222
c.2	Permit coordination		2	8	8						18	\$ 4,360	\$ 211			\$ -	\$ 4,571
c.3	Alternative options (develop 3 pipeline alternative alignments)		2						32		34	\$ 4,536	\$ 398			\$ -	\$ 4,934
c.4	Description of recommended alignment option		2		4	4					10	\$ 2,200	\$ 117			\$ -	\$ 2,317
c.5	Geotechnical Baseline Report (GBR)		2		4						6	\$ 1,424	\$ 70		\$ 40,000	\$ 4,000	\$ 45,494
c.6	Utility research		2			4			24		30	\$ 4,304	\$ 351	\$ 200		\$ 20	\$ 4,875
c.7	Surveying		2		4				16	1	23	\$ 3,545	\$ 269		\$ 38,800	\$ 3,880	\$ 46,494
c.8	Right-Of-Way Acquisition (see optional task J)										0	\$ -	\$ -			\$ -	\$ -
c.9	Construction cost estimate		2		4	8				1	15	\$ 3,081	\$ 176			\$ -	\$ 3,257
c.10	Preapre and submit design review package		2		2	8			8	1	21	\$ 3,629	\$ 246	\$ 400		\$ 40	\$ 4,315
c.11	Meet with IEUA staff to receive the design review comments		2		2	2				1	7	\$ 1,457	\$ 82	\$ 200		\$ 20	\$ 1,759
D	30% Design	0	14	40	24	58	24	108	4	4	272	\$ 48,224	\$ 3,182	\$ 600	\$ 18,500	\$ 1,910	\$ 72,416
d.1	Prepare and submit 30% design drawings and specifications		8	40	12	24	24	100	1	1	209	\$ 36,033	\$ 2,445	\$ 400		\$ 40	\$ 38,918
d.2	Preapre and submit engineer's estimate		1			8					9	\$ 1,804	\$ 105			\$ -	\$ 1,909
d.3	Prepare and submit 30% calculations package		1		8	8				1	18	\$ 3,749	\$ 211			\$ -	\$ 3,960
d.4	Preapre and submit required permits list		1			8					9	\$ 1,804	\$ 105			\$ -	\$ 1,909
d.5	Potholing (assume 20 potholes); Unit price add/deduct is \$2,000		1		2	8		8		1	20	\$ 3,377	\$ 234		\$ 18,500	\$ 1,850	\$ 23,961
d.6	Meet with IEUA staff to receive the design review comments		2		2	2				1	7	\$ 1,457	\$ 82	\$ 200		\$ 20	\$ 1,759
E	50% Design	0	13	12	32	34	16	80	5	5	192	\$ 33,405	\$ 2,246	\$ 600	\$ -	\$ 60	\$ 36,311
e.1	Prepare and submit 50% design drawings and specifications		8	12	24	16	16	80	1	1	157	\$ 26,393	\$ 1,837	\$ 400		\$ 40	\$ 28,670
e.2	Preapre and submit engineer's estimate		1			8					10	\$ 1,909	\$ 117			\$ -	\$ 2,026
e.3	Prepare and submit 50% calculations package		1		4	4				1	10	\$ 2,053	\$ 117			\$ -	\$ 2,170
e.4	Preapre and submit required permits list		1		2	4				1	8	\$ 1,593	\$ 94			\$ -	\$ 1,687
e.5	Meet with IEUA staff to receive the design review comments		2		2	2				1	7	\$ 1,457	\$ 82	\$ 200		\$ 20	\$ 1,759
F	85% Design	0	14	8	34	36	16	100	3	3	211	\$ 35,807	\$ 2,439	\$ 600	\$ 39,000	\$ 3,960	\$ 81,836
f.1	Prepare and submit 85% design drawings and specifications		8	8	24	24	16	100	1	1	181	\$ 29,457	\$ 2,118	\$ 400		\$ 40	\$ 32,015
f.2	Preapre and submit engineer's estimate		1		2	4					7	\$ 1,488	\$ 82			\$ -	\$ 1,570
f.3	Prepare and submit 85% calculations package		1		2	4					7	\$ 1,488	\$ 82			\$ -	\$ 1,570
f.4	Prepare and submit traffic control plans									1	1	\$ 105	\$ 12		\$ 39,000	\$ 3,900	\$ 43,017
f.5	Preapre and submit required permits list		2		2	2					6	\$ 1,352	\$ 70			\$ -	\$ 1,422
f.6	Meet with IEUA staff to receive the design review comments		2		4	2				1	9	\$ 1,917	\$ 105	\$ 200		\$ 20	\$ 2,242
G	Final Design	0	15	12	24	34	0	80	3	3	168	\$ 29,315	\$ 1,966	\$ 600	\$ -	\$ 60	\$ 31,941
g.1	Preapre and submit 100% design drawings and specifications		8	12	8	16		80	1	1	125	\$ 20,169	\$ 1,463	\$ 400		\$ 40	\$ 22,072
g.2	Preapre and submit final engineer's estimate		1		4	4					10	\$ 2,053	\$ 117			\$ -	\$ 2,170
g.3	Prepare and submit final calculations package		1		2	4					7	\$ 1,488	\$ 82			\$ -	\$ 1,570
g.4	Preapre and submit final required permits list		1		2	2					5	\$ 1,100	\$ 59			\$ -	\$ 1,159
g.5	Preapre and submit final asset list		2		4	4					10	\$ 2,200	\$ 117			\$ -	\$ 2,317
g.6	Preapre and submit shop drawing list		2		4	4				1	11	\$ 2,305	\$ 129	\$ 200		\$ 20	\$ 2,654
H	Bid and Award Administration Assistance	0	12	0	12	4	0	16	3	3	47	\$ 8,891	\$ 550	\$ 200	\$ -	\$ 20	\$ 9,661
h.1	Bid interpretation		4		4	4		4	1	1	17	\$ 3,313	\$ 199			\$ -	\$ 3,512
h.2	Interpret contract documents and prepare addenda		4		4	4		4	1	1	13	\$ 2,537	\$ 152			\$ -	\$ 2,689

Inland Empire Utilities Agency
Carollo Fee Estimate
Consulting Engineering Services for Baseline Recycled Water Pipeline Extension (EN17049)

		Hourly Billing Rate	\$284	\$252	\$252	\$230	\$194	\$159	\$126	\$105							
Task No.	TASK DESCRIPTION	Senior Company Officer	Project Manager	Lead Professional QA/QC	Project Professional	Professional	Assistant Professional	CAD Technician	Clerical	TOTAL HOURS	LABOR COST	Project Equipment and Communication Expense [PECE] (\$11.70 per labor hour)	OTHER DIRECT COSTS	Subconsultants	Markup on ODCs and Subconsultants	TOTAL PROJECT FEE	
h.3	Attend a pre-bid meeting		4							4	\$ 1,008	\$ 47	\$ 200		\$ 20	\$ 1,275	
h.4	Prepre conformed set of plans and specifications				4			8	1	13	\$ 2,033	\$ 152			\$ -	\$ 2,185	
1	Project Management, Meetings, Quality Assurance and Quality Control	2	34	20	12	18	0	0	4	90	\$ 20,848	\$ 1,053	\$ 600	\$ -	\$ 60	\$ 22,561	
i.1	Attend a kickoff meeting	2	2		2				1	7	\$ 1,637	\$ 82	\$ 200		\$ 20	\$ 1,939	
i.2	Attend monthly progress meetings (assume 10 meetings)		20		10	10			1	41	\$ 9,385	\$ 480	\$ 400		\$ 40	\$ 10,305	
i.3	Prepare and submit meeting agenda and meeting minutes for all meetings with IEUA		8			8			1	17	\$ 3,673	\$ 199			\$ -	\$ 3,872	
i.4	Quality Assurance and Quality Control		4	20					1	25	\$ 6,153	\$ 293			\$ -	\$ 6,446	
TOTAL FOR ALL TASKS		2	132	116	190	224	66	490	28	1,248	\$ 225,394	\$ 14,602	\$ 4,400	\$ 136,300	\$ 14,070	\$ 394,766	

		Hourly Billing Rate	\$284	\$252	\$252	\$230	\$194	\$159	\$126	\$105							
Task No.	TASK DESCRIPTION	Senior Company Officer	Project Manager	Lead Professional QA/QC	Project Professional	Professional	Assistant Professional	CAD Technician	Clerical	TOTAL HOURS	LABOR COST	Project Equipment and Communication Expense [PECE] (\$11.70 per labor hour)	OTHER DIRECT COSTS	Subconsultants	Markup on ODCs and Subconsultants	TOTAL PROJECT FEE	
ADDITIONAL OPTIONAL TASKS																	
J	Right-Of-Way Property Acquisition	0	2	0	2	0	0	0	0	16	\$ 964	\$ 187	\$ -	\$ 2,500	\$ 250	\$ 3,901	
j.1	Provide preliminary plans for any required right-of-way acquisition including approximate area of each of the required parcels. Assume \$2,500 per parcel.		2		2					16	\$ 964	\$ 187		\$ 2,500	\$ 250	\$ 3,901	
K	Engineering Services During Construction	0	34	0	50	44	0	60	5	193	\$ 36,689	\$ 2,258	\$ 800	\$ -	\$ 20	\$ 39,767	
k.1	Attend a Pre-construction meeting		4		4				1	9	\$ 2,033	\$ 105	\$ 200		\$ 20	\$ 2,358	
k.2	Review and responnd to RFI's (assume 10 RFI's)		8		16	16			1	41	\$ 8,905	\$ 480			\$ -	\$ 9,385	
k.3	Review and respond to submittals and shop drawings (assume 20 submittals and resubmittals)		12		24	24			1	61	\$ 13,305	\$ 714	\$ 200		\$ 20	\$ 14,239	
k.4	Review and respond change orders (assume 2 CO's)		8		4	4			1	17	\$ 3,817	\$ 199			\$ -	\$ 4,016	
k.5	Prepre As-Built drawings		2		2			60	1	65	\$ 8,629	\$ 761	\$ 400		\$ 40	\$ 9,830	
TOTAL FOR OPTIONAL TASKS		0	36	0	52	44	0	60	5	209	\$ 37,653	\$ 2,445	\$ 800	\$ 2,500	\$ 270	\$ 43,668	

**CAROLLO ENGINEERS, INC.
FEE SCHEDULE**

**As of January 1, 2017
California**

	<u>Hourly Rate*</u>
Engineers/Scientists	
Senior Professional	\$284.00
Project Manager	252.00
Lead Professional	252.00
Project Professional	230.00
Professional	194.00
Assistant Professional	159.00
Technicians	
Senior Technicians	176.00
CAD Technicians	140.00
Technicians	126.00
Support Staff	
Document Processing / Clerical	105.00

*Individual hourly rates include salary, overhead, and profit.

Non-salary expenses and outside services attributable to the project shall include:

- Mileage at IRS established guidelines, currently \$0.535/mile (effective January 1, 2017);
- The identifiable costs of reproduction, printing, and binding applicable to the project;
- The actual cost of outside and subcontracted services, and other direct costs identifiable to the Project, will be charged at the above-stated cost plus 10% markup, to cover overhead, administration, other indirect costs and profit;
- All Carollo labor hours will incur a Project Equipment Communication Expense (PECE) of \$11.70 per hour;
- Rates subject to annual revisions January 1 due to labor adjustments.

Compensation is based on a single not-to-exceed fee based on the following contract terms:

1. Payment of the invoiced amount for the professional engineering services shall be based on monthly invoices describing the work performed and expenses incurred during the preceding month.
2. Payment shall be due within 30 days after date of monthly invoice describing the work performed and expenses incurred during the preceding month.

Attachment 2



**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.:			Invoice No. /Consult Ref XXXXXX
Proj. Name & No: RP-1 Improvements Project, EN15xxx			

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 Contra				\$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 Amendr				\$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: _____

Attachment 3

GRANTS AND SRF LOAN REQUIREMENTS

Baseline Extension Project will be funded by a State Water Resources Control Board (SWRCB) State Revolving Fund Loan (Agreement).

The Agreement has regulatory requirements that the Inland Empire Utilities Agency (IEUA) is required to include in all contracts for work related to the performance of the Agreements. The contractors must assist IEUA in meeting the federal and state requirements that apply to the scope stated in their contracts. These requirements include, but are not limited to, the State Prevailing Wages, Federal Davis-Bacon requirements, Federal Disadvantaged Business Enterprise (DBE), Single Audit, Records, etc. If a sub is hired, the grant requirements language must be included in the sub's contract in its entirety. The following attachments provide more details about the specific requirements and must be included in all contracts for this project. Please note that some of the exhibits are not included as they are only relevant to the agreement between SWRCB and IEUA.

1. **Article I, II, IV, V - Loan Provisions**
2. **Exhibit A- Signage**
3. Exhibit B- Intentionally not included
4. Exhibit C- Intentionally not included
5. Exhibit D- Intentionally not included
6. **Exhibit E- Programmatic Conditions & Cross-Cutters**
7. **American Iron and Steel (AIS) Products subject to AIS**
8. Exhibit F- Intentionally not included
9. **Exhibit G- Davis Bacon Labor Compliance Requirements**
10. **Wage Determination**
11. **Exhibit H- Compliance with Cross-Cutting State Authorities**
12. **DBE instructions/forms**

SWRCB Loan Language

Baseline Extension Project

IEUA is in the process of obtaining a State Water Resources Control Board (SWRCB) State Revolving Fund (SRF) Construction Loan. IEUA has not yet received the actual contract. Requirements may change when the executed contract is received. The consultants and contractors must assist IEUA in meeting the requirements that apply to the type of work that they are performing.

ARTICLE I DEFINITIONS

1.1 Definitions.

Unless otherwise specified, each capitalized term used in this Agreement has the following meaning:

"Additional Payments" means the Additional Payments described in Section 3.2(c) of this Agreement.

"Agreement" means this Installment Sale Agreement, including all exhibits and attachments.

"Allowance" means an amount based on a percentage of the accepted bid for an eligible project to help defray the planning, design, and construction engineering and administration costs of the Project.

"Authorized Representative" means the duly appointed representative of the Recipient as set forth in the certified original of the Recipient's authorizing resolution that designates the authorized representative by title.

"Bank" means the California Infrastructure and Economic Development Bank.

"Bond Funded Portion of the Project Funds" means any portion of the Project Funds which was or will be funded with Bond Proceeds.

"Bond Proceeds" means original proceeds, investment proceeds, and replacement proceeds of Bonds.

"Bonds" means any series of bonds issued by the Bank, the interest on which is excluded from gross income for federal tax purposes, all or a portion of the proceeds of which have been, are, or will be applied by the State Water Board to fund all or any portion of the Project Costs or that are secured in whole or in part by Installment Payments paid hereunder.

"Code" as used in Article V of this Agreement means the Internal Revenue Code of 1986, as amended, and any successor provisions and the regulations of the U.S. Department of the Treasury promulgated thereunder.

"Completion of Construction" means the date, as determined by the Division after consultation with the Recipient, that the work of building and erection of the Project is substantially complete.

"CWSRF" means the Clean Water State Revolving Fund.

"Days" means calendar days unless otherwise expressly indicated.

"Debt Service" means, for any Fiscal Year, the sum of:

- (a) The interest payable during such Fiscal Year on all outstanding System Obligations, assuming that all outstanding serial System Obligations are retired as scheduled and that all outstanding term System Obligations are prepaid or paid from sinking fund payments as scheduled (except to the extent that such interest is capitalized or is reasonably anticipated to be reimbursed to the Recipient by the United States of America pursuant to Section 54AA of the Code (Section 1531 of

Title I of Division B of the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111 5, 23 Stat. 115 (2009), enacted February 17, 2009), or any future similar program);

- (b) Those portions of the principal amount of all outstanding serial System Obligations maturing in such Fiscal Year (but excluding Excluded Principal);
- (c) Those portions of the principal amount of all outstanding term System Obligations required to be prepaid or paid in such Fiscal Year (but excluding Excluded Principal); and
- (d) Those portions of any other payments under System Obligations required to be made during such Fiscal Year (except to the extent the interest evidenced and represented thereby is capitalized or is reasonably anticipated to be reimbursed to the Recipient by the United States of America pursuant to Section 54AA of the Code (Section 1531 of Title I of Division B of the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111 5, 23 Stat. 115 (2009), enacted February 17, 2009), or any future similar program); provided that, as to any such System Obligations bearing or comprising interest at other than a fixed rate, the rate of interest used to calculate Debt Service shall, for all purposes, be assumed to bear interest at a fixed rate equal to the higher of 1) the actual rate on the date of calculation, or if such System Obligation is not yet outstanding, the initial rate (if established and binding), and 2) the highest average variable rate borne over a six month period during the preceding 24 months by outstanding variable rate debt issued by the Recipient or, if no such variable rate debt is at the time outstanding, by variable rate debt of which the interest rate is computed by reference to an index comparable to that to be utilized in determining the interest rate for the debt then proposed to be issued;

And provided further that if any series or issue of such System Obligation has twenty-five percent (25%) or more of the aggregate principal amount of such series or issue due in any one year (and such principal is not Excluded Principal), Debt Service shall be determined for the Fiscal Year of determination as if the principal of and interest on such series or issue of such System Obligation were being paid from the date of incurrence thereof in substantially equal annual amounts over a period of forty (40) years from the date of calculation;

And provided further that, as to any such System Obligation or portions thereof bearing no interest but which are sold at a discount and which discount accretes with respect to such System Obligations or portions thereof, such accreted discount shall be treated as interest in the calculation of Debt Service in the Fiscal Year when due;

And provided further that if the System Obligations constitute Paired Obligations, the interest rate on such System Obligations shall be the resulting linked rate or the effective fixed interest rate to be paid by the Recipient with respect to such Paired Obligations;

And provided further that for System Obligations which are interest rate swap agreements which do not constitute Paired Obligations but for which an Independent Financial Consultant certifies that such System Obligation has a fixed spread component payable to the Recipient, Debt Service shall be credited by an amount equal to the lesser of (a) the average of the actual payment received by the Recipient over the last three Fiscal Years (or if outstanding less than three years, over the period outstanding) and (b) the fixed spread component.

"Division" means the Division of Financial Assistance of the State Water Board or any other segment of the State Water Board authorized to administer this Agreement.

"Eligible Start Date" means the date set forth in Exhibit B, establishing the date on or after which construction costs may be incurred and eligible for reimbursement hereunder, subject to the 60-day look back period established in the Reimbursement Resolution.

"Enterprise Fund" means (i) all revenue accounts maintained by the Recipient as of the date of this Agreement other than the Water Resources Fund and (ii) any revenue account created after the date of this Agreement and designated by the Chief Financial Officer of the Recipient as a part of the Enterprise Fund.

"Event of Default" means the occurrence of any of the following events: (a) the failure of the Recipient to pay principal or interest or any fee or any other amount when due to be paid or performed under the terms of this Agreement, and such failure to pay continuing after the applicable grace period, (b) any representation or warranty made by the Recipient under this Agreement proves to be incorrect in any material respect, (c) the Recipient's failure to observe or perform any covenant, condition, or agreement contained in Section 3.7 or any financial special condition in Exhibit D to this Agreement, (d) the failure of the Recipient to perform any covenant or condition under this Agreement and such failure shall remain unremedied for a period of 30 days, unless expressly waived by the Division, (e) the failure of the Recipient to keep in full force and effect its legal existence and any rights, licenses, permit, or privileges to conduct its business, or the occurrence of any material restraint on Recipient's business by a government agency or by court order (f) initiations of proceedings seeking liquidation, reorganization, or other relief with respect to the Recipient or its debts, or for the appointment of a receiver, trustee, custodian or conservator with respect to the Recipient or any part of its assets, or similar event, (g) the failure of the Recipient to make any payment with respect to any System Obligation, when such becomes due and payable, and such failure continuing or anticipated to continue beyond any applicable grace period, (h) any event or condition occurs that results in the acceleration of any System Obligation, or of such System Obligation becoming due prior to its scheduled maturity or that enables or permits (with or without the giving of notice, the lapse of time or both) the holder or holders of any System Obligation or any trustee or agent on its or their behalf to cause any System Obligation to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity, (i) any event that results a material impairment in the perfection or priority of the State Water Board's security interest in the Collateral or in the value of such Collateral, (j) initiation of litigation related to the Revenues, the System, or the Project, or (k) a material adverse change in the business, operations, or condition (financial or otherwise) of Recipient.

"Excluded Principal" means each payment of principal of System Obligations with a maturity of less than 42 months and which the Recipient specifies in a certificate signed by the General Manager of the Recipient and filed with the trustee for the System Obligation that the Recipient intends to pay from the proceeds of System Obligations, other bonds, notes or other obligations of the Recipient or moneys other than Revenues or Net Revenues. No such determination shall affect the security for such System Obligations or the obligation of the Recipient to pay such System Obligations from Net Revenues.

"Final Disbursement Request Date" means the date after which date no further Project Funds disbursements may be requested.

"Fiscal Year" means the period beginning on July 1 of each year and ending on the last day of June of the next succeeding year, or any other twelve-month period selected and designated as the official Fiscal Year of the Recipient.

"Force Account" means the use of the Recipient's own employees or equipment.

"GAAP" means generally accepted accounting principles, [the uniform accounting and reporting procedures set forth in publications of the American Institute of Certified Public Accountants or its successor, or by any other generally accepted authority on such procedures, and includes, as applicable, the standards set forth by the Governmental Accounting Standards Board or its successor.](#)

"Initiation of Construction" means the date that notice to proceed with work is issued for the Project, or, if notice to proceed is not required, the date of commencement of building and erection of the Project.

"Installment Payments" means Installment Payments due and payable by the Recipient to the State Water Board under this Agreement, the amounts of which are set forth as Exhibit C hereto.

"Listed Event" means, so long as the Recipient has outstanding any System Obligation subject to Rule 15c2-12, any of the events required to be reported pursuant to Rule 15c2-12(b)(5).

"Loan Repayments" means repayments due and payable by the Recipient to the State Water Board under this Agreement, the amounts of which are set forth as Exhibit C hereto.

"Material Event" means the failure of the Recipient to observe or perform any covenant in this Agreement, including any of the following: (a) revenue shortfalls; (b) unscheduled draws on the Reserve Fund, if any, or the Enterprise Fund; (c) substitution of liquidity providers, or their failure to perform; (d) adverse findings by the Regional Water Quality Control Board; (e) litigation related to the Revenues, the System, or the Project, whether pending or anticipated; (f) any false warranty or representation made by the Recipient relevant to this Agreement; (g) loss, theft, damage, or impairment to the Revenues or the System; (h) seizure of, or levy on any collateral securing this Agreement; (i) dissolution or cessation of operations by the Recipient, termination of Recipient's existence, insolvency of Recipient, or filing of a voluntary or involuntary bankruptcy petition by or on behalf of Recipient; (j) any event set forth in section 2.10 of this Agreement.

"Maximum Annual Debt Service" means the maximum amount of Debt Service that is due on System Obligations in any Fiscal Year during the period commencing with the Fiscal Year for which such calculation is made and terminating with the last Fiscal Year in which such Debt Service for any System Obligations will become due.

"Net Revenues" means, for any Fiscal Year, all Revenues received by the Recipient less the Operations and Maintenance Costs for such Fiscal Year.

"Obligation" means the obligation of the Recipient to make Installment Payments and Additional Payments as provided herein, as evidenced by the execution of this Agreement, proceeds of such obligations being used to fund the Project as specified in the Project Description in Exhibit A and Exhibit A-FBA and in the documents thereby incorporated by reference.

"Operations and Maintenance Costs" means (1) costs spent or incurred for maintenance and operation of the System calculated in accordance with Generally Accepted Accounting Principles, including (among other things) the reasonable expenses of management and repair and other expenses necessary to maintain and preserve the System in good repair and working order, and including administrative costs of the Recipient that are charged directly or apportioned to the System, including but not limited to salaries and wages of employees, payments to the Public Employees Retirement System, overhead, insurance, taxes (if any), fees of auditors, accountants, attorneys, consultants or engineers and insurance premiums, and including all other reasonable and necessary costs of the Recipient or charges required to be paid by it to comply with the terms of this Agreement or any other Parity Contract or Senior Contract or of any resolution or indenture authorizing the issuance of any Parity Bonds or Senior Bonds or of such Parity Bonds or Senior Bonds, and (2) all payments under Operation and Maintenance Obligations, but excluding in all cases depreciation, replacement and obsolescence charges or reserves therefor and amortization of intangibles, including amortization of water rights, unrealized losses on investments, write offs of the value of any impaired assets or other bookkeeping entries of a similar nature.

"Operation and Maintenance Obligation" means any contractual obligation with respect to any facilities, properties, structures, works, services, water or rights to receive water, or any loan of credit to or guaranty of debts, claims or liabilities of any other person (including a joint powers agency of which the Recipient is a member) with respect to any facilities, properties, structures, works, services, water or rights to receive water, so long as in each case the payments thereunder are designated as Operation and Maintenance Costs by the Board of Directors of the Recipient; provided however System Obligations shall not constitute Operation and Maintenance Obligations, and in no instance will an Operation and Maintenance Obligation include provisions for the financing of construction or acquisition of any of the Recipient's facilities, structures, or works.

"Paired Obligations" means any System Obligation (or portion thereof) designated as Paired Obligations in the resolution, indenture or other document authorizing the issuance or execution and delivery thereof, which are simultaneously issued or executed and delivered (i) the principal of which is of equal amount maturing and to be redeemed or prepaid (or cancelled after acquisition thereof) on the same dates and in the same amounts, and (ii) the interest rates which, taken together, are reasonably expected to result in a fixed interest rate obligation of the Recipient for the term of such System Obligation, as determined by an Independent Financial Consultant in writing.

"Parity Bonds" means all revenue bonds or notes of the Recipient authorized, executed, issued and delivered by the Recipient, the payments of which are payable from Net Revenues on a parity with the Installment Payments.

"Parity Contracts" means this Agreement and any amendments and supplements hereto, and all contracts of the Recipient previously or hereafter authorized and executed by the Recipient, the Parity Installment Payments under which are payable from Net Revenues on a parity with the Installment Payments, but excluding contracts entered into for operation and maintenance of the System.

"Parity Debt Service" means, for any Fiscal Year, the sum of:

- (a) The interest payable during such Fiscal Year on all outstanding Parity Bonds, assuming that all outstanding serial Parity Bonds are retired as scheduled and that all outstanding term Parity Bonds are prepaid or paid from sinking fund payments as scheduled (except to the extent that such interest is capitalized or is reasonably anticipated to be reimbursed to the Recipient by the United States of America pursuant to Section 54AA of the Code (Section 1531 of Title I of Division B of the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111 5, 23 Stat. 115 (2009), enacted February 17, 2009), or any future similar program);
- (b) Those portions of the principal amount of all outstanding serial Parity Bonds maturing in such Fiscal Year (but excluding Excluded Principal);
- (c) Those portions of the principal amount of all outstanding term Parity Bonds required to be prepaid or paid in such Fiscal Year (but excluding Excluded Principal); and
- (d) Those portions of the Parity Installment Payments required to be made during such Fiscal Year (except to the extent the interest evidenced and represented thereby is capitalized or is reasonably anticipated to be reimbursed to the Recipient by the United States of America pursuant to Section 54AA of the Code (Section 1531 of Title I of Division B of the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111 5, 23 Stat. 115 (2009), enacted February 17, 2009), or any future similar program); provided that, as to any such Parity Bonds or Parity Installment Payments bearing or comprising interest at other than a fixed rate, the rate of interest used to calculate Parity Debt Service shall, for all purposes, be assumed to bear interest at a fixed rate equal to the higher of 1) the actual rate on the date of calculation, or if such Parity Contract or Parity Bond is not yet outstanding, the initial rate (if established and binding), and 2) the highest average variable rate borne over a six month period during the preceding 24 months by outstanding variable rate debt issued by the Recipient or, if no such variable rate debt is at the time outstanding, by variable rate debt of which the interest rate is computed by reference to an index comparable to that to be utilized in determining the interest rate for the debt then proposed to be issued;

And provided further that if any series or issue of such Parity Bonds or Parity Installment Payments have twenty-five percent (25%) or more of the aggregate principal amount of such series or issue due in any one year (and such principal is not Excluded Principal), Parity Debt Service shall be determined for the Fiscal Year of determination as if the principal of and interest on such series or issue of such Parity Bonds or Parity Installment Payments were being paid from

the date of incurrence thereof in substantially equal annual amounts over a period of forty (40) years from the date of calculation;

And provided further that, as to any such Parity Bonds or Parity Installment Payments or portions thereof bearing no interest but which are sold at a discount and which discount accretes with respect to such Parity Bonds or Parity Installment Payments or portions thereof, such accreted discount shall be treated as interest in the calculation of Parity Debt Service in the Fiscal Year when due;

And provided further that if the Parity Bonds or Parity Contracts constitute Paired Obligations, the interest rate on such Parity Bonds or Parity Contracts shall be the resulting linked rate or the effective fixed interest rate to be paid by the Recipient with respect to such Paired Obligations;

And provided further that for Parity Contracts which are interest rate swap agreements which do not constitute Paired Obligations but for which an Independent Financial Consultant certifies that such Parity Contracts has a fixed spread component payable to the Recipient, Parity Debt Service shall be credited by an amount equal to the lesser of (a) the average of the actual payment received by the Recipient over the last three Fiscal Years (or if outstanding less than three years, over the period outstanding) and (b) the fixed spread component.

“Parity Installment Payments” means the payments of interest and principal or other scheduled payments scheduled to be paid by the Recipient under and pursuant to the Parity Contracts.

“Policy” means the State Water Board's “Policy for Implementing the Clean Water State Revolving Fund,” as amended from time to time, and the WRFPP Guidelines.

“Project” means the Project financed by this Agreement as described in Exhibit A, Exhibit A-FBA, and in the documents incorporated by reference herein.

“Project Completion” means the date, as determined by the Division after consultation with the Recipient, that operation of the Project is initiated or is capable of being initiated, whichever comes first.

“Project Costs” means the incurred costs of the Recipient which are eligible for financial assistance under this Agreement, which are allowable costs as defined under the Policy, and which are reasonable, necessary and allocable by the Recipient to the Project under GAAP, plus capitalized interest.

“Project Funds” means all moneys disbursed to the Recipient by the State Water Board pursuant to this Agreement.

“Recipient” means **Inland Empire Utilities Agency.**

“Regional Water Quality Control Board” or “Regional Water Board” means the appropriate Regional Water Quality Control Board.

“Reimbursement Resolution” means the Recipient’s reimbursement resolution identified in Exhibit A of this Agreement.

“Reserve Fund” means the reserve fund required pursuant to Section 3.7 of this Agreement.

“Revenues” means all income, rents, rates, fees, charges and other moneys derived from the ownership or operation of the System, including, without limiting the generality of the foregoing,

- (a) All income, rents, rates, fees, charges, business interruption insurance proceeds or other moneys derived by the Recipient from the sale, furnishing and supplying of sewer services, composting services or other services, facilities, and commodities sold, furnished or supplied through the facilities of or in the conduct or operation of the business of the System, including the Recipient's share of the County of San Bernardino's 1% ad valorem property tax (to the extent allocated to the Enterprise Fund), determined in accordance with Generally Accepted Accounting Principles, plus
- (b) The earnings on and income derived from the investment of the amounts described in clauses (1) hereof, including the Recipient's share of the County of San Bernardino's 1% ad valorem property tax (to the extent allocated to the Enterprise Fund), and the general unrestricted funds of the Recipient,

But excluding in all cases revenues derived from ownership or operation of the Water System, customer deposits or any other deposits or advances subject to refund until such deposits or advances have become the property of the Recipient, and excluding any proceeds of taxes restricted by law to be used by the Recipient to pay bonds hereafter issued.

"Rule 15c2-12(b)(5)" means Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

"Senior Bonds" means all revenue bonds or notes of the Recipient authorized, executed, issued and delivered by the Recipient, the payments of which are payable from Net Revenues on a basis senior to the Installment Payments.

"Senior Contracts" means this Agreement and any amendments and supplements hereto, and all contracts of the Recipient previously or hereafter authorized and executed by the Recipient, the Senior Installment Payments under which are payable from Net Revenues on a basis senior to the Installment Payments, but excluding contracts entered into for operation and maintenance of the System.

"Senior Debt Service" means, for any Fiscal Year, the sum of:

- (a) The interest payable during such Fiscal Year on all outstanding Senior Bonds, assuming that all outstanding serial Senior Bonds are retired as scheduled and that all outstanding term Senior Bonds are prepaid or paid from sinking fund payments as scheduled (except to the extent that such interest is capitalized or is reasonably anticipated to be reimbursed to the Recipient by the United States of America pursuant to Section 54AA of the Code (Section 1531 of Title I of Division B of the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111 5, 23 Stat. 115 (2009), enacted February 17, 2009), or any future similar program);
- (b) Those portions of the principal amount of all outstanding serial Senior Bonds maturing in such Fiscal Year (but excluding Excluded Principal);
- (c) Those portions of the principal amount of all outstanding term Senior Bonds required to be prepaid or paid in such Fiscal Year (but excluding Excluded Principal); and
- (d) Those portions of the Senior Installment Payments required to be made during such Fiscal Year (except to the extent the interest evidenced and represented thereby is capitalized or is reasonably anticipated to be reimbursed to the Recipient by the United States of America pursuant to Section 54AA of the Code (Section 1531 of Title I of Division B of the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111 5, 23 Stat. 115 (2009), enacted February 17, 2009), or any future similar program);

Provided that, as to any such Senior Bonds or Senior Installment Payments bearing or comprising interest at other than a fixed rate, the rate of interest used to calculate Senior Debt Service shall, for all purposes, be assumed to bear interest at a fixed rate equal to the higher of 1) the actual rate on the date of calculation, or if such Senior Contract or Senior Bond is not yet outstanding, the initial rate (if established and binding), and 2) the highest average variable rate borne over a six month period during the preceding 24 months by outstanding variable rate debt issued by the Recipient or, if no such variable rate debt is at the time outstanding, by variable rate debt of which the interest rate is computed by reference to an index comparable to that to be utilized in determining the interest rate for the debt then proposed to be issued.

"Senior Installment Payments" means the payments of interest and principal or other scheduled payments scheduled to be paid by the Recipient under and pursuant to the Senior Contracts.

"SRF" means the Clean Water State Revolving Fund.

"State" means State of California.

"State Water Board" means the State Water Resources Control Board.

"System" means all facilities, land, and property rights of the Recipient, including the Project, and including all properties, structures or works hereafter acquired or constructed by the Recipient and determined to be part of the System, together with all additions, betterments, extensions and improvements to such facilities, properties, structures or works, or any part thereof hereafter acquired or constructed, other than the Water System.

"System Obligation" means any obligation of the Recipient secured by or payable from Revenues or Net Revenues, including this Obligation and obligations listed in Exhibit F or Exhibit J, and including without limitation Senior Bonds, Senior Contracts, Parity Bonds, Parity Contracts, and such obligations that are payable on a subordinate basis to this Obligation, Parity Bonds, or Parity Contracts, and additional such obligations as may hereafter be issued in accordance with the provisions of such obligations and this Agreement.

"Water System" means the whole and each and every part of the imported water system of the Recipient, including the portion thereof existing on the date hereof, and including all additions, betterments, extensions and improvements to such imported water system or any part thereof hereafter acquired or constructed.

"WRFPG Guidelines" means the Water Recycling Funding Program Guidelines, as amended by the State Water Board on June 16, 2015.

"Year" means calendar year unless otherwise expressly indicated.

1.2 Exhibits and Appendices Incorporated.

All exhibits and appendices to this Agreement, including any amendments and supplements hereto, are hereby incorporated herein and made a part of this Agreement.

ARTICLE II REPRESENTATIONS, WARRANTIES, AND COMMITMENTS

The Recipient represents, warrants, and commits to the following as of the Eligible Start Date set forth on the first page hereof and continuing thereafter for the term of this Agreement.

2.1 General Recipient Commitments.

The Recipient shall comply with all terms, provisions, conditions, and commitments of this Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and commitments in its application, accompanying documents, and communications filed in support of its request for financial assistance.

2.2 Authorization and Validity.

The execution and delivery of this Agreement, including all incorporated documents, has been duly authorized by the Recipient. This Agreement constitutes a valid and binding obligation of the Recipient, enforceable in accordance with its terms, except as such enforcement may be limited by law.

2.3 No Violations.

The execution, delivery, and performance by Recipient of this Agreement, including all incorporated documents, do not violate any provision of any law or regulation in effect as of the date set forth on the first page hereof, or result in any breach or default under any contract, obligation, indenture, or other instrument to which Recipient is a party or by which Recipient is bound as of the date set forth on the first page hereof.

2.4 No Litigation.

There are no pending or, to Recipient's knowledge, threatened actions, claims, investigations, suits, or proceedings before any governmental authority, court, or administrative agency which materially affect the financial condition or operations of the Recipient, the System, the Revenues, and/or the Project.

2.5 Solvency.

None of the transactions contemplated by this Agreement will be or have been made with an actual intent to hinder, delay, or defraud any present or future creditors of Recipient. As of the date set forth on the first page hereof, Recipient is solvent and will not be rendered insolvent by the transactions contemplated by this Agreement. Recipient is able to pay its debts as they become due.

2.6 Legal Status and Eligibility.

Recipient is duly organized and existing and in good standing under the laws of the State of California, and will remain so during the term of this Agreement. Recipient shall at all times maintain its current legal existence and preserve and keep in full force and effect its legal rights and authority. Recipient shall maintain its eligibility for funding under this Agreement for the term of this Agreement.

2.7 Financial Statements and Continuing Disclosure.

The financial statements of Recipient previously delivered to the State Water Board as of the date(s) set forth in such financial statements: (a) are materially complete and correct; (b) present fairly the financial condition of the Recipient; and (c) have been prepared in accordance with GAAP. Since the date(s) of such financial statements, there has been no material adverse change in the financial condition of the Recipient, nor have any assets or properties reflected on such financial statements been sold, transferred, assigned, mortgaged, pledged or encumbered, except as previously disclosed in writing by Recipient and approved in writing by the State Water Board.

The Recipient is current in its continuing disclosure obligations associated with its material debt.

2.8 Completion of Project.

The Recipient shall expeditiously proceed with and complete construction of the Project in substantial accordance with Exhibit A and Exhibit A-FBA.

2.9 Award of Construction Contracts.

(a) The Recipient shall award the prime construction contract timely in order to meet the start of construction date specified in Exhibit A.

(b) The Recipient shall promptly notify the Division in writing both of the award of the prime construction contract for the Project and of Initiation of Construction of the Project. The Recipient shall make all reasonable efforts to complete construction in substantial conformance with the terms of the contract by the Completion of Construction date established in Exhibit A. Such date shall be binding upon the Recipient unless modified in writing by the Division upon a showing of good cause by the Recipient. The Recipient shall deliver any request for extension of the Completion of Construction date no less than 90 days prior to the Completion of Construction date. The Division will not unreasonably deny a timely request, but the Division may deny requests received after this time.

2.10 Notice.

(a) The Recipient shall notify the Division in writing within five (5) working days of the occurrence of the following:

- (1) Material defaults on this Obligation;
- (2) Unscheduled draws on debt service reserves held for this Obligation, if any, reflecting financial difficulties;
- (3) Bankruptcy, insolvency, receivership or similar event of the Recipient;
- (4) Actions taken pursuant to state law in anticipation of filing for bankruptcy;
- (5) Listed Events or Material Events, except as set forth in subdivisions (b) or (c) of this section;

- (6) Change of ownership of the Project or change of management or service contracts, if any, for operation of the Project; or
- (b) The Recipient shall notify the Division in writing within 10 working days of the following:
- (1) Material defaults on System Obligations, other than this Obligation;
 - (2) Unscheduled draws on debt service reserves held for System Obligations, other than this Obligation, if any, reflecting financial difficulties;
 - (3) Unscheduled draws on credit enhancements on System Obligations, if any, reflecting financial difficulties;
 - (4) Substitution of credit or liquidity providers, if any, or their failure to perform;
 - (5) Any litigation pending or threatened against Recipient regarding its water or wastewater capacity or its continued existence, circulation of a petition to challenge rates, consideration of dissolution, or disincorporation, or any other material threat to the Recipient's Revenues;
 - (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of any tax-exempt bonds;
 - (7) Rating changes on outstanding System Obligations, if any; or
 - (8) Issuance of additional parity obligations.
- (c) The Recipient shall notify the Division promptly of the following:
- (1) Any substantial change in scope of the Project. The Recipient shall undertake no substantial change in the scope of the Project until written notice of the proposed change has been provided to the Division and the Division has given written approval for the change;
 - (2) Cessation of all major construction work on the Project where such cessation of work is expected to or does extend for a period of thirty (30) days or more;
 - (3) Any circumstance, combination of circumstances, or condition, which is expected to or does delay Completion of Construction for a period of ninety (90) days or more beyond the estimated date of Completion of Construction as specified in Exhibit A;
 - (4) Discovery of any potential tribal cultural resource and/or archeological or historical resource. Should a potential tribal cultural resource and/or archeological or historical resource be discovered during construction of the Project, the Recipient agrees that all work in the area of the find will cease until a qualified archeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the Division has determined what actions should be taken to protect and preserve the resource. The Recipient shall implement appropriate actions as directed by the Division;
 - (5) Discovery of any unexpected endangered or threatened species, as defined in the federal Endangered Species Act. Should a federally protected species be unexpectedly encountered during construction of the Project, the Recipient agrees to promptly notify the Division. This notification is in addition to the Recipient's obligations under the federal Endangered Species Act;

- (6) Any Project monitoring, demonstration, or other implementation activities such that the State Water Board Regional Water Quality Control Board staff may observe and document such activities;
- (7) Any public or media event publicizing the accomplishments and/or results of this Agreement and provide the opportunity for attendance and participation by state representatives with at least ten (10) working days' notice [to the Division](#); or
- (8) Completion of Construction of the Project, and actual Project Completion.

2.11 Findings and Challenge

Upon consideration of a voter initiative to reduce Revenues, the Recipient shall make a finding regarding the effect of such a reduction on the Recipient's ability to satisfy the rate covenant set forth in Section 3.7 of this Agreement. The Recipient shall make its findings available to the public and shall request, if necessary, the authorization of the Recipient's decision-maker or decision-making body to file litigation to challenge any such initiative that it finds will render it unable to satisfy the rate covenant set forth in Section 3.7 and its obligation to operate and maintain the Project for its useful life. The Recipient shall diligently pursue and bear any and all costs related to such challenge. The Recipient shall notify and regularly update the State Water Board regarding the status of any such challenge.

2.12 Project Access.

The Recipient shall ensure that the State Water Board, the Governor of the State, the United States Environmental Protection Agency, the Office of Inspector General, any member of Congress, the President of the United States, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of the Obligation. The Recipient acknowledges that, except for a subset of information regarding archaeological records, the Project records and locations are public records, including but not limited to all of the submissions accompanying the application, all of the documents incorporated by Exhibit A and Exhibit A-FBA, and all reports, disbursement requests, and supporting documentation submitted hereunder.

2.13 Project Completion; Initiation of Operations.

Upon Completion of Construction of the Project, the Recipient shall expeditiously initiate Project operations.

2.14 Continuous Use of Project; Lease, Sale, Transfer of Ownership, or Disposal of Project.

The Recipient agrees that, except as provided in this Agreement, it will not abandon, substantially discontinue use of, lease, sell, transfer of ownership, or dispose of all or a significant part or portion of the Project during the useful life of the Project without prior written approval of the Division. Such approval may be conditioned as determined to be appropriate by the Division, including a condition requiring repayment of all disbursed Project Funds or all or any portion of all remaining funds covered by this Agreement together with accrued interest and any penalty assessments that may be due.

2.15 Project Reports.

- (a) Status Reports. The Recipient shall provide expeditiously status reports no less frequently than quarterly, starting with the execution of this Agreement. These reports must accompany any disbursement request and are a condition precedent to any disbursement. At a minimum the reports will contain the following information:
- (1) A summary of progress to date including a description of progress since the last report, percent construction complete, percent contractor invoiced, and percent schedule elapsed;
 - (2) A description of compliance with environmental requirements;
 - (3) A listing of change orders including amount, description of work, and change in contract amount and schedule; and
 - (4) Any problems encountered, proposed resolution, schedule for resolution, and status of previous problem resolutions.
- (b) Project Completion Report. The Recipient shall submit a Project Completion Report to the Division with a copy to the appropriate Regional Water Quality Control Board on or before the due date established by the Division and the Recipient at the time of final project inspection. The Project Completion Report must address the following:
- (1) Describe the Project,
 - (2) Describe the water quality problem the Project sought to address,
 - (3) Discuss the Project's likelihood of successfully addressing that water quality problem in the future, and
 - (4) Summarize compliance with environmental conditions, if applicable.
 - (5) If the Recipient fails to submit a timely Project Completion Report, then the State Water Board may stop processing pending or future applications for new financial assistance, withhold disbursements under this Agreement or other agreements, and begin administrative proceedings.
- (c) As Needed Reports. The Recipient shall provide expeditiously, during the term of this Agreement, any reports, data, and information reasonably required by the Division, including but not limited to material necessary or appropriate for evaluation of the funding program or to fulfill any reporting requirements of the state or federal government.
- (d) Recycled water reports. Commencing with the date of Project Completion, the Recipient shall submit annual reports for five (5) consecutive calendar years or until the Project's actual total annual recycled water deliveries equal the Project's planned total recycled water deliveries.

- (1) The Recipient shall submit annual reports in hard copy and/or electronically.
- (2) The first annual report is due on February 28th following the first full calendar year of operation and shall cover the period from the Project Completion through the end of the first full calendar year thereafter. Subsequent annual reports are due by February 28th following the calendar year covered. The annual reports shall be prepared in accordance with the "Water Recycling Funding Program Guidelines."
- (3) The annual reports shall include the following:
 - (a) The planned total recycled water deliveries from the Recipient's funding application/user-connection schedule;
 - (b) A breakdown of the actual total annual recycled water deliveries by month and type of use, presented in a table showing month vs. type of use. If the Recipient supplements recycled water deliveries with potable or fresh water, the annual report shall include the monthly and total amounts;
 - (c) The Project's operation and maintenance costs for the year;
 - (d) The costs to Recipient's end users of recycled water vs. potable/fresh water during the year; and
 - (e) If the Project's actual total recycled water deliveries are less than the planned total recycled water deliveries, the Recipient shall provide a brief discussion on its progress toward achieving the remaining system capacity.

2.16 Federal Disadvantaged Business Enterprise (DBE) Reporting.

The Recipient shall report DBE utilization to the Division on the DBE Utilization Report, State Water Board Form DBE UR334. The Recipient must submit such reports to the Division annually within ten (10) calendar days following October 1 until such time as the "Notice of Completion" is issued. The Recipient shall comply with 40 CFR § 33.301.

2.17 Records.

- (a) Without limitation of the requirement to maintain Project accounts in accordance with GAAP, the Recipient shall:
 - (1) Establish an official file for the Project which adequately documents all significant actions relative to the Project;
 - (2) Establish separate accounts which will adequately and accurately depict all amounts received and expended on the Project, including all assistance funds received under this Agreement;
 - (3) Establish separate accounts which will adequately depict all income received which is attributable to the Project, specifically including any income attributable to assistance funds disbursed under this Agreement;
 - (4) Establish an accounting system which will accurately depict final total costs of the Project, including both direct and indirect costs;
 - (5) Establish such accounts and maintain such records as may be necessary for the State to fulfill federal reporting requirements, including any and all reporting requirements under federal tax statutes or regulations; and

- (6) If Force Account is used by the Recipient for any phase of the Project, other than for planning, design, and construction engineering and administration provided for by allowance, accounts will be established which reasonably document all employee hours charged to the Project and the associated tasks performed by each employee. Indirect Force Account costs are not eligible for funding.
- (b) The Recipient shall maintain separate books, records and other material relative to the Project. The Recipient shall also retain such books, records, and other material for itself and for each contractor or subcontractor who performed or performs work on this project for a minimum of thirty-six (36) years after Project Completion. The Recipient shall require that such books, records, and other material are subject at all reasonable times (at a minimum during normal business hours) to inspection, copying, and audit by the State Water Board, the Bureau of State Audits, the United States Environmental Protection Agency (USEPA), the Office of Inspector General, the Internal Revenue Service, the Governor, or any authorized representatives of the aforementioned. The Recipient shall allow and shall require its contractors to allow interviews during normal business hours of any employees who might reasonably have information related to such records. The Recipient agrees to include a similar duty regarding audit, interviews, and records retention in any contract or subcontract related to the performance of this Agreement. The provisions of this section shall survive the discharge of the Recipient's Obligation and the term of this Agreement.

2.18 Audit.

- (a) The Division may call for an audit of financial information relative to the Project if the Division determines that an audit is desirable to assure program integrity or if an audit becomes necessary because of state or federal requirements. If an audit is called for, the audit shall be performed by a certified public accountant independent of the Recipient and at the cost of the Recipient. The audit shall be in the form required by the Division
- (b) Audit disallowances will be returned to the State Water Board.

ARTICLE IV MISCELLANEOUS PROVISIONS

4.1 Amendment.

No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or agreement not incorporated in this Agreement is binding on any of the parties.

4.2 Assignability.

The Recipient consents to any pledge, sale, or assignment to the Bank or a trustee for the benefit of the owners of the Bonds, if any, at any time of any portion of the State Water Board's estate, right, title, and interest and claim in, to and under this Agreement and the right to make all related waivers and agreements in the name and on behalf of the State Water Board, as agent and attorney-in-fact, and to perform all other related acts which are necessary and appropriate under this Agreement, if any, and the State Water Board's estate, right, title, and interest and claim in, to and under this Agreement to Installment Payments (but excluding the State Water Board's rights to Additional Payments and to notices, opinions and indemnification under each Obligation). This Agreement is not assignable by the Recipient, either in whole or in part, without the consent of the State Water Board in the form of a formal written amendment to this Agreement.

4.3 Bonding.

Where contractors are used, the Recipient shall not authorize construction to begin until each contractor has furnished a performance bond in favor of the Recipient in the following amounts: faithful performance (100%) of contract value; labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than \$25,000.00.

4.4 Competitive Bidding

Recipient shall adhere to any applicable state law or local ordinance for competitive bidding and applicable labor laws.

4.5 Compliance with Law, Regulations, etc.

The Recipient shall, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and state laws, rules, guidelines, regulations, and requirements. Without limitation of the foregoing, to the extent applicable, the Recipient shall:

- (a) Comply with the provisions of the adopted environmental mitigation plan, if any, for the term of this Agreement;
- (b) Comply with the State Water Board's Policy;
- (c) Comply with and require compliance with the list of state laws attached as Exhibit H.
- (d) Comply with and require its contractors and subcontractors on the Project to comply with federal DBE requirements; and
- (e) Comply with and require its contractors and subcontractors to comply with the list of federal laws attached as Exhibit E.

4.6 Conflict of Interest.

The Recipient certifies that its owners, officers, directors, agents, representatives, and employees are in compliance with applicable state and federal conflict of interest laws.

4.7 Damages for Breach Affecting Tax-Exempt Status or Federal Compliance

In the event that any breach of any of the provisions of this Agreement by the Recipient shall result in the loss of tax-exempt status for any bonds of the State or any subdivision or agency thereof, including Bonds issued on behalf of the State Water Board, or if such breach shall result in an obligation on the part of the State or any subdivision or agency thereof to reimburse the federal government by reason of any arbitrage profits, the Recipient shall immediately reimburse the State or any subdivision or agency thereof in an amount equal to any damages paid by or loss incurred by the State or any subdivision or agency thereof due to such breach. In the event that any breach of any of the provisions of this Agreement by the Recipient shall result in the failure of Project Funds to be used pursuant to the provisions of this Agreement, or if such breach shall result in an obligation on the part of the State or any subdivision or agency thereof to reimburse the federal government, the Recipient shall immediately reimburse the State or any subdivision or agency thereof in an amount equal to any damages paid by or loss incurred by the State or any subdivision or agency thereof due to such breach.

4.8 Disputes.

- (a) The Recipient may appeal a staff decision within 30 days to the Deputy Director of the Division or designee, for a final Division decision. The Recipient may appeal a final Division decision to the State Water Board within 30 days. The Office of the Chief Counsel of the State Water Board will prepare a summary of the dispute and make recommendations relative to its final resolution, which will be provided to the State Water Board's Executive Director and each State Water Board Member. Upon the motion of any State Water Board Member, the State Water Board will review and resolve the dispute in the manner determined by the State Water Board. Should the State Water Board determine not to review the final Division decision, this decision will represent a final agency action on the dispute.
- (b) This clause does not preclude consideration of legal questions, provided that nothing herein shall be construed to make final the decision of the State Water Board, or any official or representative thereof, on any question of law.
- (c) Recipient shall continue with the responsibilities under this Agreement during any dispute.
- (d) This section 4.8 relating to disputes does not establish an exclusive procedure for resolving claims within the meaning of Government Code sections 930 and 930.4.

4.9 Governing Law.

This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

4.10 Income Restrictions.

The Recipient agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Recipient under this Agreement shall be paid by the Recipient to the State Water Board, to the extent that they are properly allocable to costs for which the Recipient has been reimbursed by the State Water Board under this Agreement.

4.11 Indemnification and State Reviews.

The parties agree that review or approval of Project plans and specifications by the State Water Board is for administrative purposes only, including conformity with application and eligibility criteria, and expressly not for the purposes of design defect review or construction feasibility, and does not relieve the Recipient of its responsibility to properly plan, design, construct, operate, and maintain the Project. To the extent permitted by law, the Recipient agrees to indemnify, defend, and hold harmless the State

Water Board, the Bank, and any trustee, and their officers, employees, and agents for the Bonds, if any (collectively, "Indemnified Persons"), against any loss or liability arising out of any claim or action brought against any Indemnified Persons from and against any and all losses, claims, damages, liabilities, or expenses, of every conceivable kind, character, and nature whatsoever arising out of, resulting from, or in any way connected with (1) the System or the Project or the conditions, occupancy, use, possession, conduct, or management of, work done in or about, or the planning, design, acquisition, installation, or construction, of the System or the Project or any part thereof; (2) the carrying out of any of the transactions contemplated by this Agreement or any related document; (3) any violation of any applicable law, rule or regulation, any environmental law (including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the California Hazardous Substance Account Act, the Federal Water Pollution Control Act, the Clean Air Act, the Toxic Substances Control Act, the Occupational Safety and Health Act, the Safe Drinking Water Act, the California Hazardous Waste Control Law, and California Water Code Section 13304, and any successors to said laws), rule or regulation or the release of any toxic substance on or near the System; or (4) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements required to be stated therein, in light of the circumstances under which they were made, not misleading with respect to any information provided by the Recipient for use in any disclosure document utilized in connection with any of the transactions contemplated by this Agreement. The Recipient shall also provide for the defense and indemnification of the Indemnified Parties in any contractual provision extending indemnity to the Recipient in any contract let for the performance of any work under this Agreement, and shall cause the Indemnified Parties to be included within the scope of any provision for the indemnification and defense of the Recipient in any contract or subcontract. To the fullest extent permitted by law, the Recipient agrees to pay and discharge any judgment or award entered or made against Indemnified Persons with respect to any such claim or action, and any settlement, compromise or other voluntary resolution. The provisions of this section shall survive the term of this Agreement and the discharge of the Recipient's Obligation hereunder.

4.12 Independent Actor.

The Recipient, and its agents and employees, if any, in the performance of this Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State Water Board.

4.13 Leveraging Covenants.

- (a) Tax Covenant. Notwithstanding any other provision hereof, the Recipient covenants and agrees that it will comply with the Tax Covenants set forth in Article V of this Agreement.
- (b) Disclosure of Financial Information, Operating Data, and Other Information. The Recipient covenants to furnish such financial, operating and other data pertaining to the Recipient as may be requested by the State Water Board to: (i) enable the State Water Board to cause the issuance of Bonds and provide for security therefor; or (ii) enable any underwriter of Bonds issued for the benefit of the State Water Board to comply with Rule 15c2-12(b)(5). The Recipient further covenants to provide the State Water Board with copies of all continuing disclosure reports and materials concerning the System required by the terms of any financing other than this Agreement and to submit such reports to the State Water Board at the same time such reports are submitted to any dissemination agent, trustee, nationally recognized municipal securities information repository, the Municipal Securities Rulemaking Board's Electronic Municipal Market Access (EMMA) website or other person or entity.

4.14 Non-Discrimination Clause.

- (a) During the performance of this Agreement, Recipient and its contractors and subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, sexual orientation, physical disability (including HIV and AIDS), mental disability, medical condition

(cancer), age (over 40), marital status, denial of family care leave, or genetic information, gender, gender identity, gender expression, or military and veteran status.

- (b) The Recipient, its contractors, and subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.
- (c) The Recipient, its contractors, and subcontractors shall comply with the provisions of the Fair Employment and Housing Act and the applicable regulations promulgated thereunder. (Gov. Code, §12990, subds. (a)-(f) et seq.; Cal. Code Regs., tit. 2, § 7285 et seq.) Such regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.
- (d) The Recipient, its contractors, and subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
- (e) The Recipient shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.

4.15 No Third Party Rights.

The parties to this Agreement do not create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or of any duty, covenant, obligation, or undertaking established herein.

4.16 Operation and Maintenance; Insurance.

The Recipient agrees to sufficiently and properly staff, operate and maintain all portions of the System during its useful life in accordance with all applicable state and federal laws, rules, and regulations.

The Recipient will procure and maintain or cause to be maintained insurance on the System with responsible insurers, or as part of a reasonable system of self-insurance, in such amounts and against such risks (including damage to or destruction of the System) as are usually covered in connection with systems similar to the System. Such insurance may be maintained by a self-insurance plan so long as such plan provides for (i) the establishment by the Recipient of a separate segregated self-insurance fund in an amount determined (initially and on at least an annual basis) by an independent insurance consultant experienced in the field of risk management employing accepted actuarial techniques and (ii) the establishment and maintenance of a claims processing and risk management program.

In the event of any damage to or destruction of the System caused by the perils covered by such insurance, the net proceeds thereof shall be applied to the reconstruction, repair or replacement of the damaged or destroyed portion of the System. The Recipient shall begin such reconstruction, repair or replacement as expeditiously as possible, and shall pay out of such net proceeds all costs and expenses in connection with such reconstruction, repair or replacement so that the same shall be completed and the System shall be free and clear of all claims and liens. If such net proceeds are insufficient to enable the Recipient to pay all remaining unpaid principal portions of the Installment Payments/Loan Repayments, if any, the Recipient shall provide additional funds to restore or replace the damaged portions of the System.

Recipient agrees that for any policy of insurance concerning or covering the construction of the Project, it will cause, and will require its contractors and subcontractors to cause, a certificate of insurance to be issued showing the State Water Board, its officers, agents, employees, and servants as additional insured; and shall provide the Division with a copy of all such certificates prior to the commencement of construction of the Project.

4.17 Permits, Subcontracting, and Remedies.

The Recipient shall comply in all material respects with all applicable federal, state and local laws, rules and regulations. Recipient shall procure all permits, licenses and other authorizations necessary to accomplish the work contemplated in this Agreement, pay all charges and fees, and give all notices necessary and incidental to the due and lawful prosecution of the work. Signed copies of any such permits or licenses shall be submitted to the Division before construction begins.

The Recipient shall not contract or allow subcontracting with excluded parties. The Recipient shall not contract with any party who is debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized. For any work related to this Agreement, the Recipient shall not contract with any individual or organization on the State Water Board's List of Disqualified Businesses and Persons that is identified as debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which funding under this Agreement is authorized. The State Water Board's List of Disqualified Businesses and Persons is located at http://www.waterboards.ca.gov/water_issues/programs/enforcement/fwa/dbp.shtml

4.18 Prevailing Wages.

The Recipient agrees to be bound by all applicable provisions of State Labor Code regarding prevailing wages. The Recipient shall monitor all agreements subject to reimbursement from this Agreement to ensure that the prevailing wage provisions of the State Labor Code are being met. In addition, the Recipient agrees to comply with the provisions of Exhibit G (Davis-Bacon).

4.19 Public Funding.

This Project is publicly funded. Any service provider or contractor with which the Recipient contracts must not have any role or relationship with the Recipient, that, in effect, substantially limits the Recipient's ability to exercise its rights, including cancellation rights, under the contract, based on all the facts and circumstances.

4.20 Recipient's Responsibility for Work.

The Recipient shall be responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Recipient shall be responsible for responding to any and all disputes arising out of its contracts for work on the Project. The State Water Board will not mediate disputes between the Recipient and any other entity concerning responsibility for performance of work.

4.21 Related Litigation.

Under no circumstances may the Recipient use funds from any disbursement under this Agreement to pay costs associated with any litigation the Recipient pursues against the State Water Board or any Regional Water Quality Control Board. Regardless of the outcome of any such litigation, and notwithstanding any conflicting language in this Agreement, the Recipient agrees to repay all of the disbursed funds plus interest in the event that Recipient does not complete the project.

4.22 Rights in Data.

The Recipient agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes, and other written or graphic work produced in the performance of this Agreement are subject to the rights of the State as set forth in this section. The State shall have the right to reproduce, publish, and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so. If any such work is copyrightable, the Recipient may copyright the same, except that, as to any work which is copyrighted by the Recipient, the State reserves a royalty-free,

nonexclusive, and irrevocable license to reproduce, publish, and use such work, or any part thereof, and to authorize others to do so, and to receive electronic copies from the Recipient upon request.

4.23 State Water Board Action; Costs and Attorney Fees.

Any remedy provided in this Agreement is in addition to and not in derogation of any other legal or equitable remedy available to the State Water Board as a result of breach of this Agreement by the Recipient, whether such breach occurs before or after completion of the Project, and exercise of any remedy provided by this Agreement by the State Water Board shall not preclude the State Water Board from pursuing any legal remedy or right which would otherwise be available. In the event of litigation between the parties hereto arising from this Agreement, it is agreed that each party shall bear its own costs and attorney fees.

4.24 Termination; Immediate Acceleration; Interest.

- (a) This Agreement may be terminated by written notice during construction of the Project, or thereafter at any time prior to complete satisfaction of the Obligation by the Recipient, at the option of the State Water Board, upon violation by the Recipient of any material provision of this Agreement after such violation has been called to the attention of the Recipient and after failure of the Recipient to bring itself into compliance with the provisions of this Agreement within a reasonable time as established by the Division.
- (b) In the event of such termination, the Recipient agrees, upon demand, to immediately repay to the State Water Board an amount equal to Project Funds disbursed hereunder, accrued interest, penalty assessments, and Additional Payments. In the event of termination, interest shall accrue on all amounts due at the highest legal rate of interest from the date that notice of termination is mailed to the Recipient to the date all monies due have been received by the State Water Board.
- (c) Where the Recipient is a private entity that has been determined to have violated an applicable prohibition in this paragraph or has an employee who is determined by USEPA to have violated an applicable prohibition in this paragraph that is either associated with performance under this Agreement or imputed to the Recipient using the standards and due process for imputing the conduct of an individual to an organization pursuant to 2 CFR Part 180, the Recipient acknowledges and agrees that any funds disbursed under this Agreement may become immediately due and payable and that penalties up to the amount of the federal capitalization grant may be due by the Recipient to the State Water Board, in addition to any other criminal or civil penalties that may become due. The Recipient, its employees, its contractors, and any subrecipients or subcontractors may not engage in trafficking in persons, procure a commercial sex act, or use forced labor.

4.25 Timeliness.

Time is of the essence in this Agreement.

4.26 Unenforceable Provision.

In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

4.27 Useful Life.

The Recipient warrants that the economic useful life of the Project, commencing at Project Completion, is at least equal to the term of this Agreement, as set forth in Exhibit B.

4.28 Venue.

Any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California.

4.29 Waiver and Rights of the State Water Board.

Any waiver of rights by the State Water Board with respect to a default or other matter arising under this Agreement at any time shall not be considered a waiver of rights with respect to any other default or matter.

Any rights and remedies of the State Water Board provided for in this Agreement are in addition to any other rights and remedies provided by law.

ARTICLE V TAX COVENANTS

5.1 Purpose.

The purpose of this Article V is to establish the reasonable expectations of the Recipient regarding the Project and the Project Funds, and is intended to be and may be relied upon for purposes of Sections 103, 141 and 148 of the Code and as a certification described in Section 1.148-2(b)(2) of the Treasury Regulations. This Article V sets forth certain facts, estimates and circumstances which form the basis for the Recipient's expectation that neither the Project nor the Bond Funded Portion of the Project Funds is to be used in a manner that would cause the Obligation to be classified as "arbitrage bonds" under Section 148 of the Code or "private activity bonds" under Section 141 of the Code.

5.2 Tax Covenant.

The Recipient agrees that it will not take or authorize any action or permit any action within its reasonable control to be taken, or fail to take any action within its reasonable control, with respect to the Project which would result in the loss of the exclusion of interest on the Bonds from gross income for federal income tax purposes under Section 103 of the Code.

5.3 Governmental Unit.

The Recipient is a state or local governmental unit as defined in Section 1.103-1 of the Treasury Regulations or an instrumentality thereof (a "Governmental Unit") and is not the federal government or any agency or instrumentality thereof.

5.4 Financing of a Capital Project.

The Recipient will use the Project Funds to finance costs it has incurred or will incur for the construction, reconstruction, installation or acquisition of the Project. Such costs shall not have previously been financed with the proceeds of any other issue of tax-exempt obligations.

5.5 Ownership and Operation of Project.

The Recipient exclusively owns and, except as provided in Section 5.12 hereof, operates the Project.

5.6 Temporary Period.

The Recipient reasonably expects that at least eighty-five percent (85%) of the Bond Funded Portion of the Project Funds will be allocated to expenditures for the Project within three (3) years of the earlier of the effective date of this Agreement or the date the Bonds are issued ("Applicable Date"). The Recipient has incurred, or reasonably expects that it will incur within six (6) months of the Applicable Date, a substantial binding obligation (i.e., not subject to contingencies within the control of the Recipient or a related party) to a third party to expend at least five percent (5%) of the Bond Funded Portion of the Project Funds on Project Costs. The completion of acquisition, construction, improvement and equipping of the Project and the allocation of the Bond Funded Portion of the Project Funds to Project Costs will proceed with due diligence.

5.7 Working Capital.

No operational expenditures of the Recipient or any related entity are being, have been or will be financed or refinanced with Project Funds.

5.8 Expenditure of Proceeds.

The Bond Funded Portion of the Project Funds shall be used exclusively for the following purposes: (i) Reimbursement Expenditures (as defined in Section 5.20 below), (ii) Preliminary Expenditures (as defined in Section 5.20 below) in an aggregate amount not exceeding twenty percent (20%) of the Bond Funded Portion of the Project Funds, (iii) capital expenditures relating to the Project originally paid by the Recipient on or after the date hereof, (iv) interest on the Obligation through the later of three (3) years after the Applicable Date or one (1) year after the Project is placed in service, and (v) initial operating expenses directly associated with the Project in the aggregate amount not more than five percent (5%) of the Bond Funded Portion of the Project Funds.

5.9 Private Use and Private Payments.

No portion of the Project Funds or the Project is being, has been or will be used in the aggregate for any activities that constitute a Private Use (as defined below). No portion of the principal of or interest with respect to the Installment Payments will be secured by any interest in property (whether or not the Project) used for a Private Use or in payments in respect of property used for a Private Use, or will be derived from payments in respect of property used for a Private Use. "Private Use" means any activity that constitutes a trade or business that is carried on by persons or entities, other than a Governmental Unit. The leasing of the Project or the access by or the use of the Project by a person or entity other than a Governmental Unit on a basis other than as a member of the general public shall constitute a Private Use. Use by or on behalf of the State of California or any of its agencies, instrumentalities or subdivisions or by any local Governmental Unit and use as a member of the general public will be disregarded in determining whether a Private Use exists. Use under an arrangement that conveys priority rights or other preferential benefits is generally not use on the same basis as the general public. Arrangements providing for use that is available to the general public at no charge or on the basis of rates that are generally applicable and uniformly applied do not convey priority rights or other preferential benefits. For this purpose, rates may be treated as generally applicable and uniformly applied even if (i) different rates apply to different classes of users, such as volume purchasers, if the differences in rates are customary and reasonable; or (ii) a specially negotiated rate arrangement is entered into, but only if the user is prohibited by federal law from paying the generally applicable rates, and the rates established are as comparable as reasonably possible to the generally applicable rates. An arrangement that does not otherwise convey priority rights or other preferential benefits is not treated, nevertheless, as general public use if the term of the use under the arrangement, including all renewal options, is greater than 200 days. For this purpose, a right of first refusal to renew use under the arrangement is not treated as a renewal option if (i) the compensation for the use under the arrangement is redetermined at generally applicable, fair market value rates that are in effect at the time of renewal; and (ii) the use of the financed property under the same or similar arrangements is predominantly by natural persons who are not engaged in a trade or business.

5.10 No Sale, Lease or Private Operation of the Project.

The Project (or any portion thereof) will not be sold or otherwise disposed of, in whole or in part, to any person who is not a Governmental Unit prior to the final maturity date of the Obligation. The Project will not be leased to any person or entity that is not a Governmental Unit prior to the final maturity date of the Obligation. Except as permitted under Section 5.12 hereof, the Recipient will not enter any contract or arrangement or cause or permit any contract or arrangement to be entered with persons or entities that are

not Governmental Units if that contract or arrangement would confer on such persons or entities any right to use the Project on a basis different from the right of members of the general public. The contracts or arrangements contemplated by the preceding sentence include but are not limited to management contracts, take or pay contracts or put or pay contracts, and capacity guarantee contracts.

5.11 No Disproportionate or Unrelated Use.

No portion of the Project Funds or the Project is being, has been, or will be used for a Private Use that is unrelated or disproportionate to the governmental use of the Project Funds.

5.12 Management and Service Contracts.

The Recipient represents that, as of the date hereof, it is not a party to any contract, agreement or other arrangement with any persons or entities engaged in a trade or business (other than Governmental Units) that involve the management or operation of property or the provision of services at or with respect to the Project that does not comply with the standards of the Treasury Regulations, Revenue Procedure 97-13, as modified by Revenue Procedure 2001-39 and IRS Notice 2014-67, or Revenue Procedure 2017-13, as applicable. The Recipient represents that it will not be party to any such contract, agreement or arrangement with any person or entity that is not a Governmental Unit for the management of property or the provision of services at or with respect to the Project, while the Obligation (including any obligation or series thereof issued to refund the Obligation, as the case may be) is outstanding, except: (a) with respect to any contract, agreement or arrangement that does not constitute "private business use" of the Project under Code §§141(b), or (b) with respect to any contract, agreement or arrangement that complies with (i) Revenue Procedure 97-13, 1997-1 C.B. 632, as amended by Revenue Procedure 2001-39, 2001-2 C.B. 38, and as amplified by Notice 2014-67, with respect to contracts entered into before August 18, 2017 and not materially modified or extended after August 18, 2017, or (ii) Revenue Procedure 2017-13, with respect to contracts entered into or materially modified or extended on or after August 18, 2017, or (c) with respect to any contract, agreement or arrangement that does not give rise to use of the Bond Funded Portion of the Project Funds or the Project by a non-Governmental Unit of more than the amount of such non-qualified use permitted by the Code, or (d) in the event that the Recipient receives an opinion of counsel, satisfactory to the State Water Board and the Bank and expert in the issuance of state and local government bonds the interest on which is excluded from gross income under Section 103 of the Code ("Nationally-Recognized Bond Counsel"), that such contract, agreement or arrangement will not adversely affect the exclusion of the interest on the Obligation from gross income for federal income taxation purposes.

5.13 No Disposition of Financed Property.

As of the date hereof, the Recipient does not expect to sell or otherwise dispose of any portion of the Project, in whole or in part, prior to the final maturity date of the Obligation.

5.14 Useful Life of Project.

As of the date hereof, the Recipient reasonably expects that the economic useful life of the Project, commencing at Project Completion, will be at least equal to the term of this Agreement, as set forth on Exhibit B hereto.

5.15 Installment Payments.

Installment Payments generally are expected to be derived from assessments, taxes, fees, charges or other current Revenues of the Recipient in each year, and such current Revenues are expected to equal or

exceed the Installment Payments during each payment period. Any amounts accumulated in a sinking fund or bona fide debt service fund to pay Installment Payments (whether or not deposited to a fund or account established by the Recipient) will be disbursed to pay Installment Payments within thirteen months of the initial date of accumulation or deposit. Any such fund used for the payment of Installment Payments will be depleted once a year except for a reasonable carryover amount not exceeding earnings on such fund or one-twelfth of the Installment Payments in either case for the immediately preceding year.

5.16 No Other Replacement Proceeds.

The Recipient will not use any of the Bond Funded Portion of the Project Funds to replace or substitute other funds of the Recipient that were otherwise to be used to finance the Project or which are or will be used to acquire securities, obligations or other investment property reasonably expected to produce a yield that is materially higher than the yield on the Bonds.

5.17 No Sinking or Pledged Fund.

Except as set forth in Section 5.18 below, the Recipient will not create or establish any sinking fund or pledged fund which will be used to pay Installment Payments on the Obligation within the meaning of Section 1.148-1(c) of the Treasury Regulations. If any sinking fund or pledged fund comes into being with respect to the Obligation before the Obligation has been fully retired which may be used to pay the Installment Payments, the Recipient will invest such sinking fund and pledged fund moneys at a yield that does not exceed the yield on the Bonds.

5.18 Reserve Amount.

The State Water Board requires that the Recipient maintain and fund a separate account in an amount equal to one (1) year of debt service with respect to the Obligation (the "Reserve Amount") as set forth in Section 3.7. The Recipient represents that the Reserve Amount is and will be available to pay debt service with respect to the Obligation, if and when needed. The Reserve Amount consists solely of revenues of the Recipient and does not include any proceeds of any obligations the interest on which is excluded from gross income for federal income tax purposes or investment earnings thereon. The aggregate of the Reserve Amount, up to an amount not exceeding the lesser of (i) ten percent of the aggregate principal amount of the Obligation, (ii) the maximum annual debt service with respect to the Obligation, or (iii) 125 percent of the average annual debt service with respect to the Obligation, will be treated as a reasonably required reserve fund.

5.19 Reimbursement Resolution.

The "reimbursement resolution" adopted by the Recipient is incorporated herein by reference, pursuant to Exhibit A.

5.20 Reimbursement Expenditures.

Reimbursements are disallowed, except as specifically authorized in Exhibit B or Exhibit D of this Agreement. To the extent so authorized, a portion of the Bond Funded Portion of the Project Funds may be applied to reimburse the Recipient for Project Costs paid before the date hereof, so long as the Project Cost was (i) not paid prior to sixty (60) days before the Recipient's adoption of a declaration of official intent to finance the Project, (ii) not paid more than eighteen (18) months prior to the date hereof or the date the Project was placed-in-service, whichever is later, and (iii) not paid more than three (3) years prior to the date hereof (collectively, "Reimbursement Expenditures"), unless such cost is attributable to a

“preliminary expenditure.” Preliminary expenditure for this purpose means architectural, engineering, surveying, soil testing and similar costs incurred prior to the commencement of construction or rehabilitation of the Project, but does not include land acquisition, site preparation and similar costs incident to the commencement of acquisition, construction or rehabilitation of the Project. Preliminary expenditures may not exceed 20% of the Bond Funded Portion of the Project Funds.

5.21 Change in Use of the Project.

The Recipient reasonably expects to use all Project Funds and the Project for the entire stated term to maturity of the Obligation. Absent an opinion of Nationally-Recognized Bond Counsel to the effect that such use of the Bond Funded Portion of the Project Funds will not adversely affect the exclusion from federal gross income of interest on the Bonds pursuant to Section 103 of the Code, the Recipient will use the Bond Funded Portion of the Project Funds and the Project solely as set forth in this Agreement.

5.22 Rebate Obligations.

If the Recipient satisfies the requirements of one of the spending exceptions to rebate specified in Section 1.148-7 of the Treasury Regulations, amounts earned from investments, if any, acquired with the Bond Funded Portion of the Project Funds will not be subject to the rebate requirements imposed under Section 148(f) of the Code. If the Recipient fails to satisfy such requirements for any period, it will notify the State Water Board and the Bank immediately and will comply with the provisions of the Code and the Treasury Regulations at such time, including the payment of any rebate amount calculated by the State Water Board or the Bank.

5.23 No Federal Guarantee.

The Recipient will not directly or indirectly use any of the Bond Funded Portion of the Project Funds in any manner that would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code, taking into account various exceptions including any guarantee related to investments during an initial temporary period until needed for the governmental purpose of the Bonds, investments as part of a bona fide debt service fund, investments of a reasonably required reserve or replacement fund, investments in bonds issued by the United States Treasury, investments in refunding escrow funds or certain other investments permitted under the Treasury Regulations.

5.24 No Notices or Inquiries from IRS.

Within the last 10 years, the Recipient has not received any notice of a final action of the Internal Revenue Service that determines that interest paid or payable on any debt obligation of the Recipient is or was includable in the gross income of an owner or beneficial owner thereof for federal income tax purposes under the Code.

5.25 Amendments.

The provisions in this Article may be amended, modified or supplemented at any time to reflect changes in the Code upon obtaining written approval of the State Water Board and the Bank and an opinion of Nationally-Recognized Bond Counsel to the effect that such amendment, modification or supplement will not adversely affect the exclusion from federal gross income of interest on the Bonds pursuant to Section 103 of the Code.

5.26 Reasonable Expectations.

The Recipient warrants that, to the best of its knowledge, information and belief, and based on the facts and estimates as set forth in the tax covenants in this Article, the expectations of the Recipient as set forth in this Article are reasonable. The Recipient is not aware of any facts or circumstances that would cause it to question the accuracy or reasonableness of any representation made in the provisions in this Article V.

EXHIBIT A – Signage

The Recipient shall place a sign at least four feet tall by eight feet wide made of ¼ inch thick exterior grade plywood or other approved material in a prominent location on the Project site and shall maintain the sign in good condition for the duration of the construction period. The sign must include the following disclosure statement and color logos (available from the Division):



“Funding for this \$x.x million [name of]project has been provided in full or in part by the Proposition 1 – the Water Quality, Supply, and Infrastructure Improvement Act of 2014 and the Clean Water State Revolving Fund through an agreement with the State Water Resources Control Board. California’s Clean Water State Revolving Fund is capitalized through a variety of funding sources, including grants from the United States Environmental Protection Agency and state bond proceeds.”

The Project sign may include another agency's required promotional information so long as the above logos and disclosure statement are equally prominent on the sign. The sign shall be prepared in a professional manner.

The Recipient shall include the following disclosure statement in any document, written report, or brochure prepared in whole or in part pursuant to this Agreement:

“Funding for this project has been provided in full or in part through an agreement with the State Water Resources Control Board. California’s Clean Water State Revolving Fund is capitalized through a variety of funding sources, including grants from the United States Environmental Protection Agency and state bond proceeds. The contents of this document do not necessarily reflect the views and policies of the foregoing, nor does mention of trade names or commercial products constitute endorsement or recommendation for use.”

EXHIBIT E – PROGRAMMATIC CONDITIONS & CROSS-CUTTERS

The Recipient agrees to comply with the following federal conditions:

(A) Federal Award Conditions

- (1) American Iron and Steel. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient shall not purchase "iron and steel products" produced outside of the United States on this Project. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient hereby certifies that all "iron and steel products" used in the Project were or will be produced in the United States. For purposes of this section, the term "iron and steel products" means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials. "Steel" means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.
- (2) Wage Rate Requirements (Davis-Bacon). The Recipient shall include in full the language provided in Exhibit G of this Agreement in all contracts and subcontracts.
- (3) Signage Requirements. The Recipient shall comply with the USEPA's Guidelines for Enhancing Public Awareness of SRF Assistance Agreements, dated June 3, 2015, as otherwise specified in this Agreement.
- (4) Public or Media Events. The Recipient shall notify the State Water Board and the EPA contact as provided in the notice provisions of this Agreement of public or media events publicizing the accomplishment of significant events related to this Project and provide the opportunity for attendance and participation by federal representatives with at least ten (10) working days' notice.
- (5) EPA General Terms and Conditions (USEPA GTCs). The Recipient shall comply with applicable EPA general terms and conditions found at <http://www.epa.gov/ogd>, including but not limited to the following:
 - (a) DUNS. No Recipient may receive funding under this Agreement unless it has provided its DUNS number to the State Water Board.
 - (b) Executive Compensation. The Recipient shall report the names and total compensation of each of its five most highly compensated executives for the preceding completed fiscal year, as set forth in the USEPA GTCs.
 - (c) Contractors, Subcontractors, Debarment and Suspension, Executive Order 12549; 2 CFR Part 180; 2 CFR Part 1532. The Recipient shall comply with Subpart C of 2 CFR Part 180 and shall ensure that its contracts include compliance. The Recipient shall not subcontract with any party who is debarred or suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, "Debarment and Suspension". The Recipient shall not subcontract with any individual or organization on USEPA's List of Violating Facilities. The Recipient shall obtain certification from its contractors as to themselves and their principals as to the following, and hereby certifies as to itself and its principals:

- i. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency;
 - ii. Have not within a three (3) year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - iii. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in paragraph (ii) of this section; and
 - iv. Have not within a three (3) year period preceding this application/proposal had one or more public transactions (federal, state or local) terminated for cause or default.
 - v. Suspension and debarment information can be accessed at <http://www.sam.gov>. The Recipient represents and warrants that it has or will include a term or conditions requiring compliance with this provision in all of its contracts and subcontracts under this Agreement. The Recipient acknowledges that failing to disclose the information as required at 2 CFR 180.335 may result in the termination, delay or negation of this Agreement, or pursuance of legal remedies, including suspension and debarment.
- (d) Conflict of Interest. To the extent applicable, the Recipient shall disclose to the State Water Board any potential conflict of interest consistent with USEPA's Final Financial Assistance Conflict of Interest Policy at <https://www.epa.gov/grants/epas-final-financial-assistance-conflict-interest-policy>. A conflict of interest may result in disallowance of costs.
- (e) Copyright and Patent.
 - i. USEPA and the State Water Board have the right to reproduce, publish, use and authorize others to reproduce, publish and use copyrighted works or other data developed under this assistance agreement.
 - ii. Where an invention is made with Project Funds, USEPA and the State Water Board retain the right to a worldwide, nonexclusive, nontransferable, irrevocable, paid-up license to practice the invention owned by the Recipient. The Recipient must utilize the Interagency Edison extramural invention reporting system at <http://iEdison.gov> and shall notify the Division when an invention report, patent report, or utilization report is filed.
- (f) Credit. The Recipient agrees that any reports, documents, publications or other materials developed for public distribution supported by this Agreement shall contain the following statement:

"This project has been funded wholly or in part by the United States Environmental Protection Agency and the State Water Resources Control Board. The contents of this document do not necessarily reflect the views and policies of the Environmental Protection Agency or the State Water Resources Control Board, nor does the EPA or the Board endorse trade names or recommend the use of commercial products mentioned in this document."

- (g) **Electronic and Information Technology Accessibility.** The Recipient is encouraged to follow guidelines established under Section 508 of the Rehabilitation Act, codified at 36 CFR Part 1194, with respect to enabling individuals with disabilities to participate in its programs supported by this Project.
 - (h) **Trafficking in Persons.** The Recipient, its employees, contractors and subcontractors and their employees may not engage in severe forms of trafficking in persons during the term of this Agreement, procure a commercial sex act during the term of this Agreement, or use forced labor in the performance of this Agreement. The Recipient must include this provision in its contracts and subcontracts under this Agreement. The Recipient must inform the State Water Board immediately of any information regarding a violation of the foregoing. The Recipient understands that failure to comply with this provision may subject the State Water Board to loss of federal funds. The Recipient agrees to compensate the State Water Board for any such funds lost due to its failure to comply with this condition, or the failure of its contractors or subcontractors to comply with this condition. The State Water Board may unilaterally terminate this Agreement if the Recipient that is a private entity is determined to have violated the foregoing. Trafficking Victims Protection Act of 2000.
- (B) **Super Cross-Cutters - Civil Rights Obligations.** The Recipient must comply with the following federal non-discrimination requirements:
- (1) Title VI of the Civil Rights Act of 1964, which prohibits discrimination based on race, color, and national origin, including limited English proficiency (LEP).
 - (2) Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination against persons with disabilities.
 - (3) The Age Discrimination Act of 1975, which prohibits age discrimination.
 - (4) Section 13 of the Federal Water Pollution Control Act Amendments of 1972, which prohibits discrimination on the basis of sex.
 - (5) 40 CFR Part 7, as it relates to the foregoing.
- (C) **WRRDA Conditions**
- (1) **Architectural and engineering contracts.** Where the Recipient contracts for program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying, mapping, or architectural related services, the Recipient shall ensure that any such contract is negotiated in the same manner as a contract for architectural and engineering services is negotiated under chapter 11 of title 40, United States Code, or an equivalent State qualifications-based requirement as determined by the State Water Board.
 - (2) **Fiscal sustainability.** The Recipient certifies that it has developed and is implementing a fiscal sustainability plan for the Project that includes an inventory of critical assets that are a

part of the Project, an evaluation of the condition and performance of inventoried assets or asset groupings, a certification that the recipient has evaluated and will be implementing water and energy conservation efforts as part of the plan, and a plan for maintaining, repairing, and, as necessary, replacing the Project and a plan for funding such activities.

(D) Cross-Cutters

- (1) Executive Order No. 11246. The Recipient shall include in its contracts and subcontracts related to the Project the following provisions:

"During the performance of this contract, the contractor agrees as follows:

"(a) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

"(b) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

"(c) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

"(d) The contractor will comply with all provisions of Executive Order No. 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

"(e) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

"(f) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

"(g) The contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of Sept. 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, That in the event the contractor

becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States."

- (2) Disadvantaged Business Enterprises (40 CFR Part 33). The Recipient agrees to comply with the requirements of USEPA's Program for Utilization of Small, Minority and Women's Business Enterprises. The DBE rule can be accessed at www.epa.gov/osbp . The Recipient shall comply with, and agrees to require its prime contractors to comply with 40 CFR Section 33.301, and retain all records documenting compliance with the six good faith efforts. (IUP)
- (3) Procurement Prohibitions under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans; 42 USC § 7606; 33 USC § 1368. Except where the purpose of this Agreement is to remedy the cause of the violation, the Recipient may not procure goods, services, or materials from suppliers excluded under the federal System for Award Management: <http://www.sam.gov/> .
- (4) Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended; 42 USC §§4601-4655. The Recipient must comply with the Act's implementing regulations at 49 CFR 24.101 through 24.105.
- (5) Debarment and Suspension Executive Order No. 12549 (1986). The Recipient certifies that it will not knowingly enter into a contract with anyone who is ineligible under the 40 CFR Part 32 to participate in the Project. Contractors on the Project must provide a similar certification prior to the award of a contract and subcontractors on the project must provide the general contractor with the certification prior to the award of any subcontract.
- (6) The Recipient agrees that if its network or information system is connected to USEPA networks to transfer data using systems other than the Environmental Information Exchange Network or USEPA's Central Data Exchange, it will ensure that any connections are secure.

(E) Geospatial Data Standards

All geospatial data created pursuant to this Agreement that is submitted to the State Water Board for use by USEPA or that is submitted directly to USEPA must be consistent with Federal Geographic Data Committee endorsed standards. Information on these standards may be found at www.fgdc.gov.

American Iron and Steel (AIS) Products Subject to AIS

Note: Products to be considered subject to the AIS requirements must be (1) made of greater than 50% iron or steel, measured by cost (based on the material cost) and; (2) permanently incorporated into the public water system or treatment works. The list of products subject to the AIS requirement are:

- Lined or unlined pipes or fittings;
 - Manhole Covers;
 - Hydrants;
 - Tanks;
 - Flanges;
 - Pipe clamps and restraints;
 - Valves;
 - **Structural steel**
 - Structural steel is rolled flanged shapes, having at least one dimension of their cross-section three inches or greater, which are used in the construction of bridges, buildings, ships, railroad rolling stock, and for numerous other constructional purposes. Such shapes are designated as wide-flange shapes, standard I-beams, channels, angles, tees and zees. Other shapes include H-piles, sheet piling, tie plates, cross ties, and those for other special purposes.
 - **Reinforced precast concrete**
 - While reinforced precast concrete may not be at comprised of 50% iron or steel, in this particular case, the reinforcing bar and wire must be produced in the US and meet the same standards as for any other iron or steel product. Additionally, the casting of the concrete product must take place in the US. The cement and other raw materials used in concrete production are not required to be of domestic origin. If the reinforced concrete is cast at the construction site, the reinforcing bar and wire are considered to be a construction material and must be produced in the US.
 - **Construction materials**
 - Construction materials are those articles, materials, or supplies made primarily of iron and steel, that are permanently incorporated into the project, not including mechanical and/or electrical components, equipment and systems. Some of these products may overlap with what is also considered "structural steel". This includes, but is not limited to, the following products: wire rod, bar, angles, concrete reinforcing bar, wire, wire cloth, wire rope and cables, tubing, framing, joists, trusses, fasteners (i.e., nuts and bolts), welding rods, decking, grating, railings, stairs, access ramps, fire escapes, ladders, wall panels, dome structures, roofing, ductwork, surface drains, cable hanging systems, manhole steps, fencing and fence tubing, guardrails, doors, and stationary screens.
 - NOTE: Mechanical and electrical components, equipment and systems are not considered construction materials. Mechanical equipment is typically that which has motorized parts and/or is powered by a motor. Electrical equipment is typically any machine powered by electricity and includes components that are part of the electrical distribution system.
 - **Municipal castings** are cast iron or steel infrastructure products that are melted and cast. They typically provide access, protection, or housing for components incorporated into utility owned drinking water, storm water, wastewater, and surface infrastructure. They are typically made of grey or ductile iron, or steel. Examples of municipal castings are:
 - Inlets;
 - Junction Boxes;
 - Lampposts;
 - Manhole Covers, Rings and Frames, Risers;
 - Meter Boxes;
 - Service Boxes;
 - Steel Hinged Hatches, Square and Rectangular;
 - Steel Riser Rings;
 - Trash receptacles;
 - Tree Grates;
 - Tree Guards;
 - Trench Grates; and
 - Valve Boxes, Covers and Risers
- Access Hatches;
 - Ballast Screen;
 - Benches (Iron or Steel);
 - Bollards;
 - Cast Bases;
 - Cast Iron Hinged Hatches, Square and Rectangular;
 - Cast Iron Riser Rings;
 - Catch Basin Inlet;
 - Cleanout/Monument Boxes;
 - Construction Covers and Frames;
 - Curb and Corner Guards;
 - Curb Openings;
 - Detectable Warning Plates;
 - Downspout Shoes (Boot, Inlet);
 - Drainage Grates, Frames and Curb

EXHIBIT G – DAVIS-BACON REQUIREMENTS

For purposes of this Exhibit only, “subrecipient” or “sub recipient” means the Recipient as defined in this Agreement.

For purposes of this Exhibit only, “recipient” means the State Water Board.

I. Requirements For Sub recipients That Are Governmental Entities:

If a sub recipient has questions regarding when Davis-Bacon (DB) applies, obtaining the correct DB wage determinations, DB provisions, or compliance monitoring, it may contact the State Water Board. The recipient or sub recipient may also obtain additional guidance from DOL's web site at <http://www.dol.gov/whd/>

1. Applicability of the Davis- Bacon (DB) prevailing wage requirements.

DB prevailing wage requirements apply to the construction, alteration, and repair of treatment works carried out in whole or in part with assistance made available by a State water pollution control revolving fund and to any construction project carried out in whole or in part by assistance made available by a drinking water treatment revolving loan fund. If a sub recipient encounters a unique situation at a site that presents uncertainties regarding DB applicability, the sub recipient must discuss the situation with the recipient State before authorizing work on that site.

2. Obtaining Wage Determinations.

(a) Sub recipients shall obtain the wage determination for the locality in which a covered activity subject to DB will take place prior to issuing requests for bids, proposals, quotes or other methods for soliciting contracts (solicitation) for activities subject to DB. These wage determinations shall be incorporated into solicitations and any subsequent contracts. Prime contracts must contain a provision requiring that subcontractors follow the wage determination incorporated into the prime contract.

(i) While the solicitation remains open, the sub recipient shall monitor www.wdol.gov weekly to ensure that the wage determination contained in the solicitation remains current. The sub recipients shall amend the solicitation if DOL issues a modification more than 10 days prior to the closing date (i.e. bid opening) for the solicitation. If DOL modifies or supersedes the applicable wage determination less than 10 days prior to the closing date, the sub recipients may request a finding from the State recipient that there is not a reasonable time to notify interested contractors of the modification of the wage determination. The State recipient will provide a report of its findings to the sub recipient.

(ii) If the sub recipient does not award the contract within 90 days of the closure of the solicitation, any modifications or supersedes DOL makes to the wage determination contained in the solicitation shall be effective unless the State recipient, at the request of the sub recipient, obtains an extension of the 90 day period from DOL pursuant to 29 CFR 1.6(c)(3)(iv). The sub recipient shall monitor www.wdol.gov on a weekly basis if it does not award the contract within 90 days of closure of the solicitation to ensure that wage determinations contained in the solicitation remain current.

(b) If the sub recipient carries out activity subject to DB by issuing a task order, work assignment or similar instrument to an existing contractor (ordering instrument) rather than by publishing a solicitation, the sub recipient shall insert the appropriate DOL wage determination from www.wdol.gov into the ordering instrument.

(c) Sub recipients shall review all subcontracts subject to DB entered into by prime contractors to verify that the prime contractor has required its subcontractors to include the applicable wage determinations.

(d) As provided in 29 CFR 1.6(f), DOL may issue a revised wage determination applicable to a sub recipient's contract after the award of a contract or the issuance of an ordering instrument if DOL

determines that the sub recipient has failed to incorporate a wage determination or has used a wage determination that clearly does not apply to the contract or ordering instrument. If this occurs, the sub recipient shall either terminate the contract or ordering instrument and issue a revised solicitation or ordering instrument or incorporate DOL's wage determination retroactive to the beginning of the contract or ordering instrument by change order. The sub recipient's contractor must be compensated for any increases in wages resulting from the use of DOL's revised wage determination.

3. Contract and Subcontract provisions.

(a) The Recipient shall insure that the sub recipient(s) shall insert in full in any contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a treatment work under the CWSRF or a construction project under the DWSRF - financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant or annual contribution (except where a different meaning is expressly indicated), and which is subject to the labor standards provisions of any of the acts listed in § 5.1 or, for CWSRF projects, the FY 2015 Water Resource Reform and Development Act, or for DWSRF projects, the Consolidated Appropriations Act, 2016, the following clauses:

(1) Minimum wages.

(i) All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in § 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph (a)(1)(ii) of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers. Sub recipients may obtain wage determinations from the U.S. Department of Labor's web site, www.dol.gov.

(ii)(A) The sub recipient(s), on behalf of EPA, shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The State award official shall approve a request for an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the sub recipient(s) agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), documentation of the action taken and the request, including the local wage determination shall be sent by the sub recipient (s) to the State award official. The State award official will transmit the request, to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210 and to the EPA DB Regional Coordinator concurrently. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification request within 30 days of receipt and so advise the State award official or will notify the State award official within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the sub recipient(s) do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the award official shall refer the request and the local wage determination, including the views of all interested parties and the recommendation of the State award official, to the Administrator for determination. The request shall be sent to the EPA DB Regional Coordinator concurrently. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt of the request and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii)(B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

(2) Withholding. The sub recipient(s), shall upon written request of the EPA Award Official or an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, the (Agency) may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(3) Payrolls and basic records.

(i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at

the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii)(A) The contractor shall submit weekly, for each week in which any contract work is performed, a copy of all payrolls to the sub recipient, that is, the entity that receives the sub-grant or loan from the State capitalization grant recipient. Such documentation shall be available on request of the State recipient or EPA. As to each payroll copy received, the sub recipient shall provide written confirmation in a form satisfactory to the State indicating whether or not the project is in compliance with the requirements of 29 CFR 5.5(a)(1) based on the most recent payroll copies for the specified week. The payrolls shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on the weekly payrolls. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <http://www.dol.gov/whd/forms/wh347instr.htm> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the sub recipient(s) for transmission to the State or EPA if requested by EPA, the State, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the sub recipient(s).

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under § 5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under § 5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (a)(3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the State, EPA or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency or State may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

(4) Apprentices and trainees

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of

the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended and 29 CFR part 30.

(5) Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

(6) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the EPA determines may be appropriate, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

(7) Contract termination; debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

(8) Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

(9) Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and sub recipient(s), State, EPA, the U.S. Department of Labor, or the employees or their representatives.

(10) Certification of eligibility.

(i) By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

4. Contract Provision for Contracts in Excess of \$100,000.

(a) Contract Work Hours and Safety Standards Act. The sub recipient shall insert the following clauses set forth in paragraphs (a)(1), (2), (3), and (4) of this section in full in any contract in an amount in excess

of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by Item 3, above or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

(1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (a)(1) of this section the contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (a)(1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (a)(1) of this section.

(3) Withholding for unpaid wages and liquidated damages. The sub recipient, upon written request of the EPA Award Official or an authorized representative of the Department of Labor, shall withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (a)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (a)(1) through (4) of this section. (b) In addition to the clauses contained in Item 3, above, in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in 29 CFR 5.1, the Sub recipient shall insert a clause requiring that the contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the contract for all laborers and mechanics, including guards and watchmen, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Further, the Sub recipient shall insert in any such contract a clause providing that the records to be maintained under this paragraph shall be made available by the contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the USEPA and the Department of Labor and the State Water Board, and the contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

5. Compliance Verification

(a) The sub recipient shall periodically interview a sufficient number of employees entitled to DB prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. As provided in 29 CFR 5.6(a)(6), all interviews must be conducted in confidence. The sub recipient must use Standard Form 1445 (SF 1445) or equivalent documentation to memorialize the interviews. Copies of the SF 1445 are available from EPA on request.

(b) The sub recipient shall establish and follow an interview schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. Sub recipients must conduct more frequent interviews if the initial interviews or other information indicated that there is a risk that the contractor or subcontractor is not complying with DB. Sub recipients shall immediately conduct interviews in response to an alleged violation of the prevailing wage requirements. All interviews shall be conducted in confidence."

(c) The sub recipient shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate wage rates. The sub recipient shall establish and follow a spot check schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, if practicable, the sub recipient should spot check payroll data within two weeks of each contractor or subcontractor's submission of its initial payroll data and two weeks prior to the completion date the contract or subcontract. Sub recipients must conduct more frequent spot checks if the initial spot check or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB. In addition, during the examinations the sub recipient shall verify evidence of fringe benefit plans and payments there under by contractors and subcontractors who claim credit for fringe benefit contributions.

(d) The sub recipient shall periodically review contractors' and subcontractors' use of apprentices and trainees to verify registration and certification with respect to apprenticeship and training programs approved by either the U.S Department of Labor or a state, as appropriate, and that contractors and subcontractors are not using disproportionate numbers of, laborers, trainees and apprentices. These reviews shall be conducted in accordance with the schedules for spot checks and interviews described in Item 5(b) and (c) above.

(e) Sub recipients must immediately report potential violations of the DB prevailing wage requirements to the EPA DB contact listed above and to the appropriate DOL Wage and Hour District Office listed at <http://www.dol.gov/whd/america2.htm>.

General Decision Number: CA170037 10/13/2017 CA37

Superseded General Decision Number: CA20160037

State: California

Construction Types: Building, Heavy (Heavy and Dredging) and Highway

County: San Bernardino County in California.

BUILDING CONSTRUCTION PROJECTS; DREDGING PROJECTS (does not include hopper dredge work); HEAVY CONSTRUCTION PROJECTS (does not include water well drilling); HIGHWAY CONSTRUCTION PROJECTS

Note: Under Executive Order (EO) 13658, an hourly minimum wage of \$10.20 for calendar year 2017 applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2015. If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.20 (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in calendar year 2017. The EO minimum wage rate will be adjusted annually. Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

Modification Number	Publication Date
0	01/06/2017
1	01/27/2017
2	02/17/2017
3	02/24/2017
4	03/10/2017
5	03/31/2017
6	04/07/2017
7	05/12/2017
8	05/26/2017
9	06/02/2017
10	07/07/2017
11	07/14/2017
12	08/04/2017
13	09/08/2017
14	09/29/2017
15	10/13/2017

ASBE0005-002 07/03/2017

Rates Fringes

Asbestos Workers/Insulator
(Includes the application of
all insulating materials,
protective coverings,
coatings, and finishes to all

types of mechanical systems).....\$ 39.72	20.81
Fire Stop Technician (Application of Firestopping Materials for wall openings and penetrations in walls, floors, ceilings and curtain walls).....\$ 26.96	17.81

ASBE0005-004 07/03/2017

	Rates	Fringes
Asbestos Removal worker/hazardous material handler (Includes preparation, wetting, stripping, removal, scrapping, vacuuming, bagging and disposing of all insulation materials from mechanical systems, whether they contain asbestos or not)....\$ 19.26		11.27

BOIL0092-003 10/01/2012

	Rates	Fringes
BOILERMAKER.....\$ 41.17		28.27

* BRCA0004-011 05/01/2017

	Rates	Fringes
BRICKLAYER; MARBLE SETTER.....\$ 39.07		14.57

*The wage scale for prevailing wage projects performed in Blythe, China lake, Death Valley, Fort Irwin, Twenty-Nine Palms, Needles and 1-15 corridor (Barstow to the Nevada State Line) will be Three Dollars (\$3.00) above the standard San Bernardino/Riverside County hourly wage rate

* BRCA0018-004 07/01/2017

	Rates	Fringes
MARBLE FINISHER.....\$ 30.93		12.95
TILE FINISHER.....\$ 25.98		11.23
TILE LAYER.....\$ 37.76		16.37

* BRCA0018-010 09/01/2017

	Rates	Fringes
TERRAZZO FINISHER.....\$ 30.53		12.27
TERRAZZO WORKER/SETTER.....\$ 37.57		13.14

CARP0409-001 07/01/2016

	Rates	Fringes
CARPENTER		
(1) Carpenter, Cabinet Installer, Insulation Installer, Hardwood Floor Worker and acoustical installer.....	\$ 39.83	15.50
(2) Millwright.....	\$ 40.90	15.50
(3) Piledrivermen/Derrick Bargeman, Bridge or Dock Carpenter, Heavy Framer, Rock Bargeman or Scowman, Rockslinger, Shingler (Commercial).....	\$ 40.53	15.50
(4) Pneumatic Nailer, Power Stapler.....	\$ 40.09	15.50
(5) Sawfiler.....	\$ 39.83	15.50
(6) Scaffold Builder.....	\$ 31.60	15.50
(7) Table Power Saw Operator.....	\$ 40.93	15.50

FOOTNOTE: Work of forming in the construction of open cut sewers or storm drains, on operations in which horizontal lagging is used in conjunction with steel H-Beams driven or placed in pre- drilled holes, for that portion of a lagged trench against which concrete is poured, namely, as a substitute for back forms (which work is performed by piledrivers): \$0.13 per hour additional.

CARP0409-002 07/01/2016

	Rates	Fringes
Diver		
(1) Wet.....	\$ 712.48	17.03
(2) Standby.....	\$ 356.24	17.03
(3) Tender.....	\$ 348.24	17.03
(4) Assistant Tender.....	\$ 324.24	17.03

Amounts in "Rates" column are per day

CARP0409-005 07/01/2015

	Rates	Fringes
Drywall		
DRYWALL INSTALLER/LATHER.....	\$ 40.40	15.03
STOCKER/SCRAPPER.....	\$ 10.00	7.17

CARP0409-008 08/01/2010

Rates	Fringes
-------	---------

Modular Furniture Installer.....\$ 17.00 7.41

ELEC0440-004 12/26/2016

COMMUNICATIONS AND SYSTEMS WORK

	Rates	Fringes
Communications System		
Installer.....	\$ 30.54	4%+13.75
Technician.....	\$ 30.18	4%+11.45

SCOPE OF WORK:

Installation, testing, service and maintenance of systems utilizing the transmission and/or transference of voice, sound, vision and digital for commercial, educational, security and entertainment purposes for the following: TV monitoring and surveillance, background-foreground music, intercom and telephone interconnect, inventory control systems, microwave transmission, multi-media, multiplex, nurse call systems, radio page, school intercom and sound, burglar alarms, fire alarms, and low voltage master clock systems in commercial buildings. Communication Systems that transmit or receive information and/or control systems that are intrinsic to the above listed systems; inclusion or exclusion of terminations and testings of conductors determined by their function; excluding all other data systems or multiple systems which include control function or power supply; excluding installation of raceway systems, conduit systems, line voltage work, and energy management systems. Does not cover work performed at China Lake Naval Ordnance Test Station.

ELEC0477-002 05/29/2017

	Rates	Fringes
Electricians:.....	\$ 37.29	3%+23.29

CABLE SPLICER: \$1.50 per hour above Electrician rate.

TUNNEL WORK: 10% above Electrician rate.

ZONE PAY:

Zone A - 80 road miles from Post Office, 455 Orange Show Lane, San Bernardino, will be a free zone for all contractors

Zone B - Any work performed outside Zone A's 80 road miles, shall add \$12.00 per hour to the current wage scale.

ELEC1245-001 06/01/2017

	Rates	Fringes
LINE CONSTRUCTION		
(1) Lineman; Cable splicer..	\$ 55.49	3%+17.65

(2) Equipment specialist
 (operates crawler
 tractors, commercial motor
 vehicles, backhoes,
 trenchers, cranes (50 tons
 and below), overhead &
 underground distribution
 line equipment).....\$ 44.32 3%+17.65
 (3) Groundman.....\$ 33.89 3%+17.65
 (4) Powderman.....\$ 49.55 3%+17.65

HOLIDAYS: New Year's Day, M.L. King Day, Memorial Day,
 Independence Day, Labor Day, Veterans Day, Thanksgiving Day
 and day after Thanksgiving, Christmas Day

 ELEV0018-001 01/01/2017

	Rates	Fringes
ELEVATOR MECHANIC.....	\$ 52.21	31.585

FOOTNOTE:

PAID VACATION: Employer contributes 8% of regular hourly
 rate as vacation pay credit for employees with more than 5
 years of service, and 6% for 6 months to 5 years of service.
 PAID HOLIDAYS: New Years Day, Memorial Day, Independence Day,
 Labor Day, Veterans Day, Thanksgiving Day, Friday after
 Thanksgiving, and Christmas Day.

 * ENGI0012-003 07/01/2017

	Rates	Fringes
OPERATOR: Power Equipment		
(All Other Work)		
GROUP 1.....	\$ 44.00	24.25
GROUP 2.....	\$ 44.78	24.25
GROUP 3.....	\$ 45.07	24.25
GROUP 4.....	\$ 46.56	24.25
GROUP 5.....	\$ 47.66	24.25
GROUP 6.....	\$ 46.78	24.25
GROUP 8.....	\$ 46.89	24.25
GROUP 9.....	\$ 47.99	24.25
GROUP 10.....	\$ 48.01	24.25
GROUP 11.....	\$ 48.11	24.25
GROUP 12.....	\$ 47.18	24.25
GROUP 13.....	\$ 47.28	24.25
GROUP 14.....	\$ 47.31	24.25
GROUP 15.....	\$ 47.39	24.25
GROUP 16.....	\$ 47.51	24.25
GROUP 17.....	\$ 47.68	24.25
GROUP 18.....	\$ 47.78	24.25
GROUP 19.....	\$ 47.89	24.25
GROUP 20.....	\$ 48.01	24.25
GROUP 21.....	\$ 48.18	24.25

GROUP 22.....	\$ 48.28	24.25
GROUP 23.....	\$ 48.39	24.25
GROUP 24.....	\$ 48.51	24.25
GROUP 25.....	\$ 48.68	24.25
OPERATOR: Power Equipment (Cranes, Piledriving & Hoisting)		
GROUP 1.....	\$ 45.35	24.25
GROUP 2.....	\$ 46.13	24.25
GROUP 3.....	\$ 46.42	24.25
GROUP 4.....	\$ 46.56	24.25
GROUP 5.....	\$ 46.78	24.25
GROUP 6.....	\$ 46.89	24.25
GROUP 7.....	\$ 47.01	24.25
GROUP 8.....	\$ 47.18	24.25
GROUP 9.....	\$ 47.35	24.25
GROUP 10.....	\$ 48.35	24.25
GROUP 11.....	\$ 49.35	24.25
GROUP 12.....	\$ 50.35	24.25
GROUP 13.....	\$ 51.35	24.25
OPERATOR: Power Equipment (Tunnel Work)		
GROUP 1.....	\$ 41.80	23.35
GROUP 2.....	\$ 42.58	23.35
GROUP 3.....	\$ 42.87	23.35
GROUP 4.....	\$ 43.01	23.35
GROUP 5.....	\$ 43.23	23.35
GROUP 6.....	\$ 43.34	23.35
GROUP 7.....	\$ 43.46	23.35

PREMIUM PAY:

\$3.75 per hour shall be paid on all Power Equipment Operator work on the following Military Bases: China Lake Naval Reserve, Vandenberg AFB, Point Arguello, Seely Naval Base, Fort Irwin, Nebo Annex Marine Base, Marine Corp Logistics Base Yermo, Edwards AFB, 29 Palms Marine Base and Camp Pendleton

Workers required to suit up and work in a hazardous material environment: \$2.00 per hour additional. Combination mixer and compressor operator on gunite work shall be classified as a concrete mobile mixer operator.

SEE ZONE DEFINITIONS AFTER CLASSIFICATIONS

POWER EQUIPMENT OPERATORS CLASSIFICATIONS

GROUP 1: Bargeman; Brakeman; Compressor operator; Ditch Witch, with seat or similar type equipment; Elevator operator-inside; Engineer Oiler; Forklift operator (includes loed, lull or similar types under 5 tons; Generator operator; Generator, pump or compressor plant operator; Pump operator; Signalman; Switchman

GROUP 2: Asphalt-rubber plant operator (nurse tank operator); Concrete mixer operator-skip type; Conveyor operator; Fireman; Forklift operator (includes loed, lull or similar

types over 5 tons; Hydrostatic pump operator; oiler crusher (asphalt or concrete plant); Petromat laydown machine; PJU side dum jack; Screening and conveyor machine operator (or similar types); Skiploader (wheel type up to 3/4 yd. without attachment); Tar pot fireman; Temporary heating plant operator; Trenching machine oiler

GROUP 3: Asphalt-rubber blend operator; Bobcat or similar type (Skid steer); Equipment greaser (rack); Ford Ferguson (with dragtype attachments); Helicopter radioman (ground); Stationary pipe wrapping and cleaning machine operator

GROUP 4: Asphalt plant fireman; Backhoe operator (mini-max or similar type); Boring machine operator; Boxman or mixerman (asphalt or concrete); Chip spreading machine operator; Concrete cleaning decontamination machine operator; Concrete Pump Operator (small portable); Drilling machine operator, small auger types (Texoma super economatic or similar types - Hughes 100 or 200 or similar types - drilling depth of 30' maximum); Equipment greaser (grease truck); Guard rail post driver operator; Highline cableway signalman; Hydra-hammer-aero stomper; Micro Tunneling (above ground tunnel); Power concrete curing machine operator; Power concrete saw operator; Power-driven jumbo form setter operator; Power sweeper operator; Rock Wheel Saw/Trencher; Roller operator (compacting); Screed operator (asphalt or concrete); Trenching machine operator (up to 6 ft.); Vacuum or much truck

GROUP 5: Equipment Greaser (Grease Truck/Multi Shift).

GROUP 6: Articulating material hauler; Asphalt plant engineer; Batch plant operator; Bit sharpener; Concrete joint machine operator (canal and similar type); Concrete planer operator; Dandy digger; Deck engine operator; Derrickman (oilfield type); Drilling machine operator, bucket or auger types (Calweld 100 bucket or similar types - Watson 1000 auger or similar types - Texoma 330, 500 or 600 auger or similar types - drilling depth of 45' maximum); Drilling machine operator; Hydrographic seeder machine operator (straw, pulp or seed), Jackson track maintainer, or similar type; Kalamazoo Switch tamper, or similar type; Machine tool operator; Maginnis internal full slab vibrator, Mechanical berm, curb or gutter (concrete or asphalt); Mechanical finisher operator (concrete, Clary-Johnson-Bidwell or similar); Micro tunnel system (below ground); Pavement breaker operator (truck mounted); Road oil mixing machine operator; Roller operator (asphalt or finish), rubber-tired earth moving equipment (single engine, up to and including 25 yds. struck); Self-propelled tar pipelining machine operator; Skiploader operator (crawler and wheel type, over 3/4 yd. and up to and including 1-1/2 yds.); Slip form pump operator (power driven hydraulic lifting device for concrete forms); Tractor operator-bulldozer, tamper-scraper (single engine, up to 100 h.p. flywheel and similar types, up to and including D-5 and similar types); Tugger hoist operator (1

drum); Ultra high pressure waterjet cutting tool system operator; Vacuum blasting machine operator

GROUP 8: Asphalt or concrete spreading operator (tamping or finishing); Asphalt paving machine operator (Barber Greene or similar type); Asphalt-rubber distribution operator; Backhoe operator (up to and including 3/4 yd.), small ford, Case or similar; Cast-in-place pipe laying machine operator; Combination mixer and compressor operator (gunite work); Compactor operator (self-propelled); Concrete mixer operator (paving); Crushing plant operator; Drill Doctor; Drilling machine operator, Bucket or auger types (Calweld 150 bucket or similar types - Watson 1500, 2000 2500 auger or similar types - Texoma 700, 800 auger or similar types - drilling depth of 60' maximum); Elevating grader operator; Grade checker; Gradall operator; Grouting machine operator; Heavy-duty repairman; Heavy equipment robotics operator; Kalamazoo balliste regulator or similar type; Kolman belt loader and similar type; Le Tourneau blob compactor or similar type; Loader operator (Athey, Euclid, Sierra and similar types); Mobark Chipper or similar; Ozzie padder or similar types; P.C. slot saw; Pneumatic concrete placing machine operator (Hackley-Presswell or similar type); Pumpcrete gun operator; Rock Drill or similar types; Rotary drill operator (excluding caisson type); Rubber-tired earth-moving equipment operator (single engine, caterpillar, Euclid, Athey Wagon and similar types with any and all attachments over 25 yds. up to and including 50 cu. yds. struck); Rubber-tired earth-moving equipment operator (multiple engine up to and including 25 yds. struck); Rubber-tired scraper operator (self-loading paddle wheel type-John Deere, 1040 and similar single unit); Self-propelled curb and gutter machine operator; Shuttle buggy; Skiploader operator (crawler and wheel type over 1-1/2 yds. up to and including 6-1/2 yds.); Soil remediation plant operator; Surface heaters and planer operator; Tractor compressor drill combination operator; Tractor operator (any type larger than D-5 - 100 flywheel h.p. and over, or similar-bulldozer, tamper, scraper and push tractor single engine); Tractor operator (boom attachments), Traveling pipe wrapping, cleaning and bending machine operator; Trenching machine operator (over 6 ft. depth capacity, manufacturer's rating); trenching Machine with Road Miner attachment (over 6 ft depth capacity): Ultra high pressure waterjet cutting tool system mechanic; Water pull (compaction) operator

GROUP 9: Heavy Duty Repairman

GROUP 10: Drilling machine operator, Bucket or auger types (Calweld 200 B bucket or similar types-Watson 3000 or 5000 auger or similar types-Texoma 900 auger or similar types-drilling depth of 105' maximum); Dual drum mixer, dynamic compactor LDC350 (or similar types); Monorail locomotive operator (diesel, gas or electric); Motor patrol-blade operator (single engine); Multiple engine tractor operator (Euclid and similar type-except Quad 9

cat.); Rubber-tired earth-moving equipment operator (single engine, over 50 yds. struck); Pneumatic pipe ramming tool and similar types; Prestressed wrapping machine operator; Rubber-tired earth-moving equipment operator (single engine, over 50 yds. struck); Rubber tired earth moving equipment operator (multiple engine, Euclid, caterpillar and similar over 25 yds. and up to 50 yds. struck), Tower crane repairman; Tractor loader operator (crawler and wheel type over 6-1/2 yds.); Woods mixer operator (and similar Pugmill equipment)

GROUP 11: Heavy Duty Repairman - Welder Combination, Welder - Certified.

GROUP 12: Auto grader operator; Automatic slip form operator; Drilling machine operator, bucket or auger types (Calweld, auger 200 CA or similar types - Watson, auger 6000 or similar types - Hughes Super Duty, auger 200 or similar types - drilling depth of 175' maximum); Hoe ram or similar with compressor; Mass excavator operator less tha 750 cu. yards; Mechanical finishing machine operator; Mobile form traveler operator; Motor patrol operator (multi-engine); Pipe mobile machine operator; Rubber-tired earth- moving equipment operator (multiple engine, Euclid, Caterpillar and similar type, over 50 cu. yds. struck); Rubber-tired self- loading scraper operator (paddle-wheel-auger type self-loading - two (2) or more units)

GROUP 13: Rubber-tired earth-moving equipment operator operating equipment with push-pull system (single engine, up to and including 25 yds. struck)

GROUP 14: Canal liner operator; Canal trimmer operator; Remote- control earth-moving equipment operator (operating a second piece of equipment: \$1.00 per hour additional); Wheel excavator operator (over 750 cu. yds.)

GROUP 15: Rubber-tired earth-moving equipment operator, operating equipment with push-pull system (single engine, Caterpillar, Euclid, Athey Wagon and similar types with any and all attachments over 25 yds. and up to and including 50 yds. struck); Rubber-tired earth-moving equipment operator, operating equipment with push-pull system (multiple engine-up to and including 25 yds. struck)

GROUP 16: Rubber-tired earth-moving equipment operator, operating equipment with push-pull system (single engine, over 50 yds. struck); Rubber-tired earth-moving equipment operator, operating equipment with push-pull system (multiple engine, Euclid, Caterpillar and similar, over 25 yds. and up to 50 yds. struck)

GROUP 17: Rubber-tired earth-moving equipment operator, operating equipment with push-pull system (multiple engine, Euclid, Caterpillar and similar, over 50 cu. yds. struck); Tandem tractor operator (operating crawler type tractors in tandem - Quad 9 and similar type)

GROUP 18: Rubber-tired earth-moving equipment operator, operating in tandem (scrapers, belly dumps and similar types in any combination, excluding compaction units - single engine, up to and including 25 yds. struck)

GROUP 19: Rotex concrete belt operator (or similar types); Rubber-tired earth-moving equipment operator, operating in tandem (scrapers, belly dumps and similar types in any combination, excluding compaction units - single engine, Caterpillar, Euclid, Athey Wagon and similar types with any and all attachments over 25 yds. and up to and including 50 cu. yds. struck); Rubber-tired earth-moving equipment operator, operating in tandem (scrapers, belly dumps and similar types in any combination, excluding compaction units - multiple engine, up to and including 25 yds. struck)

GROUP 20: Rubber-tired earth-moving equipment operator, operating in tandem (scrapers, belly dumps and similar types in any combination, excluding compaction units - single engine, over 50 yds. struck); Rubber-tired earth-moving equipment operator, operating in tandem (scrapers, belly dumps, and similar types in any combination, excluding compaction units - multiple engine, Euclid, Caterpillar and similar, over 25 yds. and up to 50 yds. struck)

GROUP 21: Rubber-tired earth-moving equipment operator, operating in tandem (scrapers, belly dumps and similar types in any combination, excluding compaction units - multiple engine, Euclid, Caterpillar and similar type, over 50 cu. yds. struck)

GROUP 22: Rubber-tired earth-moving equipment operator, operating equipment with the tandem push-pull system (single engine, up to and including 25 yds. struck)

GROUP 23: Rubber-tired earth-moving equipment operator, operating equipment with the tandem push-pull system (single engine, Caterpillar, Euclid, Athey Wagon and similar types with any and all attachments over 25 yds. and up to and including 50 yds. struck); Rubber-tired earth-moving equipment operator, operating with the tandem push-pull system (multiple engine, up to and including 25 yds. struck)

GROUP 24: Rubber-tired earth-moving equipment operator, operating equipment with the tandem push-pull system (single engine, over 50 yds. struck); Rubber-tired earth-moving equipment operator, operating equipment with the tandem push-pull system (multiple engine, Euclid, Caterpillar and similar, over 25 yds. and up to 50 yds. struck)

GROUP 25: Concrete pump operator-truck mounted; Rubber-tired earth-moving equipment operator, operating equipment with the tandem push-pull system (multiple engine, Euclid,

Caterpillar and similar type, over 50 cu. yds. struck)

CRANES, PILEDIVING AND HOISTING EQUIPMENT CLASSIFICATIONS

GROUP 1: Engineer oiler; Fork lift operator (includes loed, lull or similar types)

GROUP 2: Truck crane oiler

GROUP 3: A-frame or winch truck operator; Ross carrier operator (jobsite)

GROUP 4: Bridge-type unloader and turntable operator; Helicopter hoist operator

GROUP 5: Hydraulic boom truck; Stinger crane (Austin-Western or similar type); Tugger hoist operator (1 drum)

GROUP 6: Bridge crane operator; Cretor crane operator; Hoist operator (Chicago boom and similar type); Lift mobile operator; Lift slab machine operator (Vagtborg and similar types); Material hoist and/or manlift operator; Polar gantry crane operator; Self Climbing scaffold (or similar type); Shovel, backhoe, dragline, clamshell operator (over 3/4 yd. and up to 5 cu. yds. mrc); Tugger hoist operator

GROUP 7: Pedestal crane operator; Shovel, backhoe, dragline, clamshell operator (over 5 cu. yds. mrc); Tower crane repair; Tugger hoist operator (3 drum)

GROUP 8: Crane operator (up to and including 25 ton capacity); Crawler transporter operator; Derrick barge operator (up to and including 25 ton capacity); Hoist operator, stiff legs, Guy derrick or similar type (up to and including 25 ton capacity); Shovel, backhoe, dragline, clamshell operator (over 7 cu. yds., M.R.C.)

GROUP 9: Crane operator (over 25 tons and up to and including 50 tons mrc); Derrick barge operator (over 25 tons up to and including 50 tons mrc); Highline cableway operator; Hoist operator, stiff legs, Guy derrick or similar type (over 25 tons up to and including 50 tons mrc); K-crane operator; Polar crane operator; Self erecting tower crane operator maximum lifting capacity ten tons

GROUP 10: Crane operator (over 50 tons and up to and including 100 tons mrc); Derrick barge operator (over 50 tons up to and including 100 tons mrc); Hoist operator, stiff legs, Guy derrick or similar type (over 50 tons up to and including 100 tons mrc), Mobile tower crane operator (over 50 tons, up to and including 100 tons M.R.C.); Tower crane operator and tower gantry

GROUP 11: Crane operator (over 100 tons and up to and including 200 tons mrc); Derrick barge operator (over 100 tons up to and including 200 tons mrc); Hoist operator, stiff legs, Guy derrick or similar type (over 100 tons up

to and including 200 tons mrc); Mobile tower crane operator (over 100 tons up to and including 200 tons mrc)

GROUP 12: Crane operator (over 200 tons up to and including 300 tons mrc); Derrick barge operator (over 200 tons up to and including 300 tons mrc); Hoist operator, stiff legs, Guy derrick or similar type (over 200 tons, up to and including 300 tons mrc); Mobile tower crane operator (over 200 tons, up to and including 300 tons mrc)

GROUP 13: Crane operator (over 300 tons); Derrick barge operator (over 300 tons); Helicopter pilot; Hoist operator, stiff legs, Guy derrick or similar type (over 300 tons); Mobile tower crane operator (over 300 tons)

TUNNEL CLASSIFICATIONS

GROUP 1: Skiploader (wheel type up to 3/4 yd. without attachment)

GROUP 2: Power-driven jumbo form setter operator

GROUP 3: Dinkey locomotive or motorperson (up to and including 10 tons)

GROUP 4: Bit sharpener; Equipment greaser (grease truck); Slip form pump operator (power-driven hydraulic lifting device for concrete forms); Tugger hoist operator (1 drum); Tunnel locomotive operator (over 10 and up to and including 30 tons)

GROUP 5: Backhoe operator (up to and including 3/4 yd.); Small Ford, Case or similar; Drill doctor; Grouting machine operator; Heading shield operator; Heavy-duty repairperson; Loader operator (Athey, Euclid, Sierra and similar types); Mucking machine operator (1/4 yd., rubber-tired, rail or track type); Pneumatic concrete placing machine operator (Hackley-Presswell or similar type); Pneumatic heading shield (tunnel); Pumpcrete gun operator; Tractor compressor drill combination operator; Tugger hoist operator (2 drum); Tunnel locomotive operator (over 30 tons)

GROUP 6: Heavy Duty Repairman

GROUP 7: Tunnel mole boring machine operator

ENGINEERS ZONES

\$1.00 additional per hour for all of IMPERIAL County and the portions of KERN, RIVERSIDE & SAN BERNARDINO Counties as defined below:

That area within the following Boundary: Begin in San Bernardino County, approximately 3 miles NE of the intersection of I-15 and the California State line at that point which is the NW corner of Section 1, T17N,m R14E, San Bernardino Meridian. Continue W in a straight line to that point which is

the SW corner of the northwest quarter of Section 6, T27S, R42E, Mt. Diablo Meridian. Continue North to the intersection with the Inyo County Boundary at that point which is the NE corner of the western half of the northern quarter of Section 6, T25S, R42E, MDM. Continue W along the Inyo and San Bernardino County boundary until the intersection with Kern County, as that point which is the SE corner of Section 34, T24S, R40E, MDM. Continue W along the Inyo and Kern County boundary until the intersection with Tulare County, at that point which is the SW corner of the SE quarter of Section 32, T24S, R37E, MDM. Continue W along the Kern and Tulare County boundary, until that point which is the NW corner of T25S, R32E, MDM. Continue S following R32E lines to the NW corner of T31S, R32E, MDM. Continue W to the NW corner of T31S, R31E, MDM. Continue S to the SW corner of T32S, R31E, MDM. Continue W to SW corner of SE quarter of Section 34, T32S, R30E, MDM. Continue S to SW corner of T11N, R17W, SBM. Continue E along south boundary of T11N, SBM to SW corner of T11N, R7W, SBM. Continue S to SW corner of T9N, R7W, SBM. Continue E along south boundary of T9N, SBM to SW corner of T9N, R1E, SBM. Continue S along west boundary of R1E, SBM to Riverside County line at the SW corner of T1S, R1E, SBM. Continue E along south boundary of T1S, SBM (Riverside County Line) to SW corner of T1S, R10E, SBM. Continue S along west boundary of R10E, SBM to Imperial County line at the SW corner of T8S, R10E, SBM. Continue W along Imperial and Riverside county line to NW corner of T9S, R9E, SBM. Continue S along the boundary between Imperial and San Diego Counties, along the west edge of R9E, SBM to the south boundary of Imperial County/California state line. Follow the California state line west to Arizona state line, then north to Nevada state line, then continuing NW back to start at the point which is the NW corner of Section 1, T17N, R14E, SBM

\$1.00 additional per hour for portions of SAN LUIS OBISPO, KERN, SANTA BARBARA & VENTURA as defined below:

That area within the following Boundary: Begin approximately 5 miles north of the community of Cholame, on the Monterey County and San Luis Obispo County boundary at the NW corner of T25S, R16E, Mt. Diablo Meridian. Continue south along the west side of R16E to the SW corner of T30S, R16E, MDM. Continue E to SW corner of T30S, R17E, MDM. Continue S to SW corner of T31S, R17E, MDM. Continue E to SW corner of T31S, R18E, MDM. Continue S along West side of R18E, MDM as it crosses into San Bernardino Meridian numbering area and becomes R30W. Follow the west side of R30W, SBM to the SW corner of T9N, R30W, SBM. Continue E along the south edge of T9N, SBM to the Santa Barbara County and Ventura County boundary at that point which is the SW corner of Section 34. T9N, R24W, SBM, continue S along the Ventura County line to that point which is the SW corner of the SE quarter of Section 32, T7N, R24W, SBM. Continue E along the south edge of T7N, SBM to the SE corner to T7N, R21W, SBM. Continue N along East side of R21W, SBM to Ventura County and Kern County boundary at the NE corner of T8N, R21W. Continue W along the Ventura County and Kern County boundary to the SE corner of T9N, R21W. Continue North along the East edge

of R21W, SBM to the NE corner of T12N, R21W, SBM. Continue West along the north edge of T12N, SBM to the SE corner of T32S, R21E, MDM. [T12N SBM is a think strip between T11N SBM and T32S MDM]. Continue North along the East side of R21E, MDM to the Kings County and Kern County border at the NE corner of T25S, R21E, MDM, continue West along the Kings County and Kern County Boundary until the intersection of San Luis Obispo County. Continue west along the Kings County and San Luis Obispo County boundary until the intersection with Monterey County. Continue West along the Monterey County and San Luis Obispo County boundary to the beginning point at the NW corner of T25S, R16E, MDM.

\$2.00 additional per hour for INYO and MONO Counties and the Northern portion of SAN BERNARDINO County as defined below:

That area within the following Boundary: Begin at the intersection of the northern boundary of Mono County and the California state line at the point which is the center of Section 17, T10N, R22E, Mt. Diablo Meridian. Continue S then SE along the entire western boundary of Mono County, until it reaches Inyo County at the point which is the NE corner of the Western half of the NW quarter of Section 2, T8S, R29E, MDM. Continue SSE along the entire western boundary of Inyo County, until the intersection with Kern County at the point which is the SW corner of the SE 1/4 of Section 32, T24S, R37E, MDM. Continue E along the Inyo and Kern County boundary until the intersection with San Bernardino County at that point which is the SE corner of section 34, T24S, R40E, MDM. Continue E along the Inyo and San Bernardino County boundary until the point which is the NE corner of the Western half of the NW quarter of Section 6, T25S, R42E, MDM. Continue S to that point which is the SW corner of the NW quarter of Section 6, T27S, R42E, MDM. Continue E in a straight line to the California and Nevada state border at the point which is the NW corner of Section 1, T17N, R14E, San Bernardino Meridian. Then continue NW along the state line to the starting point, which is the center of Section 18, T10N, R22E, MDM.

REMAINING AREA NOT DEFINED ABOVE RECIEVES BASE RATE

 ENGI0012-004 08/01/2015

	Rates	Fringes
OPERATOR: Power Equipment		
(DREDGING)		
(1) Leverman.....	\$ 49.50	23.60
(2) Dredge dozer.....	\$ 43.53	23.60
(3) Deckmate.....	\$ 43.42	23.60
(4) Winch operator (stern winch on dredge).....	\$ 42.87	23.60
(5) Fireman-Oiler, Deckhand, Bargeman,		

Leveehand.....	\$ 42.33	23.60
(6) Barge Mate.....	\$ 42.94	23.60

IRON0377-002 07/01/2016

	Rates	Fringes
Ironworkers:		
Fence Erector.....	\$ 28.33	20.64
Ornamental, Reinforcing and Structural.....	\$ 34.75	29.20

PREMIUM PAY:

\$6.00 additional per hour at the following locations:

China Lake Naval Test Station, Chocolate Mountains Naval Reserve-Niland, Edwards AFB, Fort Irwin Military Station, Fort Irwin Training Center-Goldstone, San Clemente Island, San Nicholas Island, Susanville Federal Prison, 29 Palms - Marine Corps, U.S. Marine Base - Barstow, U.S. Naval Air Facility - Sealey, Vandenberg AFB

\$4.00 additional per hour at the following locations:

Army Defense Language Institute - Monterey, Fallon Air Base, Naval Post Graduate School - Monterey, Yermo Marine Corps Logistics Center

\$2.00 additional per hour at the following locations:

Port Hueneme, Port Mugu, U.S. Coast Guard Station - Two Rock

LABO0300-005 01/01/2017

	Rates	Fringes
Asbestos Removal Laborer.....	\$ 31.88	16.82

SCOPE OF WORK: Includes site mobilization, initial site cleanup, site preparation, removal of asbestos-containing material and toxic waste, encapsulation, enclosure and disposal of asbestos- containing materials and toxic waste by hand or with equipment or machinery; scaffolding, fabrication of temporary wooden barriers and assembly of decontamination stations.

LABO0345-001 07/02/2017

	Rates	Fringes
LABORER (GUNITE)		
GROUP 1.....	\$ 41.08	17.39
GROUP 2.....	\$ 40.13	17.39

GROUP 3.....\$ 36.59 17.39

FOOTNOTE: GUNITE PREMIUM PAY: Workers working from a Bosn'n's Chair or suspended from a rope or cable shall receive 40 cents per hour above the foregoing applicable classification rates. Workers doing gunite and/or shotcrete work in a tunnel shall receive 35 cents per hour above the foregoing applicable classification rates, paid on a portal-to-portal basis. Any work performed on, in or above any smoke stack, silo, storage elevator or similar type of structure, when such structure is in excess of 75'-0" above base level and which work must be performed in whole or in part more than 75'-0" above base level, that work performed above the 75'-0" level shall be compensated for at 35 cents per hour above the applicable classification wage rate.

GUNITE LABORER CLASSIFICATIONS

GROUP 1: Rodmen, Nozzlemen

GROUP 2: Gunmen

GROUP 3: Reboundmen

LABO0783-002 07/03/2017

	Rates	Fringes
LABORER (TUNNEL)		
GROUP 1.....	\$ 39.04	18.24
GROUP 2.....	\$ 39.36	18.24
GROUP 3.....	\$ 39.82	18.24
GROUP 4.....	\$ 40.51	18.24
LABORER		
GROUP 1.....	\$ 33.19	18.24
GROUP 2.....	\$ 33.74	18.24
GROUP 3.....	\$ 34.29	18.24
GROUP 4.....	\$ 35.84	18.24
GROUP 5.....	\$ 36.19	18.24

LABORER CLASSIFICATIONS

GROUP 1: Cleaning and handling of panel forms; Concrete screeding for rough strike-off; Concrete, water curing; Demolition laborer, the cleaning of brick if performed by a worker performing any other phase of demolition work, and the cleaning of lumber; Fire watcher, limber, brush loader, piler and debris handler; Flag person; Gas, oil and/or water pipeline laborer; Laborer, asphalt-rubber material loader; Laborer, general or construction; Laborer, general clean-up; Laborer, landscaping; Laborer, jetting; Laborer, temporary water and air lines; Material hose operator (walls, slabs, floors and decks); Plugging, filling of shee bolt holes; Dry packing of concrete; Railroad maintenance, repair track person and road beds; Streetcar and railroad

construction track laborers; Rigging and signaling; Scaler; Slip form raiser; Tar and mortar; Tool crib or tool house laborer; Traffic control by any method; Window cleaner; Wire mesh pulling - all concrete pouring operations

GROUP 2: Asphalt shoveler; Cement dumper (on 1 yd. or larger mixer and handling bulk cement); Cesspool digger and installer; Chucktender; Chute handler, pouring concrete, the handling of the chute from readymix trucks, such as walls, slabs, decks, floors, foundation, footings, curbs, gutters and sidewalks; Concrete curer, impervious membrane and form oiler; Cutting torch operator (demolition); Fine grader, highways and street paving, airport, runways and similar type heavy construction; Gas, oil and/or water pipeline wrapper - pot tender and form person; Guinea chaser; Headerboard person - asphalt; Laborer, packing rod steel and pans; Membrane vapor barrier installer; Power broom sweeper (small); Riprap stonepaver, placing stone or wet sacked concrete; Roto scraper and tiller; Sandblaster (pot tender); Septic tank digger and installer(lead); Tank scaler and cleaner; Tree climber, faller, chain saw operator, Pittsburgh chipper and similar type brush shredder; Underground laborer, including caisson bellower

GROUP 3: Buggymobile person; Concrete cutting torch; Concrete pile cutter; Driller, jackhammer, 2-1/2 ft. drill steel or longer; Dri-pak-it machine; Gas, oil and/or water pipeline wrapper, 6-in. pipe and over, by any method, inside and out; High scaler (including drilling of same); Hydro seeder and similar type; Impact wrench multi-plate; Kettle person, pot person and workers applying asphalt, lay-kold, creosote, lime caustic and similar type materials ("applying" means applying, dipping, brushing or handling of such materials for pipe wrapping and waterproofing); Operator of pneumatic, gas, electric tools, vibrating machine, pavement breaker, air blasting, come-alongs, and similar mechanical tools not separately classified herein; Pipelayer's backup person, coating, grouting, making of joints, sealing, caulking, diapering and including rubber gasket joints, pointing and any and all other services; Rock slinger; Rotary scarifier or multiple head concrete chipping scarifier; Steel headerboard and guideline setter; Tamper, Barko, Wacker and similar type; Trenching machine, hand-propelled

GROUP 4: Asphalt raker, lute person, ironer, asphalt dump person, and asphalt spreader boxes (all types); Concrete core cutter (walls, floors or ceilings), grinder or sander; Concrete saw person, cutting walls or flat work, scoring old or new concrete; Cribber, shorer, lagging, sheeting and trench bracing, hand-guided lagging hammer; Head rock slinger; Laborer, asphalt- rubber distributor boot person; Laser beam in connection with laborers' work; Oversize concrete vibrator operator, 70 lbs. and over; Pipelayer performing all services in the laying and installation of pipe from the point of receiving pipe in the ditch until completion of operation, including any and all forms of

tubular material, whether pipe, metallic or non-metallic, conduit and any other stationary type of tubular device used for the conveying of any substance or element, whether water, sewage, solid gas, air, or other product whatsoever and without regard to the nature of material from which the tubular material is fabricated; No-joint pipe and stripping of same; Prefabricated manhole installer; Sandblaster (nozzle person), water blasting, Porta Shot-Blast

GROUP 5: Blaster powder, all work of loading holes, placing and blasting of all powder and explosives of whatever type, regardless of method used for such loading and placing; Driller: All power drills, excluding jackhammer, whether core, diamond, wagon, track, multiple unit, and any and all other types of mechanical drills without regard to the form of motive power; Toxic waste removal

TUNNEL LABORER CLASSIFICATIONS

GROUP 1: Batch plant laborer; Changehouse person; Dump person; Dump person (outside); Swamper (brake person and switch person on tunnel work); Tunnel materials handling person; Nipper; Pot tender, using mastic or other materials (for example, but not by way of limitation, shotcrete, etc.)

GROUP 2: Chucktender, cabetender; Loading and unloading agitator cars; Vibrator person, jack hammer, pneumatic tools (except driller); Bull gang mucker, track person; Concrete crew, including rodder and spreader

GROUP 3: Blaster, driller, powder person; Chemical grout jet person; Cherry picker person; Grout gun person; Grout mixer person; Grout pump person; Jackleg miner; Jumbo person; Kemper and other pneumatic concrete placer operator; Miner, tunnel (hand or machine); Nozzle person; Operating of troweling and/or grouting machines; Powder person (primer house); Primer person; Sandblaster; Shotcrete person; Steel form raiser and setter; Timber person, retimber person, wood or steel; Tunnel Concrete finisher

GROUP 4: Diamond driller; Sandblaster; Shaft and raise work

LABO0783-005 07/01/2017

	Rates	Fringes
Brick Tender.....	\$ 31.36	17.82

LABO1184-001 07/01/2017

	Rates	Fringes
Laborers: (HORIZONTAL DIRECTIONAL DRILLING)		
(1) Drilling Crew Laborer...	\$ 34.65	13.20
(2) Vehicle Operator/Hauler..	\$ 34.82	13.20

(3) Horizontal Directional Drill Operator.....	\$ 36.67	13.20
(4) Electronic Tracking Locator.....	\$ 38.67	13.20
Laborers: (STRIPING/SLURRY SEAL)		
GROUP 1.....	\$ 35.86	16.21
GROUP 2.....	\$ 37.16	16.21
GROUP 3.....	\$ 39.17	16.21
GROUP 4.....	\$ 40.91	16.21

LABORERS - STRIPING CLASSIFICATIONS

GROUP 1: Protective coating, pavement sealing, including repair and filling of cracks by any method on any surface in parking lots, game courts and playgrounds; carstops; operation of all related machinery and equipment; equipment repair technician

GROUP 2: Traffic surface abrasive blaster; pot tender - removal of all traffic lines and markings by any method (sandblasting, waterblasting, grinding, etc.) and preparation of surface for coatings. Traffic control person: controlling and directing traffic through both conventional and moving lane closures; operation of all related machinery and equipment

GROUP 3: Traffic delineating device applicator: Layout and application of pavement markers, delineating signs, rumble and traffic bars, adhesives, guide markers, other traffic delineating devices including traffic control. This category includes all traffic related surface preparation (sandblasting, waterblasting, grinding) as part of the application process. Traffic protective delineating system installer: removes, relocates, installs, permanently affixed roadside and parking delineation barricades, fencing, cable anchor, guard rail, reference signs, monument markers; operation of all related machinery and equipment; power broom sweeper

GROUP 4: Striper: layout and application of traffic stripes and markings; hot thermo plastic; tape traffic stripes and markings, including traffic control; operation of all related machinery and equipment

LAB01414-003 08/02/2017

	Rates	Fringes
LABORER		
PLASTER CLEAN-UP LABORER....	\$ 35.50	18.29
PLASTER TENDER.....	\$ 38.05	18.29

Work on a swing stage scaffold: \$1.00 per hour additional.

Work at Military Bases - \$3.00 additional per hour:

Coronado Naval Amphibious Base, Fort Irwin, Marine Corps Air Station-29 Palms, Imperial Beach Naval Air Station, Marine Corps Logistics Supply Base, Marine Corps Pickle Meadows, Mountain Warfare Training Center, Naval Air Facility-Seeley, North Island Naval Air Station, Vandenberg AFB.

PAIN0036-001 07/01/2017

	Rates	Fringes
Painters: (Including Lead Abatement)		
(1) Repaint (excludes San Diego County).....	\$ 27.59	13.94
(2) All Other Work.....	\$ 31.12	13.94

REPAINT of any previously painted structure. Exceptions: work involving the aerospace industry, breweries, commercial recreational facilities, hotels which operate commercial establishments as part of hotel service, and sports facilities.

* PAIN0036-008 10/01/2017

	Rates	Fringes
DRYWALL FINISHER/TAPER.....	\$ 38.58	18.57

PAIN0036-015 06/01/2017

	Rates	Fringes
GLAZIER.....	\$ 40.95	24.40

FOOTNOTE: Additional \$1.25 per hour for work in a condor, from the third (3rd) floor and up Additional \$1.25 per hour for work on the outside of the building from a swing stage or any suspended contrivance, from the ground up

PAIN1247-002 05/01/2017

	Rates	Fringes
SOFT FLOOR LAYER.....	\$ 32.35	14.56

PLAS0200-008 08/02/2017

	Rates	Fringes
PLASTERER.....	\$ 41.26	14.46

FORT IRWIN; MARINE CORPS AIR STATION 29 PALMS, AND MARINE CORPS LOGISTICS SUPPLY BASE: \$3.00 additional per hour.

PLAS0500-002 07/01/2016

	Rates	Fringes
CEMENT MASON/CONCRETE FINISHER...\$	33.30	23.33

PLUM0016-002 07/01/2017

	Rates	Fringes
PLUMBER, PIPEFITTER, STEAMFITTER		
Plumber and Pipefitter All other work except work on new additions and remodeling of bars, restaurant, stores and commercial buildings not to exceed 5,000 sq. ft. of floor space and work on strip malls, light commercial, tenant improvement and remodel work.....\$	49.28	21.61
Work at Edwards AFB.....\$	56.28	21.61
Work at Fort Irwin Army Base, Marine Corps Logistic Base at Nebo, Marine Corps Logistic Base at Yermo and Twenty-Nine Palms Marine Base.....\$	56.28	21.61
Work ONLY on new additions and remodeling of bars, restaurants, stores and commercial buildings, not to exceed 5,000 sq. ft. of floor space.....\$	47.76	20.63
Work ONLY on strip malls, light commercial, tenant improvement and remodel work.....\$	36.91	18.96

PLUM0345-001 07/01/2014

	Rates	Fringes
PLUMBER		
Landscape/Irrigation Fitter.\$	29.27	19.75
Sewer & Storm Drain Work....\$	33.24	17.13

ROOF0036-002 08/01/2017

	Rates	Fringes
ROOFER.....\$	37.07	16.17

FOOTNOTE: Pitch premium: Work on which employees are exposed to pitch fumes or required to handle pitch, pitch base or pitch impregnated products, or any material containing coal tar pitch, the entire roofing crew shall receive \$1.75 per hour "pitch premium" pay.

 SFCA0669-009 04/01/2017

Does not include the northern part of the City of Chino, or the Cities of Montclair and Ontario

	Rates	Fringes
SPRINKLER FITTER.....	\$ 39.07	15.84

 SFCA0709-004 07/01/2015

THE NORTHERN PART OF THE CITY OF CHINO, AND THE CITIES OF MONTCLAIR AND ONTARIO:

	Rates	Fringes
SPRINKLER FITTER (Fire).....	\$ 42.93	24.04

 SHEE0105-003 07/01/2016

LOS ANGELES (South of a straight line drawn between Gorman and Big Pines)and Catalina Island, INYO, KERN (Northeast part, East of Hwy 395), MONO ORANGE, RIVERSIDE, AND SAN BERNARDINO COUNTIES

	Rates	Fringes
SHEET METAL WORKER (1) Commercial - New Construction and Remodel work.....	\$ 41.86	26.88
(2) Industrial work including air pollution control systems, noise abatement, hand rails, guard rails, excluding aritechtrual sheet metal work, excluding A-C, heating, ventilating systems for human comfort.....	\$ 41.86	26.88

 TEAM0011-002 07/01/2017

	Rates	Fringes
TRUCK DRIVER GROUP 1.....	\$ 29.59	27.74

GROUP 2.....	\$ 29.74	27.74
GROUP 3.....	\$ 29.87	27.74
GROUP 4.....	\$ 30.06	27.74
GROUP 5.....	\$ 30.09	27.74
GROUP 6.....	\$ 30.12	27.74
GROUP 7.....	\$ 30.37	27.74
GROUP 8.....	\$ 30.62	27.74
GROUP 9.....	\$ 30.82	27.74
GROUP 10.....	\$ 31.12	27.74
GROUP 11.....	\$ 31.62	27.74
GROUP 12.....	\$ 32.05	27.74

WORK ON ALL MILITARY BASES:

PREMIUM PAY: \$3.00 per hour additional.

[29 palms Marine Base, Camp Roberts, China Lake, Edwards AFB, El Centro Naval Facility, Fort Irwin, Marine Corps Logistics Base at Nebo & Yermo, Mountain Warfare Training Center, Bridgeport, Point Arguello, Point Conception, Vandenberg AFB]

TRUCK DRIVERS CLASSIFICATIONS

GROUP 1: Truck driver

GROUP 2: Driver of vehicle or combination of vehicles - 2 axles; Traffic control pilot car excluding moving heavy equipment permit load; Truck mounted broom

GROUP 3: Driver of vehicle or combination of vehicles - 3 axles; Boot person; Cement mason distribution truck; Fuel truck driver; Water truck - 2 axle; Dump truck, less than 16 yds. water level; Erosion control driver

GROUP 4: Driver of transit mix truck, under 3 yds.; Dumpcrete truck, less than 6-1/2 yds. water level

GROUP 5: Water truck, 3 or more axles; Truck greaser and tire person (\$0.50 additional for tire person); Pipeline and utility working truck driver, including winch truck and plastic fusion, limited to pipeline and utility work; Slurry truck driver

GROUP 6: Transit mix truck, 3 yds. or more; Dumpcrete truck, 6-1/2 yds. water level and over; Vehicle or combination of vehicles - 4 or more axles; Oil spreader truck; Dump truck, 16 yds. to 25 yds. water level

GROUP 7: A Frame, Swedish crane or similar; Forklift driver; Ross carrier driver

GROUP 8: Dump truck, 25 yds. to 49 yds. water level; Truck repair person; Water pull - single engine; Welder

GROUP 9: Truck repair person/welder; Low bed driver, 9 axles or over

GROUP 10: Dump truck - 50 yds. or more water level; Water pull - single engine with attachment

GROUP 11: Water pull - twin engine; Water pull - twin engine with attachments; Winch truck driver - \$1.25 additional when operating winch or similar special attachments

GROUP 12: Boom Truck 17K and above

WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

=====
Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of "identifiers" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than "SU" or

"UAVG" denotes that the union classification and rate were prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

Survey Rate Identifiers

Classifications listed under the "SU" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current negotiated/CBA rate of the union locals from which the rate is based.

WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- * an existing published wage determination
- * a survey underlying a wage determination
- * a Wage and Hour Division letter setting forth a position on a wage determination matter
- * a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations
Wage and Hour Division
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

=====
END OF GENERAL DECISION

EXHIBIT H – COMPLIANCE WITH CROSS-CUTTING STATE AUTHORITIES

1. EMERGENCY DROUGHT REGULATIONS

The Recipient certifies that it complies with and shall continue to comply with the State Water Board's Drought Emergency Water Conservation regulations in Article 22.5 of Chapter 2 of Division 3 of Title 23 of the California Code of Regulations. The Recipient will include a discussion of its implementation in reports submitted pursuant to Section 2.15 of this Agreement.

2. CALIFORNIA DEBT INVESTMENT ADVISORY COMMISSION (CDIAC)

Where Recipient is a public entity, Recipient acknowledges its responsibility to file debt obligations with the CDIAC. Recipient understands that CDIAC has waived filing fees for State Water Board SRF debt.

3. COMPLIANCE WITH STATE REQUIREMENTS

Recipient represents that it is in compliance with the following conditions precedent and agrees that it will continue to maintain compliance during the term of this Agreement:

(a) Monthly Water Diversion Reporting

If Recipient is a water diverter, Recipient must maintain compliance with Water Code section 5103, subdivision (e)(2)(A) by submitting monthly diversion reports to the Division of Water Rights of the State Water Resources Control Board.

(b) Public Works Contractor Registration with Department Of Industrial Relations

To bid for public works contracts, Recipient and Recipient's subcontractors must register with the Department of Industrial Relations as required by Labor Code sections 1725.5 and 1771.1.

(c) Volumetric Pricing & Water Meters

If Recipient is an "urban water supplier" as defined by Water Code section 10617, Recipient must charge each customer for actual water volume measured by water meter according to the requirements of Water Code sections 526 and 527. Section 527 further requires that such suppliers not subject to section 526 install water meters on all municipal and industrial service connections within their service area by 2025.

(d) Urban Water Management Plan

If Recipient is an "urban water supplier" as defined by Water Code section 10617, the Recipient certifies that this Project complies with the Urban Water Management Planning Act (Water Code, § 10610 et seq.). This shall constitute a condition precedent to this Agreement.

(e) Urban Water Demand Management

If Recipient is an "urban water supplier" as defined by Water Code section 10617, Recipient must comply with water conservation measures established by SBx7-7. (Water Code, Sec. 10608.56.)

(f) Delta Plan Consistency Findings

If Recipient is a state or local public agency and the proposed action is covered by the Delta Plan, Recipient must submit certification of project consistency with the Delta Plan to the Delta Stewardship Council according to the requirements of Water Code section 85225 and California Code of Regulations, title 23, section 5002.


(g) Agricultural Water Management Plan Consistency

If Recipient is an agricultural water supplier as defined by Water Code section 10608.12, Recipient must comply with Agricultural Water Management Planning requirements as mandated by Water Code section 10852.

**ACTION
ITEM
1H**

Date: December 20, 2017

To: The Honorable Board of Directors

From:  Halla Razak, General Manager

Committee: Engineering, Operations & Water Resources

12/13/17

Executive Contact: Chris Berch, Executive Manager of Engineering/AGM

Subject: Adoption of Resolution 2017-12-2, IEUA-San Bernardino Valley Municipal Water District Sphere Adjustment & Reorganization

Executive Summary:

On July 19, 2017, San Bernardino Local Agency Formation Commission (LAFCO) completed their Countywide Service Review for the water service sector. LAFCO identified in the review, a boundary discrepancy for 18 single family homes on 4.81 acres on the south side of the City of Fontana, between the boundaries of IEUA and San Bernardino Valley Municipal Water District (SBVMWD).

A review of the tax bills for the homes show that residents are charged property tax and assessments for SBVMWD even though the area is within IEUA's boundaries. LAFCO, MWD, IEUA, and SBVMWD reviewed the area and concluded that the IEUA and SBVMWD boundaries need to be updated.

As a result, LAFCO recommended that a joint application be filed by IEUA and SBVMWD where each agency adopt respective resolutions requesting LAFCO to initiate the detachment of the area from IEUA and annexation into SBVMWD. SBVMWD adopted a resolution to request the initiation of the detachment and annexation on November 21, 2017.

Staff's Recommendation:

It is recommended that the Board of Directors adopt Resolution 2017-12-2, requesting LAFCO to initiate a sphere adjustment and reorganization of the area to detach the 4.81 acres from IEUA and annex into SBVMWD.

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

Account/Project Name:

The Agency will pay half of the application fees to LAFCO as the application is being jointly filed with SBVMWD. The total filing fees are \$10,185.94, with the Agency's portion being \$5,092.97. The fees will be paid through the Planning & Water Resources GG fund account.

Fiscal Impact (explain if not budgeted):

Prior Board Action:

None.

Environmental Determination:

Not Applicable

Business Goal:

This resolution to request the sphere amendment and reorganization to LAFCO is consistent with the Agency's Business Goal of Business Practices by working with SBVMWD and LAFCO to update an identified boundary discrepancy.

Attachments:

Attachment 1 - Draft Resolution 2017-12-2
Attachment 2 - PowerPoint

RESOLUTION NO. 2017-12-2

RESOLUTION OF APPLICATION BY THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, REQUESTING THE LOCAL AGENCY FORMATION COMMISSION TO INITIATE PROCEEDINGS FOR SPHERE AMENDMENT (EXPANSION/REDUCTION) AND REORGANIZATION (ANNEXATION/DETACHMENT) OF TERRITORY BETWEEN THE INLAND EMPIRE UTILITIES AGENCY, A MUNICIPAL WATER DISTRICT, SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT, AND THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

WHEREAS, Inland Empire Utilities Agency a Municipal Water District (hereinafter referred to as “IEUA” or “Agency”) is duly organized and exists under the provisions of the Municipal Water District law of 1911 (Water Code, Sections 71000 et seq.); and

WHEREAS, the Board of Directors of IEUA desires to initiate proceedings pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, commencing with Section 56000 of the California Government Code, and specifically California Government Code Title 5, Division, 3, Part 3 commencing with §56600 for:

1. Sphere of Influence amendments for IEUA and the Metropolitan Water District of Southern California (reductions) and the San Bernardino Valley Municipal Water District (expansion),
2. Reorganization to include detachment from IEUA and the Metropolitan Water District of Southern California and annexation to the San Bernardino Valley Municipal Water District; and,

WHEREAS, a description of the area proposed for sphere amendment and reorganization is attached hereto as Exhibits “A” and “B” (“Affected Area”) and by this reference incorporated herein; and,

WHEREAS, the purpose of this sphere amendment is to clarify the sphere of influence discrepancies between IEUA, Metropolitan Water District, and the San Bernardino Valley Municipal Water District; and,

WHEREAS, the spheres of influence for the affected agencies will be consistent since the proposed change includes amendments to the spheres of influence for all three agencies – IEUA, the Metropolitan Water District of Southern California, and the San Bernardino Valley Municipal Water District; and,

WHEREAS, IEUA desires that the proposed sphere of influence amendments, detachments, and annexation be subject to the standard terms and conditions imposed by the Local Agency Formation Commission.

NOW, THEREFORE, the Board of Directors hereby RESOLVES, as follows:

Section 1. This Resolution of Application is hereby adopted and approved by the Board of Directors, and the Local Agency Formation Commission for San Bernardino County is hereby requested to take proceedings for the change of organization as described above, according to the terms and conditions stated above and in the manner provided by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Title 5, Division 3, Part 3 of the Government Code.

Section 2. IEUA acknowledges and agrees to the Local Agency Formation Commission for San Bernardino County's requirement for imposing legal indemnification as outlined in Policies 10 and 11 of the Accounting and Financial Section of its Policy and Procedure Manual.

Section 3. The General Manager of IEUA is hereby directed and authorized to execute, on behalf of the Agency, the application forms which includes the certified Plan for Service and Fiscal Impact Analysis, copies of which are on file in the Agency office.

Section 4. That the Secretary to the Board of Directors shall certify the passage and adoption of this Resolution and is hereby authorized and directed to file, or cause to be filed, a certified copy of this Resolution with the Executive Officer of the Local Agency Formation Commission for San Bernardino County.

ADOPTED this 20th day of December, 2017

Steven J. Elie, President of the Inland
Empire Utilities Agency* and of the
Board of Directors thereof

ATTEST:

Jasmin A. Hall, Secretary of the Inland Empire
Utilities Agency* and of the Board
of Directors thereof

* A Municipal Water District

EXHIBIT "A"

LAFCO 2017-____ -____
SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT
ANNEXATION NO. 62

LEGAL DESCRIPTION

THAT PORTION OF THE EAST HALF OF SECTION 35, TOWNSHIP 1 SOUTH, RANGE 6 WEST, SAN BERNARDINO MERIDIAN, LYING IN THE CITY OF FONTANA, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE CENTERLINE OF BEACH AVENUE WITH THE CENTERLINE OF VILLAGE DRIVE EAST AS SHOWN BY TRACT NO. 13608 ON FILE IN BOOK 204 OF MAPS AT PAGES 27 THROUGH 32, INCLUSIVE THEREOF, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, SAID POINT BEING ON THE EAST LINE OF SAID SECTION 35 AND ON THE WEST BOUNDARY LINE OF SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT;

1. **THENCE** SOUTH 00°30'55" WEST, ALONG THE EAST LINE OF SAID SECTION 35 AND SAID WEST BOUNDARY LINE OF SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT, A DISTANCE OF 558.40 FEET, AS SHOWN BY SAID TRACT NO. 13608, TO THE WEST QUARTER CORNER OF SECTION 36, TOWNSHIP 1 SOUTH, RANGE 6 WEST, SAN BERNARDINO MERIDIAN;
2. **THENCE** SOUTH 01°00'56" EAST, ALONG THE EAST LINE OF SAID SECTION 35 AND SAID WEST BOUNDARY LINE OF SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT, A DISTANCE OF 187.39 FEET TO A POINT ON THE SOUTHWESTERLY BOUNDARY LINE OF TRACT NO. 15921 AS SHOWN BY MAP ON FILE IN BOOK 290 OF MAPS AT PAGES 76 THROUGH 78, INCLUSIVE THEREOF, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA;
3. **THENCE** NORTH 63°25'00" WEST, ALONG SAID BOUNDARY LINE OF TRACT NO. 15921, A DISTANCE OF 133.30 FEET TO AN ANGLE POINT;
4. **THENCE** NORTH 43°23'36" WEST, ALONG SAID BOUNDARY LINE OF TRACT NO. 15921, A DISTANCE OF 86.81 FEET TO AN ANGLE POINT;
5. **THENCE** NORTH 17°09'06" WEST, ALONG SAID BOUNDARY LINE OF TRACT NO. 15921, A DISTANCE OF 169.33 FEET TO AN ANGLE POINT;
6. **THENCE** NORTH 22°05'00" WEST, ALONG SAID BOUNDARY LINE OF TRACT NO. 15921, A DISTANCE OF 275.33 FEET TO AN ANGLE POINT;

7. **THENCE** NORTH 25°38'50" WEST, ALONG SAID BOUNDARY LINE OF TRACT NO. 15921, A DISTANCE OF 225.06 FEET TO A POINT OF CUSP WITH A CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 537.50 FEET, A RADIAL LINE AT SAID POINT OF CUSP BEARS NORTH 04°36'08" EAST;
8. **THENCE** EASTERLY, ALONG SAID CURVE AND SAID BOUNDARY LINE OF TRACT NO. 15921, THROUGH A CENTRAL ANGLE OF 20°22'11", AN ARC DISTANCE OF 191.09 FEET TO AN ANGLE POINT, A RADIAL LINE AT SAID ANGLE POINT BEARS NORTH 15°46'03" WEST;
9. **THENCE** SOUTH 15°44'32" EAST, ALONG SAID BOUNDARY LINE OF TRACT NO. 15921, A DISTANCE OF 6.00 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 543.50 FEET, A RADIAL LINE AT SAID POINT BEARS NORTH 15°44'32" WEST;
10. **THENCE** NORTHEASTERLY, ALONG SAID CURVE AND SAID BOUNDARY LINE OF TRACT NO. 15921, THROUGH A CENTRAL ANGLE OF 05°58'49", AN ARC DISTANCE OF 56.73 FEET TO A POINT OF COMPOUND CURVATURE WITH A CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 1043.50 FEET, A RADIAL LINE AT SAID POINT BEARS NORTH 21°43'21" WEST;
11. **THENCE** NORTHEASTERLY, ALONG SAID CURVE AND SAID BOUNDARY LINE OF TRACT NO. 15921, THROUGH A CENTRAL ANGLE OF 08°54'31", AN ARC DISTANCE OF 162.25 FEET TO THE MOST NORTHERLY CORNER OF SAID TRACT NO. 15921, A RADIAL LINE AT SAID POINT BEARS NORTH 30°37'52" WEST;
12. **THENCE** NORTH 89°58'19" EAST, A DISTANCE OF 42.32 FEET TO THE EAST LINE OF SAID SECTION 35 AND THE WEST BOUNDARY LINE OF SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT;
13. **THENCE** SOUTH 00°30'55" WEST, ALONG THE EAST LINE OF SAID SECTION 35 AND THE WEST BOUNDARY LINE OF SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT, A DISTANCE OF 99.27 FEET TO THE POINT OF BEGINNING.

TOTAL GROSS AREA = 4.81 ACRES.

THIS REAL PROPERTY DESCRIPTION HAS BEEN PREPARED BY ME, OR UNDER MY DIRECTION, IN CONFORMANCE WITH THE PROFESSIONAL LAND SURVEYORS' ACT.

Eric R Bunke

ERIC R. BUNKE, P.L.S. #8974





DATE: AUGUST 23, 2017



Exhibit B

**LAFCO No.
San Bernardino Valley Municipal Water District
Annexation No. 62 (4.81 Acres) - Tract 15921**

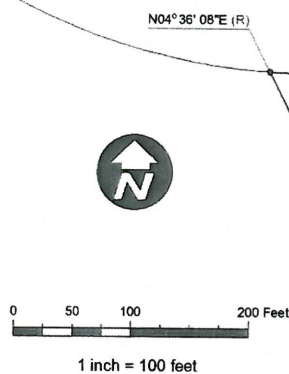
Legend

-  Proposed Annexation
-  Existing Common Boundaries Between IEUA/MWD And SBVMWD
-  Existing SBVMWD Service Area
-  Assessor Parcel Boundary

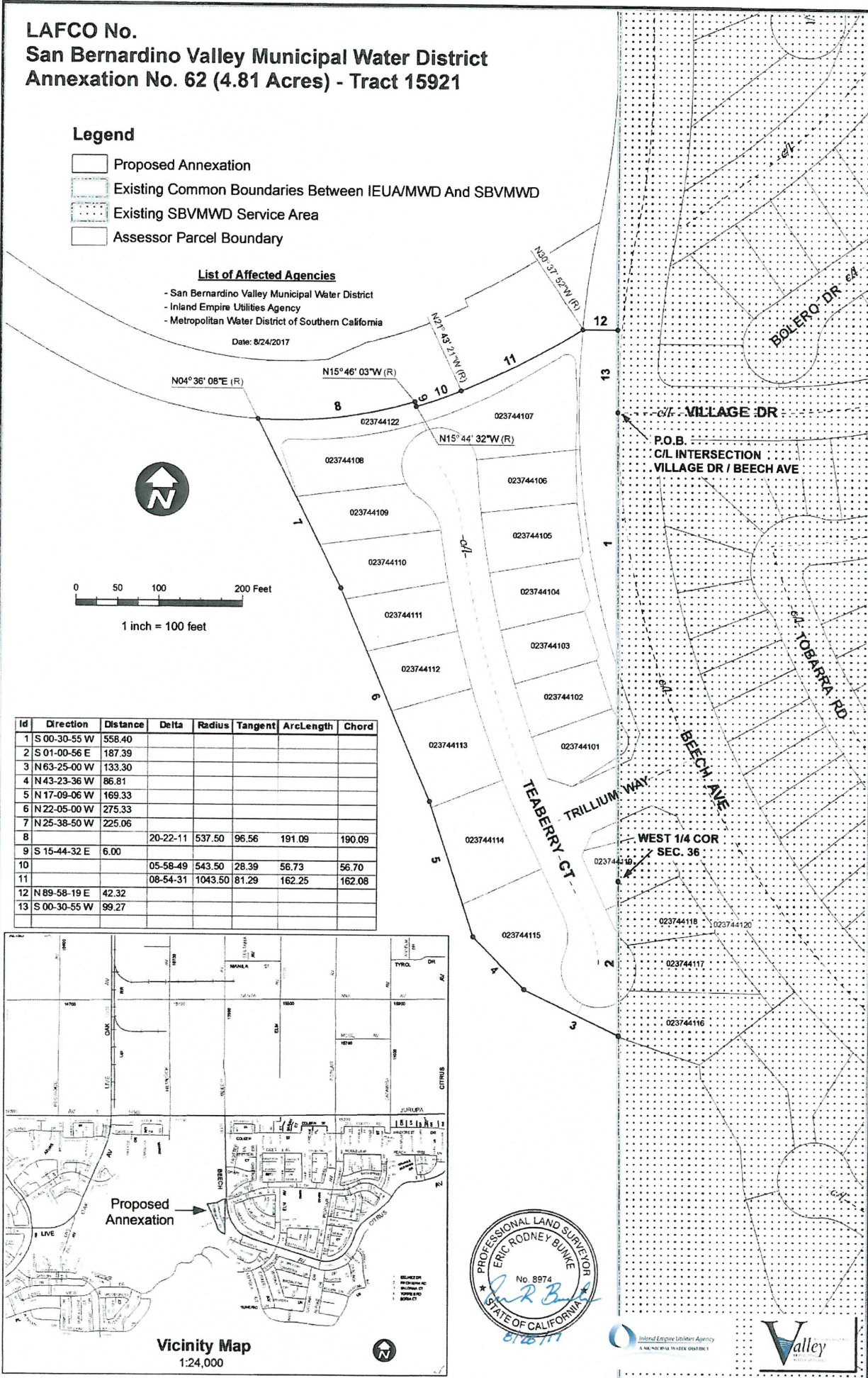
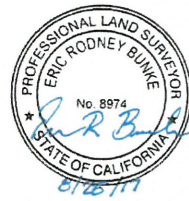
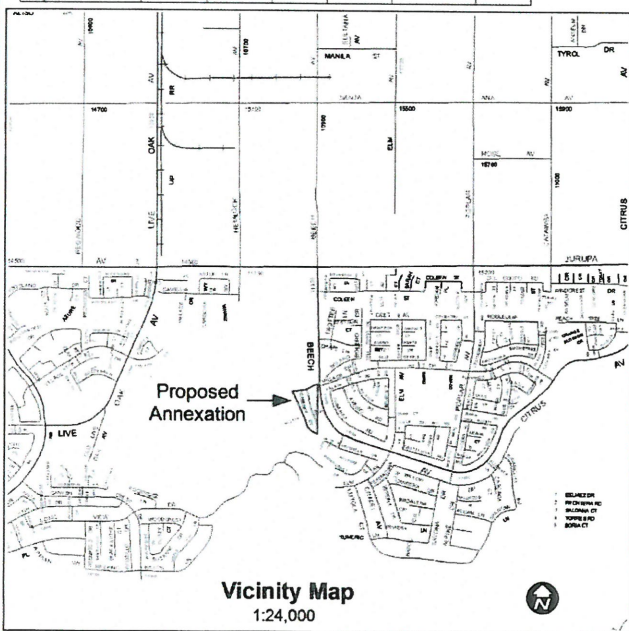
List of Affected Agencies

- San Bernardino Valley Municipal Water District
- Inland Empire Utilities Agency
- Metropolitan Water District of Southern California

Date: 8/24/2017



Id	Direction	Distance	Delta	Radius	Tangent	ArcLength	Chord
1	S 00-30-55 W	558.40					
2	S 01-00-56 E	187.39					
3	N 63-25-00 W	133.30					
4	N 43-23-36 W	86.81					
5	N 17-09-06 W	169.33					
6	N 22-05-00 W	275.33					
7	N 25-38-50 W	225.06					
8			20-22-11	537.50	96.56	191.09	190.09
9	S 15-44-32 E	6.00					
10			05-58-49	543.50	28.39	56.73	56.70
11			08-54-31	1043.50	81.29	162.25	162.08
12	N 89-58-19 E	42.32					
13	S 00-30-55 W	99.27					

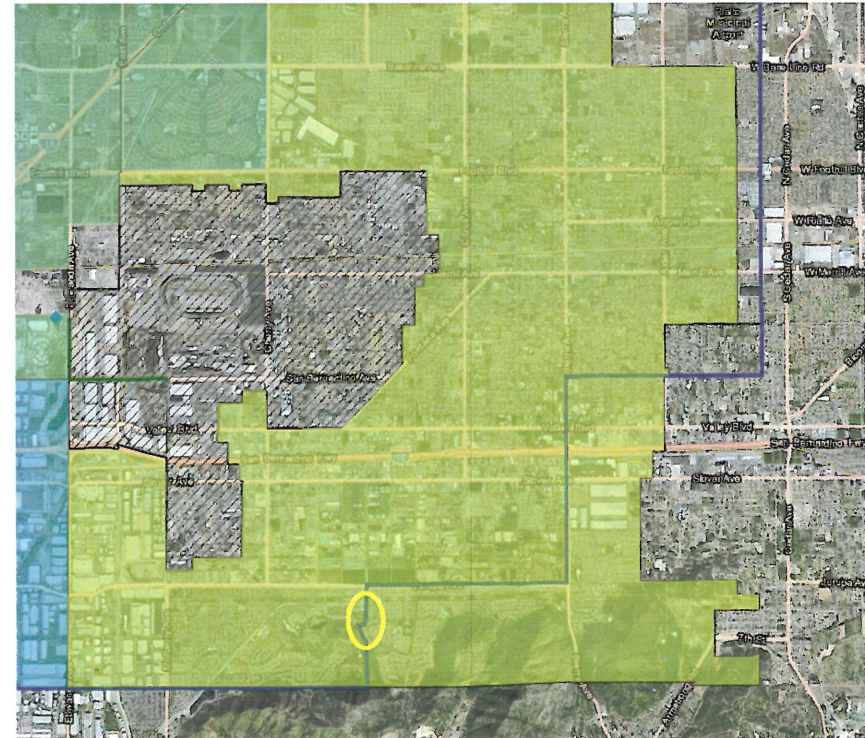


IEUA-San Bernardino Valley Municipal Water District Sphere Adjustment & Reorganization



Background

- San Bernardino Local Area Formation Commission (LAFCO) Countywide Service Review for Water – July 19, 2017
 - Boundary discrepancy identified
 - Located in Southern Fontana (Beech Ave)
 - Property tax bills - San Bernardino Valley Municipal Water District (SBVMWD) debt service charge instead of IEUA



IEUA-Valley District Area

- 18 Single Family Homes – 4.81 Acres
- Water service provided by Fontana Water Company
- Sewer service provided by City of Fontana



Next Steps

- LAFCO/Metropolitan Water District Recommendation:
 - Correct boundary discrepancy
 - IEUA and SBVMWD Joint Application Submittal
 - Adopt dual resolutions requesting LAFCO to initiate process to correct boundary
 - SBVMWD Resolution adopted on December 5, 2017
 - Property tax bills remain unchanged
 - No impact to water billing for Fontana Water Company
 - No impact to City of Fontana sewer billing (homes already billed Extra-Territorial rate)

Recommendation


- Adopt Resolution No. 2017-12-2, requesting LAFCO to initiate a sphere adjustment and reorganization of the area to detach the 4.81 acres from IEUA and annex into SBVMWD.

The adoption of the IEUA-San Bernardino Valley Municipal Water District Sphere Adjustment & Reorganization Resolution is consistent with **IEUA's Business Goal of Business Practices** by jointly working with SBVMWD and LAFCO to update an identified boundary discrepancy.

**ACTION
ITEM
11**

Date: December 20, 2017

To: The Honorable Board of Directors

From:  Halla Razak, General Manager

Committee: Engineering, Operations & Water Resources

12/13/17

Executive Contact: Chris Berch, Executive Manager of Engineering/AGM

Subject: Regional Pretreatment Agreement with the City of Fontana

Executive Summary:

Pretreatment program activities are currently governed by regional pretreatment agreements between IEUA and its contracting agencies. While IEUA is the Control Authority having overall responsibility for administration and oversight of the regional pretreatment program, the City of Fontana is one of two cities that has been managing its own pretreatment program on behalf of IEUA. In August 2017, the City of Fontana approached IEUA and requested that IEUA provide the pretreatment program services for all Significant Industrial Users (SIUs) in the City. The City currently has one (1) SIU and three (3) zero waste industrial dischargers that would be managed by this agreement. The proposed agreement would not create a significant change to IEUA's existing pretreatment program, and will benefit the region by further consolidating pretreatment program activities. IEUA General Counsel has reviewed and approved this agreement as to form.

Staff's Recommendation:

It is recommended that the Board of Directors:

1. Approve the Regional Pretreatment Agreement (Agreement) between IEUA and the City of Fontana; and
2. Authorize the General Manager to execute the Agreement, subject to non-substantive changes.

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

Account/Project Name:

Fiscal Impact (explain if not budgeted):

Prior Board Action:

On December 7, 2005, the Board of Directors approved the Regional Pretreatment Agreement with the City of Fontana.

Environmental Determination:

Not Applicable

Business Goal:

The Regional Pretreatment Agreement between IEUA and the City of Fontana is consistent with IEUA's Business Goal of Environmental Stewardship by meeting federal, state and local pretreatment regulations within the IEUA service area and safeguarding public health and the environment.

Attachments:

Attachment 1 - Background

Attachment 2 - Agreement No. 4600002413

Background

Subject: Regional Pretreatment Agreement with the City of Fontana

In 1994, the Inland Empire Utilities Agency (formerly Chino Basin Municipal Water District) and the Contracting Agencies amended the Regional Sewerage Service Contract with a supplemental agreement known as the Regional Pretreatment Agreement. The Regional Pretreatment Agreement required each contracting agency, in accordance with Federal and State pretreatment regulations, to adopt and enforce ordinances establishing regulations for industrial users of the community sewer system. The Regional Pretreatment Agreement also provided IEUA the legal authority to regulate industrial dischargers tributary to the Regional Sewer System, including but not limited to discharges from Significant Industrial Users (SIUs).

In 2005, the Pretreatment Agreement was amended as a result of a Pretreatment Compliance Audit from the Regional Water Quality Control Board (Regional Board). The Regional Board found a lack of uniformity among the contracting agencies' pretreatment programs and required that IEUA become the control authority for administration and oversight of the regional pretreatment program. To comply with this requirement, separate agreements were executed between IEUA and each of the contracting agencies to clearly define roles and responsibilities. Under the revised agreements, IEUA is the lead agency for pretreatment program activities for five of the seven contracting agencies. The Cities of Fontana and Chino continue to conduct pretreatment activities on behalf of IEUA.

In August 2017, the City of Fontana (City) approached IEUA to conduct pretreatment program activities in the City. IEUA would provide the same level of service that is provided to the other contracting agencies at no cost to the City. These services would include management and operation of the industrial wastewater pretreatment program for all the City's industries that are classified as SIUs. An SIU is any industry that:

- Is subject to Categorical Pretreatment Standards under 40 CFR 403.6
- Discharges wastewater at an average of 25,000 gallons per day
- Contributes a process wastestream that makes up 5% or more of the average dry weather hydraulic or organic capacity of the treatment plant
- Has the reasonable potential for adversely affecting treatment plant operations

The City currently has only one (1) SIU and three (3) zero waste industrial dischargers that would be managed by this agreement.

The proposed agreement would not create a significant change to IEUA's existing pretreatment program, and will benefit the region by further consolidating pretreatment program activities. IEUA would take the lead role in reviewing and approving discharge permits that are issued to SIUs and in conducting inspecting, monitoring and enforcement activities for these businesses. The City will continue to implement its pretreatment program for non-significant industrial users. The term of the agreement will continue until the Regional Pretreatment Agreement is amended or terminated by both parties. This is the same condition that is in the current agreement.

INLAND EMPIRE UTILITIES AGENCY
AGREEMENT NUMBER: 4600002413
FOR
INDUSTRIAL WASTEWATER PRETREATMENT PROGRAM SERVICES

This AGREEMENT (the "Agreement"), is made and entered into this 14th day of November, 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 the City of Fontana, California, (hereinafter referred to as "City") to provide industrial wastewater pretreatment program (hereinafter referred to as "Program") services.

RECITALS

WHEREAS, it is the intent of both parties to this Agreement, that this Agreement is set forth to establish the responsibilities of each Party with respect to compliance with the National Pollutant Discharge Elimination System (NPDES) Industrial Wastewater Pretreatment Program, administered by the Regional Water Quality Control Board, Santa Ana Region (RWQCB), by the authorities granted under the Federal Clean Water Act (CWA) and its 1987 amendments under the Water Quality Act (WQA); and

WHEREAS, Congress in 1982 adopted the Federal Clean Water Act (33 U.S.C.A. 1342(p)), to require the Federal Environmental Protection Agency to promulgate regulations for permits under the NPDES program for Publicly-Owned Treatment Works (POTW) for the discharge of effluent into waters of the USA; and

WHEREAS, Agency owns and operates regional water recycling plants that are regulated in accordance with NPDES permit issued by the RWQCB, and which are subject to discharge limitations and requirements; and

WHEREAS, said permit regulations and discharge limitations require the control and restriction of the discharge of industrial wastewater, and imposes pretreatment requirements on Significant Industrial Users ("SIUs"); and

WHEREAS, the Agency has NPDES Permit No. CA 8000409, Order No. R8-2015-0036 for the Agency's Regional Water Recycling Plants Nos. 1, 4, and 5 and Carbon Canyon Water Recycling Facility, specifically require the Agency to implement pretreatment regulations in all jurisdictions tributary to these regional plants; and

WHEREAS, the Agency and the City have entered into a regional sewerage service contract in 1972, renewed and amended the agreement in 1984; and

WHEREAS, on October 19, 1994, the regional sewerage service contract was further amended with a supplemental agreement known as the Regional Pretreatment Agreement (RPA) regarding the administration of the industrial wastewater pretreatment program; and

WHEREAS, on November 15, 2005, the City Council authorized a cooperative implementation of required powers and responsibilities for the management and operation of the industrial pretreatment program for all the City's SIUs (Agreement No. ASP05085; and

WHEREAS, the parties desire to amend and supplement the RPA and supercede Agreement No. ASP05085; and

WHEREAS, on November 14, 2017, the City Council took action to authorize the Agency to provide the management and operation of the industrial wastewater pretreatment program for all the City's SIUs; and

WHEREAS, on _____, 2017, the Agency's Board of Directors authorized the execution of subject Agreement with the City whereby the Agency will provide pretreatment program services necessary to regulate SIUs in the City, and

WHEREAS, unless otherwise defined herein, terms relating to water, wastewater, pretreatment facilities, pretreatment standards and pretreatment requirements, shall have the same meaning as defined in the Regional Pretreatment Agreement adopted on October 19, 1994.

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

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

1. Amendments to Agreement No. 4600002413
2. Agreement No. 4600002413 General Terms and Conditions.
3. Regional Pretreatment Agreement.

The Agency and City services and responsibilities shall include and be in accordance with the following:

Section 1. Scope of Work and Services

- 1.1 The City shall have the responsibility to identify, locate, and correctly categorize all SIUs existing within its jurisdiction. The City shall furnish a list of SIUs to the Agency, and immediately report to the Agency, any and all SIU list adjustments.
- 1.2 The Agency shall have the responsibility of implementing and conducting Program functions for all City SIUs, including responsibility for undertaking the tasks listed in the RPA Section 3.2(b) through 3.2(i), and RPA Section 3.2(k) through 3.2(m).
- 1.3 Prior to approval of any project plans by the City that are subject to national categorical pretreatment standards, or have the potential for classification as an SIU, the City shall submit, for review and approval by the Agency, sewer and plumbing plans for SIU development and tenancies or occupancies.
- 1.4 The Agency shall be responsible for the development and issuance of industrial wastewater discharge permits, as required under RPA Section 4, for industrial wastewater dischargers who are determined by the City to be SIUs.
- 1.5 The Agency shall be responsible for the inspection, surveillance and monitoring of all SIUs pursuant to RPA Section 5, and for serving in other such roles and providing those related functions for SIUs as otherwise required of the City under RPA Section 5.
- 1.6 The Agency shall be responsible for developing, implementing and revising, as necessary, an enforcement response plan, in full compliance with all Federal and State pretreatment requirements. The Agency shall assume the role and responsibilities of the City identified under RPA Section 3.2(j) (1-4) and shall not take enforcement action against the City pursuant to RPA Section 3.3.
- 1.7 The Agency shall be responsible for the preparation of an annual operating budget for Pretreatment Program activities as specified in 40 CFR 403.8. The budget year shall coincide with the City's fiscal year; i.e., July 1 through June 30. The Pretreatment Program activities will be performed by the Agency at no cost to the City.
- 1.8 The Agency shall be responsible for the preparation and submittal of SIU compliance reports to the RWQCB, as well as preparing and submitting all other respective reports as specified in Title 1, Chapter 40 CFR Part 403.12 and RPA Section 6.1, and will provide copies of same to the City.

- 1.9 The Agency shall immediately notify and advise the City upon the Agency becoming aware of any SIU discharge that constitutes a threat to the health and welfare of the general public or environment within the City, or that may cause the City to violate the wastewater limitations imposed by the Agency on City sewage.
- 1.10 The Agency and City shall divide equally, or as otherwise agreed any civil, or criminal fines and penalties payable by SIUs. In the event of an award of damages or an award of costs incurred by either the Agency or City, the damages shall be paid to the Agency or City whose facilities or processes incurred the damage and the costs reimbursed to the Agency or City that incurred such costs, as may be appropriate.
- 1.11 When requested by the Agency, the City shall provide assistance, to the fullest extent reasonable, in any and all Program activities to the Agency, at no expense to the Agency.

Section 2. Term

The term of this Agreement shall extend from the date of approval, and terminate on the same effective date as the termination of the RPA, as established and in effect the date of this Agreement, unless agreed to by the Agency and City, reduced to writing, and amended to this Agreement.

Section 3. Legal Relations and Responsibilities

3.1 Observing Laws and Ordinances:

The Agency and City shall keep themselves 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 by the Agency under this Agreement, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. The Agency 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 City, 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 Agency or its employees.

3.2 Indemnification:

Each party agrees to protect, defend, indemnify, and hold harmless the other party and its officers, directors, agents, employees, 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/or the City) and damage to property, directly or indirectly out of the negligent act or omission of the parties, their agents, officers or employees in the performance of this Agreement.

Each party agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands or suit at their sole expense.

3.3 Attorneys' Fees:

In the event an action is commenced by a party to this Agreement against the other to enforce its rights or obligations arising from this Agreement, the prevailing party in such action, in addition to any other relief and recovery ordered by the court or arbitration, shall be entitled to recover all statutory costs, plus reasonable attorneys' fees.

Section 4. Notices

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

Agency: General Manager
Inland Empire Utilities Agency
P.O. Box 9020
Chino Hills, CA 91709

City: Public Works Director
City of Fontana
16489 Orange Way
Fontana, California 92335

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.

Section 5. Successors and Assigns

All terms, conditions and provisions of this Agreement shall insure to the benefit of and be binding upon the Agency, City, and their respective successors and assigns. Notwithstanding the foregoing, no assignment of the duties or benefits of either party under this Agreement may be assigned, transferred, or otherwise disposed of without the prior written consent of the other party; and any such

purported or attempted assignment, transfer, or disposal without the prior written consent of the other party shall be null, void, and of no legal effect whatsoever.

Section 6. Integration

The Agreement Documents referenced in ORDER OF PRECEDENCE, of this document represent the entire Agreement between the Agency and the City 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 Agreement Documents. This Agreement may not be modified, altered, or amended except by written mutual agreement by the Agency and the City.

Section 7. Governing Law

This Agreement is to be governed by and constructed in accordance with the laws of the State of California.

Section 8. Relationship of Agreements

This Agreement amends and supplements the RPA dated October 19, 1994, and supersedes Agreement Number ASP05085.

Section 9. Consent to Breach Not Waiver

No term or provision of this Agreement shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing to the other party. Any waiver or consent by either party for a breach by the other, whether expressed or implied, shall not constitute a waiver, consent or excuse for any other existing or subsequent breach.

Section 10. Force Majeure


Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, and acts of God.

IN WITNESS WHEREOF, the Agency and City have executed this Agreement to be entered as of the day and year written above.

Inland Empire Utilities Agency:

City of Fontana:

P. Joseph Grindstaff (Date)
General Manager



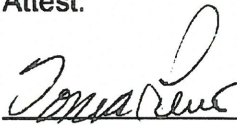
Kenneth R. Hunt (Date) 11/27/17
City Manager

General Counsel (Date)



City Attorney (Date) 11/28/2017

Attest:

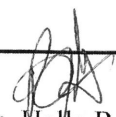


City Clerk (Date) 11/28/17

INFORMATION
ITEM
2A

Date: December 20, 2017

To: The Honorable Board of Directors


From: Halla Razak, General Manager

Committee: Engineering, Operations & Water Resources

12/13/17

Executive Contact: Chris Berch, Executive Manager of Engineering/AGM

Subject: Septic to Sewer Feasibility Study Update

Executive Summary:

In April 2016, the Board awarded a contract to RMC Water & Environment (RMC) to perform a feasibility study to convert the septic tanks in the IEUA service area to sewer. The study includes evaluating the service area and ranking specific conversion projects (also called Sewer Service Regions (SSRs)) based on criteria such as cost effectiveness (grant funding), sewer capacity analysis, associated costs, economic benefits, and etc.

A preliminary screening was performed of the service area and found there were approximately 22,000 parcels with septic systems. RMC identified questionable septic system parcels and with the assistance of the contracting agencies, were able to refine the dataset to clarify the service area to have approximately 21,000 septic system parcels (approximately 18,000 residential). RMC has generated fact sheets for each SSR along with cost estimates that are currently being reviewed by the contracting agency representatives. The projected cost estimates for each contracting agency are attached in the PowerPoint.

RMC is currently drafting the final feasibility study and implementing contracting agency comments. The feasibility study is scheduled to be completed December 2017.

Staff's Recommendation:

This is an information item for the Board of Directors to receive and file.

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

Account/Project Name:

N/A

Fiscal Impact (explain if not budgeted):

Prior Board Action:

On April 20, 2016 the Board of Directors approved the professional services contract for the Septic to Sewer Feasibility Study to RMC Water and Environment for the not-to-exceed amount of \$286,813.

Environmental Determination:

Statutory Exemption

CEQA exempts a variety of projects from compliance with the statute. This project qualifies for a Statutory Exemption as defined in Section 15262 of the State CEQA Guidelines.

Business Goal:

The Septic to Sewer Feasibility Study aligns with the Agency's Business Goal of Water Reliability by protecting groundwater quality, supporting new supplies, the recycled water program, and the groundwater recharge program.

Attachments:

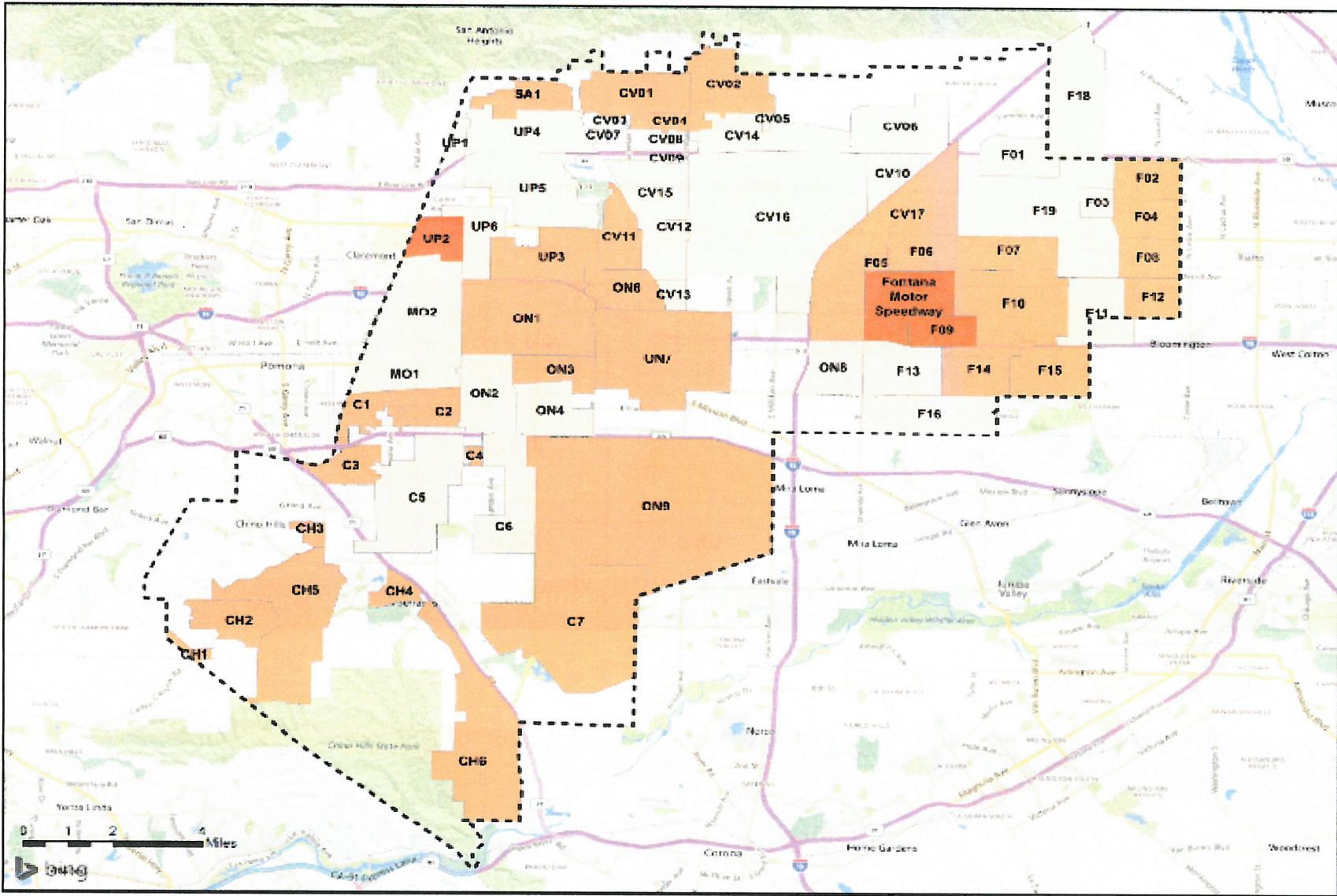
Attachment 1 - PowerPoint

Septic to Sewer Feasibility Study Update



Project Update

- **Septic Parcels and Project Grouping**
 - 21,000 Septic System Parcels within IEUA service area
 - 18,000 parcels are residential
- **Prioritization of Projects**
 - Cost estimates generated for each contracting agency
- **Grant Funding Opportunities**
 - Prop 1 Groundwater Grant Program
 - SAWPA IRWM Program



Septic to Sewer Conversion Study

Sewer Service Region
Prioritization

--- IEUA Service Area

SSR Prioritization

Weighted Score

- Low (0 - 1.0)
- Medium (1.5 - 3.5)
- High (4.0 - 5.0)



Service Layer Credits: © 2017 ESRI. © 2017 Microsoft Corporation

Project Update – Cost Summary

	Chino	Chino Hills	CVWD	Fontana	Montclair	Ontario	Upland*	Total
# of Septic Systems	1,887	625	4,689	11,352	511	685	1,626	21,375
Total Estimated Cost**	\$116M	\$70M	\$319M	\$627M	\$25M	\$69M	\$92M	\$1.3B
Estimated Cost/Septic Tank	\$61K	\$101K	\$68K	\$53K	\$50K	\$105K	\$57K	--

* Includes San Antonio Heights

** Includes Construction, IEUA Connection Fee and Contracting Agency Sewer Impact Fees

Next Steps

- Prioritization of projects based on Cost Estimates for grant funding
- Draft Feasibility Study for Contracting Agency Comment
- Finalization of Septic to Sewer Feasibility Study – December 2017

INFORMATION

ITEM

2B

Upper Santa Ana River Habitat Conservation Plan & Integrated River Model Update



Santa Ana River Integrated Model

- Goal: maintain habitat and river functionality
 - Integrate hydraulic models from Chino Basin Watermaster, Orange County Water District, San Bernardino Valley Municipal Water District, and Western Municipal Water District
 - Predict the SAR flow (groundwater/surface water interaction)
 - Analysis of HCP project impacts on river

*The Upper Santa Ana River Habitat Conservation Plan and Integrated River Model are consistent with the Agency's Business Goal of **Water Reliability** specifically the Water Supplies objective where IEUA will support the region with the development of reliable, resilient and sustainable water supplies from diverse sources.*

INFORMATION

ITEM

2C

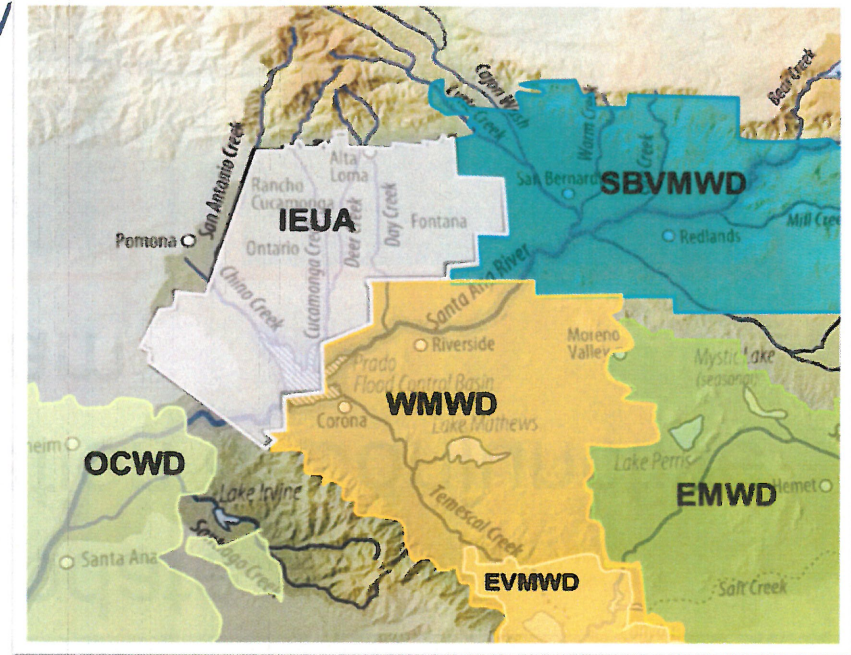
SARCCUP Update

Santa Ana River Conservation & Conjunctive Use Program



Santa Ana River Conservation and Conjunctive Use Program (SARCCUP)

- Five SAWPA Agency Project to increase supply reliability
- \$100M (\$55M Grant, \$9M Local Cost Share)
- 180,000 AF Groundwater Storage
- Habitat Improvement and WUE



Initial vs. Recommended Program

Initial Program

- 180k acre-foot total storage
 - Chino 96k AF
 - WMWD 4.5k AF
 - SBVMWD 60k AF
 - EMWD 19.5k AF
- Baseline Feeder Extension
- Service turnouts
- Rehab of existing wells

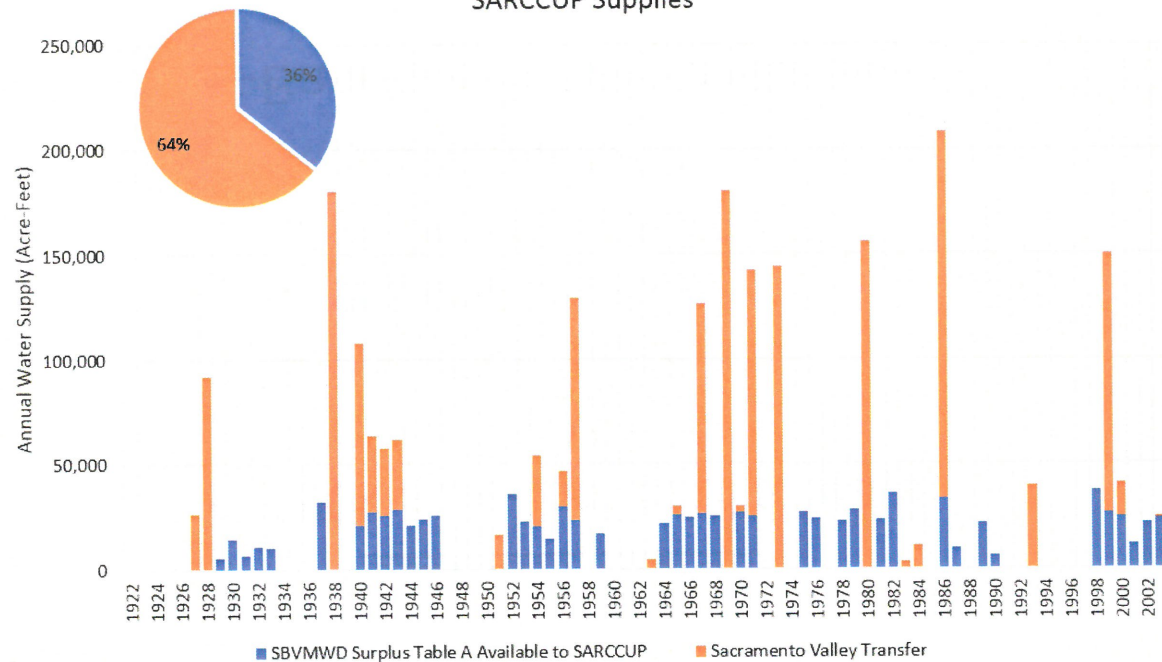
Current Program

- 180k acre-foot total storage
 - Chino 50k AF
 - WMWD 10.5k AF
 - SBVMWD 64k AF
 - EMWD 19.5k AF
 - OCWD 36k AF
- ~~Baseline Feeder Extension~~
- ~~Service turnouts~~
- ~~Rehab of existing wells~~
- New wells and treatment

SARCCUP Challenges

- Storage management within Chino Basin
- Access to SWP conveyance
- MWD policy impacts to SARCCUP operations
- Cost sharing on capital and O&M
- Cost of supply

SARCCUP Supplies



Next Steps

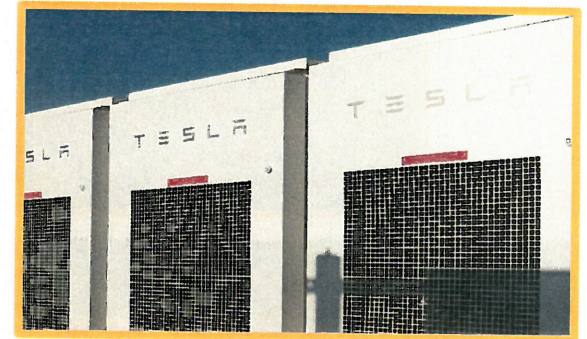
- GM Meeting: November 28, 2017
- SAWPA PA23 Meeting: December 5, 2017

INFORMATION

ITEM

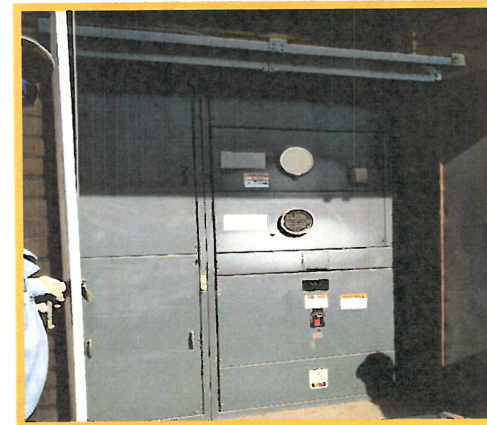
2E

Engineering and Construction Management Project Updates

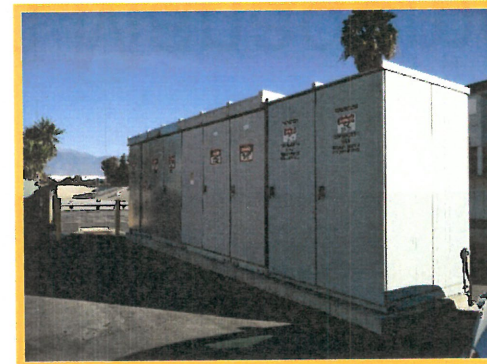


EN13048 – RP-1 Power System Upgrades

- Design Engineer: Tetra Tech
- Current Contract (Design): \$435 K
- Total Project Budget: \$1.6 M
- Project Completion: August 2018
- Percentage Complete: Design is 95% complete
- Scope of Work:
 - Upgrade and install power capacity to the RP-1 Site
 - Replace switchboard and disconnects
- Current Activities:
 - Finalize the construction bid package
- Focus Points:
 - Finalizing the plan for the tie-in and temporary shutdown



480V Switchgear To be Replaced



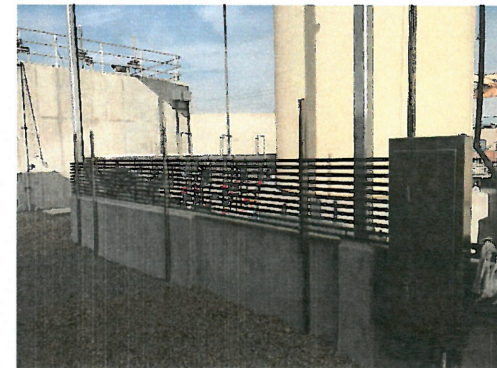
Two 12kV Switchboard Sections Will Be Added

EN14018 – RP-4 Disinfection Facility Improvements

- Construction Contractor: W. A Rasic
- Current Contract (Construction): \$1.8 M
- Total Project Budget: \$2.7 M
- Project Completion: February 2018
- Percentage Complete: 85%
- Scope of Work:
 - Relocate the chemical disinfection facility
 - Install new chemical metering pumps, tanks, and pipelines
- Current Activities:
 - Installation of the electrical components
 - Paving around the secondary clarifiers
- Focus Points:
 - Plan the demolition of the existing facility
 - Plan the start-up of the new facility



New Chemical Area with Tank Pad



New Electrical Conduits to the Chemical Pumps

EN15008 – Water Quality Laboratory

- Construction Contractor: Kemp Bros Construction
- Current Contract (Construction): \$17.5 M
- Total Project Budget: \$24.6 M
- Project Completion: August 2018
- Percentage Complete: 66%
- Scope of Work:
 - Construction of new Water Quality Laboratory
 - Central Chiller Plant Expansion
 - Construction of new 25-stall parking lot
- Current Activities:
 - Composite siding, aluminum framing, glass, and coating
 - Process, heating, cooling, and refrigerant piping installation and insulation
 - Pull main electrical feeders to lab and office electrical panels
- Focus Points:
 - Central Plant cooling tower installation
 - Shutdown for electrical tie-in at existing pull box and switch board



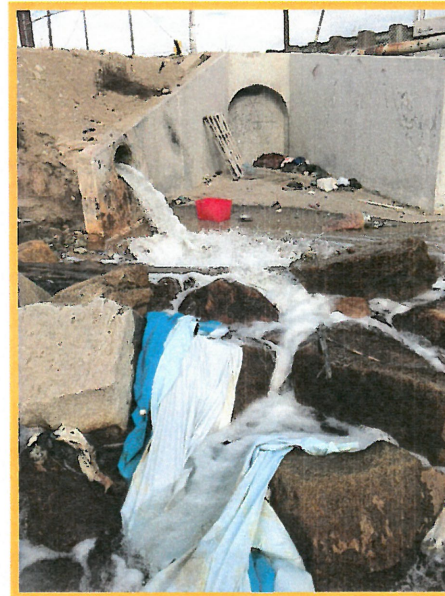
Lab Building North Side



Lab Building Entrance Canopy

EN17039 - 8th St. Basin RW Turnout Discharge Retrofit

- Design Engineer: LEE & Ro
- Current Contract (Design): \$23 K
- Total Project Budget: \$275 K
- Project Completion: January 2019
- Percentage Complete: 60%
- Scope of Work:
 - Relocate 12" recycled water pipeline from unlined channel to lined channel
 - Grade the eroded slope
- Current Activities:
 - San Bernardino Flood Control District permitting
 - Receive the final design from LEE & Ro
- Focus Points:
 - Prepare the specifications for advertisement



Trash Left by Homeless



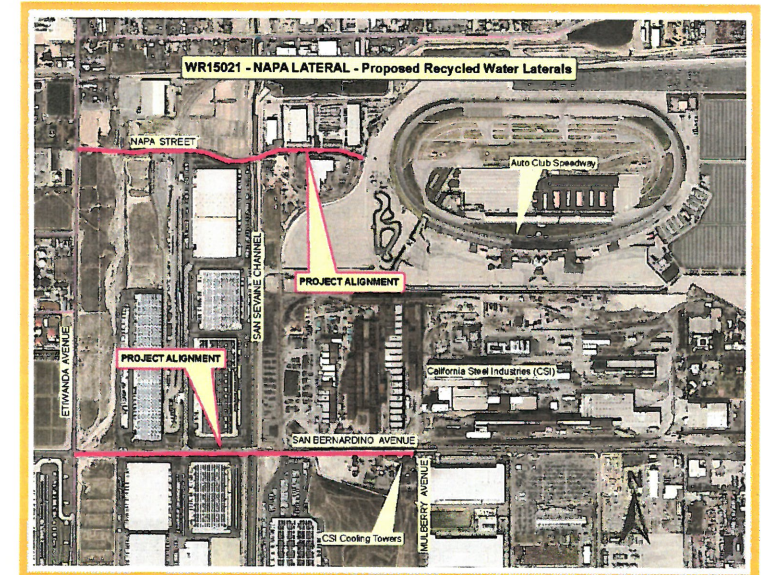
Existing Pipeline Discharge



Eroded Slopes at Unlined Channel

WR15021 – Napa Lateral

- Design/Build: TBD
- Current Contract (Design/Build): TBD
- Total Project Budget: \$6 M
- Project Completion: November 2019
- Percentage Complete: 2%
- Scope of Work:
 - Design-build approximately 10,000 linear feet of 12/16/24-inch recycled water pipelines
- Current Activities:
 - Finalize design-build specifications
 - Include updated SWRCB State Revolving Fund (SRF) requirements
- Focus Points:
 - Finalize pipe sizing
 - Coordinate SRF requirements



Plan View of Pipe Alignment