



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

**WEDNESDAY, JULY 11, 2018
9:45 A.M.**

CALL TO ORDER

PUBLIC COMMENT

Members of the public may address the Board on any item that is within the jurisdiction of the Board; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) of Section 54954.2 of the Government Code. Those persons wishing to address the Board on any matter, whether 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 June 13, 2018.

B. ENGINEERING SERVICES MASTER CONTRACTS AWARD

Staff recommends that the Committee/Board:

1. Award a three-year master service contract for Task Order/On-Call Engineering Services to GHD, Kennedy-Jenks Consulting, Stantec, Arcadis, Michael Baker International, and WSC with options for up to four one-year extensions;
2. Contracts shall be limited to a single shared aggregate not-to-exceed amount of \$15,000,000; and

3. Authorize the General Manager to execute the contracts subject to non-substantive changes.

C. RP-1 PRIMARY EFFLUENT CONVEYANCE CONSTRUCTION CONTRACT AWARD

Staff recommends that the Committee/Board:

1. Award a construction contract for the RP-1 Primary Effluent Conveyance Improvements, Project No. EN15012, to Kiewit Infrastructure West Co., in the amount of \$4,519,000;
2. Approve a contract amendment to Stantec Consulting Service Inc., for engineering services during construction for the not-to-exceed amount of \$302,500; and
3. Authorize the General Manager to execute the contract and contract amendment subject to non-substantive changes.

D. RP-1 & RP-5 EXPANSION OFFICE ENGINEER SUPPORT SERVICES CONTRACT AWARD

Staff recommends that the Committee/Board:

1. Award a consultant contract for the RP-5 Liquids Treatment Expansion, RP-5 Solids Treatment Facility, and RP-1 Capacity Recovery, Project Nos. EN19001, EN19006, EN24001, and EN24002, for office engineer support services to CDM Smith, Inc. for the not-to-exceed amount of \$1,250,000; and
2. Authorize the General Manager to execute the contract subject to non-substantive changes.

E. FORCE MAIN IMPROVEMENTS CONSULTANT CONTRACT AWARD

Staff recommends that the Committee/Board:

1. Award a consulting engineering services contract for the Force Main Improvements, Project Nos. EN23002 and EN19025, to GHD for a not-to-exceed amount of \$873,696; and
2. Authorize the General Manager to execute the consulting engineering services contract subject to non-substantive changes.

F. CHINO BASIN WATER BANK PROFESSIONAL SERVICES CONTRACT AMENDMENT

Staff recommends that the Committee/Board:

1. Approve budget amendments of \$450,000 for the Chino Basin Water Bank Program, Project No. WR18028 and corresponding reimbursements;

2. Approve a contract amendment for professional consulting services related to Arcadis U.S., Inc. for the not-to-exceed amount of \$484,584; and
3. Authorize the General Manager to execute the contract amendment subject to non-substantive changes.

G. CONTRACT AWARD FOR REGIONAL WATER RECYCLING PLANT NO. 4 PROCESS PAINTING

Staff recommends that the Committee/Board:

1. Award a service contract for the RP-4 Process Painting to Tony Painting, for a not-to-exceed amount of \$268,450; and
2. Authorize the General Manager to execute the service contract.

H. MASTER SERVICE CONTRACT FOR THE REPAIR, REBUILD, OR REFURBISHMENT OF ROTATING MACHINERY

Staff recommends that the Committee/Board:

1. Approve the award of Contract No. 4600002562 to Vaughan's Industrial Repair, Inc. to provide repair, rebuild, or refurbishment services of rotating machinery for a total aggregate not-to-exceed amount of \$1,500,000 over a three-year period, with two, one-year options to extend; and
2. Authorize the General Manager to execute the contract.

I. 8TH STREET BASIN RECYCLED WATER CONSTRUCTION CONTRACT AWARD

Staff recommends that the Committee/Board:

1. Award a construction contract for the 8th Street Basin Recycled Water Retrofit, Project No. EN17039, to Schuler Constructors in the amount of \$250,367; and
2. Authorize the General Manager to execute the construction contract subject to non-substantive changes.

J. RP-1 PIPING AND INSTRUMENTATION DIAGRAMS DEVELOPMENT CONSULTANT CONTRACT AWARD

Staff recommends that the Committee/Board:

1. Award a consulting engineering services contract for the SCADA Enterprise System, RP-1 Migration, Project No. EN13016.05, to Arcadis U.S., Inc. for a not-to-exceed amount of \$246,300; and

2. Authorize the General Manager to execute the consulting engineering services contract subject to non-substantive changes.

K. AGENCY-WIDE LIGHT POLE CONSTRUCTION CONTRACT AWARD

Staff recommends that the Committee/Board:

1. Award a construction contract for the Agency-wide Light Pole Replacement and Upgrades, Project No. EN18039, to Southern Contracting Company in the amount of \$236,700; and
2. Authorize the General Manager to execute the construction contract subject to non-substantive changes.

2. INFORMATION ITEM

A. 4th QUARTER PLANNING & ENVIRONMENTAL RESOURCES UPDATE (POWERPOINT)

B. 2017 ANNUAL REPORT OF THE PRADO BASIN HABITAT SUSTAINABILITY COMMITTEE (WRITTEN)

RECEIVE AND FILE INFORMATION ITEM

C. ENGINEERING AND CONSTRUCTION MANAGEMENT PROJECT UPDATES (POWERPOINT)

3. GENERAL MANAGER'S COMMENTS


4. COMMITTEE MEMBER COMMENTS

5. COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS

6. ADJOURN

**A Municipal Water District*

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

Proofed by: 

DECLARATION OF POSTING

I, April Woodruff, Board Secretary 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, July 5, 2018.

April Woodruff



**ACTION
ITEM
1A**



MINUTES

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

**WEDNESDAY, JUNE 13, 2018
9:45 A.M.**

COMMITTEE MEMBERS PRESENT

Michael Camacho, Chair
Kati Parker

COMMITTEE MEMBERS ABSENT

None

STAFF PRESENT

Halla Razak, General Manager
Chris Berch, Executive Manager of Engineering/AGM
Kathy Besser, Executive Manager of External Affairs & Policy Development/AGM
Christina Valencia, Executive Manager of Finance & Administration/AGM
Lucia Diaz, Facilities Program Supervisor
Connie Gibson, Executive Assistant
Joel Ignacio, Senior Engineer
Chander Letulle, Manager of Operations & Maintenance
David Mendez, Deputy Manager of Capital Improvement Program
Sapna Nangia, Senior Internal Auditor
Matthew Poeske, Construction Project Manager, P.E.
Jesse Pompa, Senior Engineer
Craig Proctor, Source Control & Environmental Resources Supervisor
Shaun Stone, Manager of Engineering
Rocky Welborn, Senior Associate Engineer
April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT

None

The meeting was called to order at 9:45 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 May 9, 2018.
- ◆ Recommended that the Board:
 1. Award the two construction contracts to James McMinn, Inc., in the amount of \$99,900 for demolition (Item 1) and \$577,905 for excavation (Item 3);

2. Reject the received bids for the basin improvements (Item 2); and
3. Authorize the General Manager to execute the contracts subject to non-substantive changes;

as a Consent Calendar Item on the June 20, 2018 Board meeting agenda.

◆ Recommended that the Board:

1. Award a three-year master service contract for labor compliance to The Solis Group with options for up to four one-year extensions;
2. Approve a two-year extension amendment to Golden State Labor Compliance, LLC;
3. Both contracts shall be limited to a single aggregate not-to-exceed amount of \$500,000;
4. Authorize the General Manager to execute the contract and amendment subject to non-substantive changes;

as a Consent Calendar Item on the June 20, 2018 Board meeting agenda.

◆ Recommended that the Board:

1. Award three-year master contracts for Emergency Construction Contractors to the following companies with four one-year extension options: Atom Engineering, Big Sky Electric, Davis Electric, Doty Brothers Equipment Company, Environmental Construction, Inc., Ferreira Construction, Genesis Construction, Humphrey Constructors, J.R. Filanc Construction Co., Inc., Kana Subsurface Engineering, KDC Inc. dba Dynaelectric, Mike Bubalo Construction, Murphy Industrial Coatings, Inc., SCW Contracting Corp., Trinity Construction, Vance Corp., W.A. Rasic Contracting, Weka, Inc., and W.M. Lyles Co.; and
2. Authorize the General Manager to execute the contracts subject to non-substantive changes;

as a Consent Calendar Item on the June 20, 2018 Board meeting agenda.

◆ Recommended that the Board:

1. Award a construction contract for the RP-5 Facility Improvement, Project No. EN18028, to GSE Construction Co., in the amount of \$126,500; and
2. Authorize the General Manager to execute the contract subject to non-substantive changes;

as a Consent Calendar Item on the June 20, 2018 Board meeting agenda.

◆ Recommended that the Board:

1. Approve a contract amendment for the SCADA Enterprise System, Project No. EN13016, to Westin Technology Solutions for a not-to-exceed amount of \$87,858; and
2. Authorize the General Manager to execute the contract subject to non-substantive changes;

as a Consent Calendar Item on the June 20, 2018 Board meeting agenda.

◆ Recommended that the Board:

1. Authorize the purchase of four Hach ammonia analyzers with necessary support equipment and services for a not-to-exceed amount of \$139,498 (including tax and delivery);
2. Authorize Southern Contracting Company to install the Hach analyzers and necessary support equipment for the not-to-exceed amount of \$55,715; and
3. Authorize the General Manager to execute the purchase and installation;

as a Consent Calendar Item on the June 20, 2018 Board meeting agenda.

◆ Recommended that the Board:

1. Amend the current Landscape Maintenance Services Contract for Brightview Landscapes, LLC for fixed pricing of \$17,339 a month, exercising the two-year extension option, for a total not-to-exceed amount of \$416,136; and
2. Authorize the General Manager to execute the amendment to the service contract;

as a Consent Calendar Item on the June 20, 2018 Board meeting agenda.

◆ Recommended that the Board:

1. Award a three-year service contract, with two one-year extension options, to Pest Option, Inc., for weed control services for a not-to-exceed amount of \$215,100 (up to a five-year contract term); and
2. Authorize the General Manager to execute the service contract;

as a Consent Calendar Item on the June 20, 2018 Board meeting agenda.

INFORMATION ITEMS

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

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

GENERAL MANAGER'S COMMENTS

There were no General Manager comments.

COMMITTEE MEMBER COMMENTS

There were no Committee member comments.

COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS

There were no Committee member requests for future agenda items.

With no further business, Director Camacho adjourned the meeting at 10:12 a.m.

Respectfully submitted,

April Woodruff
Board Secretary/Office Manager

*A Municipal Water District

APPROVED: JULY 11, 2018

**ACTION
ITEM
1B**

Date: July 18, 2018

To: The Honorable Board of Directors

From: Halla Razak, General Manager

Committee: Engineering, Operations & Water Resources

HHR
07/11/18

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

Subject: Engineering Services Master Contracts Award

Executive Summary:

The Agency's existing On-Call Engineering Master Contracts expired on June 30, 2018. The existing master contracts are an effective tool for Engineering, Maintenance, Planning, and other departments. The consultants have effectively worked on multiple IEUA projects by providing design and technical support on an "as needed" basis.

Staff solicited for consultant engineering services and received nineteen proposals on April 26, 2018. The evaluation committee composed of staff from Engineering and Construction Management and Contracts and Procurement Departments, with requests for participation sent to member agencies who were unable to assist. The evaluation committee recommends that six master contracts be awarded.

Based on historical expenditures for these services, staff recommends that the contracts share an aggregate, not-to-exceed amount of \$15,000,000. Task orders will be issued to the engineering consultants from simple letter proposals received based on the project's scope of work, the consultants approach, and the consultant's specific experience.

Staff's Recommendation:

1. Award a three-year master service contract for Task Order/On-Call Engineering Services to GHD, Kennedy-Jenks Consulting, Stantec, Arcadis, Michael Baker International, and WSC with options for up to four one-year extensions;
2. Contracts shall be limited to a single shared aggregate not-to-exceed amount of \$15,000,000; and
3. Authorize the General Manager to execute the contracts subject to non-substantive changes.

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

Account/Project Name:

Multiple capital projects and department O&M budget under various program funds.

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 projects and department operation and maintenance budgets. Thus, no separate funding is needed for these contracts.

Prior Board Action:

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. When the project will be implemented will be subject to future environmental evaluation.

Business Goal:

The Task Order/On-Call Engineering Services Master Contracts are consistent with the IEUA's Business Goal of Wastewater Management that ensures quality asset management and that systems are planned, constructed, and managed to protect public health, the environment, and meet anticipated regulatory requirements.

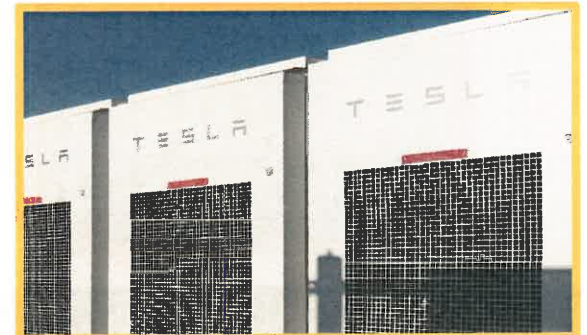
Attachments:

Attachment 1 - PowerPoint

Attachment 2 - Engineering Services Master Contracts [Click to Download](#)

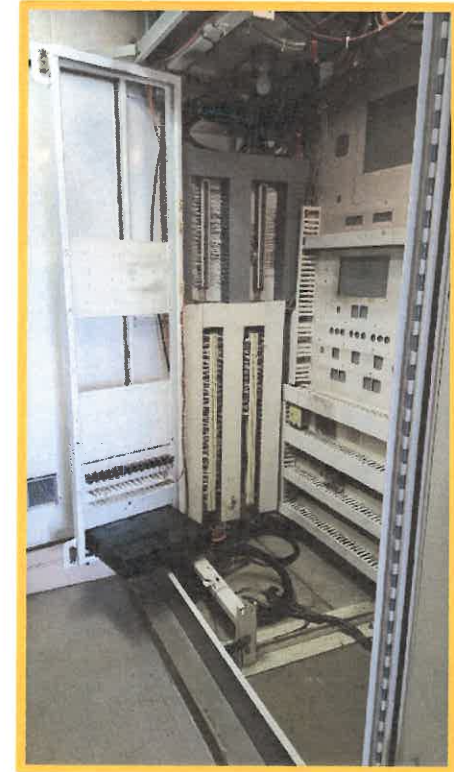
Attachment 1

Engineering Services Master Contracts Award



Project Background

- Task Order/On-Call Engineering Services
 - Similar services have been effectively used in the past and provides
 - Flexibility for Project Managers
 - Additional expertise and experience
 - Opportunity to receive innovative ideas
 - Support to IEUA's emergency and immediate needs



Control Panel

Consultant Selection

- RFQ was released April 11, 2018
- Evaluation and Selection Committee
 - Engineering and Construction Management
 - Contracts & Procurement
- Evaluation criteria for selection:
 - Project Approach and Methodology
 - Resources and Personnel
 - Completeness and clarity of required content
 - Proposal Rate/Fee schedule
 - References/Previous Projects

Proposals Received

Arcadis
Brown and Caldwell
Carollo
CDM Smith
Civiltec
CWE Corp
Dudek
GHD
HDR
Jacobs - CH2M
KEC Engineers
Kennedy-Jenks Consulting
KWC Engineers
LAN, Inc.
Lee and Ro
Michael Baker International
RMS Services- South Coast Eng Services
Stantec
WSC

Recommendation

- Award a three-year master service contract for Task Order/On-Call Engineering Services to GHD, Kennedy-Jenks Consulting, Stantec, Arcadis, Michael Baker International, and WSC with options for up to four one-year extensions;
- Contracts shall be limited to a single shared aggregate not-to-exceed amount of \$15,000,000; and
- Authorize the General Manager to execute the contracts subject to non-substantive changes.

The Task Order/On-Call Engineering Services Master Contracts is consistent with the **IEUA's Business Goal of Wastewater Management** that ensures quality asset management and that systems are planned, constructed, and managed to protect public health, the environment, and meet anticipated regulatory requirements.

**ACTION
ITEM
1C**

Date: July 18, 2018

To: The Honorable Board of Directors

From: Halla Razak, General Manager

HR

Committee: Engineering, Operations & Water Resources

07/11/18

Finance & Administration

07/11/18

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

Subject: RP-1 Primary Effluent Conveyance Construction Contract Award

Executive Summary:

Over the last several years, IEUA had several condition assessments completed that made recommendations to rehabilitate various components of the Regional Water Recycled Plant No. 1 (RP-1) primary effluent system. Starting in 2016, Stantec Consulting Services has now completed the design of the recommendations.

On June 7, 2018, IEUA received three construction bids. Kiewit Infrastructure West Co., was the lowest responsive, responsible bidder with a bid price of \$4,519,000. The construction contract award was unanimously recommended for IEUA Board approval by the Regional Technical and Policy Committees.

For continuity, the staff requests the existing contract with Stantec be amended by \$302,500 to include engineering services during construction, increasing the contract value from \$503,201 to \$805,701.

Staff's Recommendation:

1. Award a construction contract for the RP-1 Primary Effluent Conveyance Improvements, Project No. EN15012, to Kiewit Infrastructure West Co., in the amount of \$4,519,000;
2. Approve a contract amendment to Stantec Consulting Services Inc., for engineering services during construction for the not-to-exceed amount of \$302,500; and
3. Authorize the General Manager to execute the contract and contract amendment subject to non-substantive changes.

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

Account/Project Name:

EN15012.00/RP-1 Primary Effluent Conveyance Improvements

Fiscal Impact (explain if not budgeted):

None.

Prior Board Action:

On February 15, 2017, the Board of Directors awarded a consultant engineering services contract for the RP-1 Primary Effluent Conveyance Improvements, Project No. EN15012, to Stantec for the not-to-exceed amount of \$461,483.

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

Attachments:

- Attachment 1 - PowerPoint
- Attachment 2 - Construction Contract
- Attachment 3 - Consultant Engineering Amendment

Attachment 1

Regional Plant No.1 Primary Effluent Conveyance Construction Contract Award

Project No. EN15012

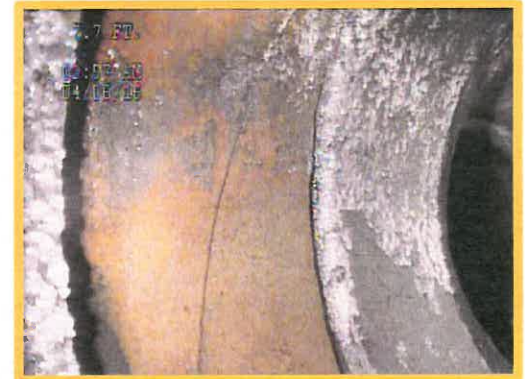


Regional Water Recycling Plant No. 1



The Project

- Primary Effluent Conveyance System
 - Distressed diversion structure
 - Corroded concrete surfaces
 - Exposed aggregate and reinforcing steel
- Scope includes:
 - Replace diversion structure
 - Replace and upsize related piping
 - Rehabilitate and apply coating at effluent channel
 - Diversion structure
 - Wet well
 - Piping



Minor Fracture within the 36" Piping



Distressed Diversion Structure

Contractor Selection

Three bids were received on June 7, 2018:

Bidder's Name	Final Bid Amount
Kiewit Infrastructure West Co.	\$4,519,000
J.F. Shea Construction, Inc.	\$5,182,902
Norstar Plumbing & Eng., Inc.	\$8,413,000
Engineer's Estimate	\$4,500,00

Project Budget and Schedule

Description	Estimated Cost
Design Services	\$676,004
Design Contract	\$503,201
IEUA Design Services (actuals)	\$172,803
Construction Services	\$500,000
Engineering Services During Construction (~6%)(this action)	\$302,500
IEUA Construction Services (~4%)	\$197,500
Construction	\$4,970,900
Construction Contract (this action)	\$4,519,000
Contingency (10%)	\$451,900
Total Project Cost	\$6,146,904
Total Project Budget	\$6,676,004

Project Milestone	Date
Construction	
Construction Contract Award	July 2018
Construction Completion	April 2019

Recommendation

1. Award a construction contract for the RP-1 Primary Effluent Conveyance Improvements, Project No. EN15012, to Kiewit Infrastructure West Co., in the amount of \$4,519,000;
2. Approve a contract amendment to Stantec Consulting Services Inc., for engineering services during construction for the not-to-exceed amount of \$302,500; and
3. Authorize the General Manager to execute the contract and contract amendment subject to non-substantive changes.

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

Attachment 2

1.0 CONTRACT

THIS CONTRACT, made and entered into this 18 day of July, 2018, by and between Kiewit Infrastructure West Co., hereinafter referred to as "Contractor," and The Inland Empire Utilities Agency, a Municipal Water District, located in San Bernardino County, California, hereinafter referred to as "Agency".

WITNESSETH:

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

1. Contractor agrees to perform and complete in a workmanlike manner, all work required under the bidding schedule of said Agency's specifications entitled SPECIFICATIONS FOR RP-1 Primary Effluent Conveyance Improvements Project EN15012, 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 \$ Four Million, Five Hundred Nineteen Thousand Dollars

and Zero Cents.

If this is not a lump sum bid and the contract price is dependent upon the quantities constructed, the Agency will pay and said Contractor shall receive, in full compensation for the work the prices named in the Bidding and Contract Requirements, Section C - Bid

Forms.

4. **The Agency hereby employs the Contractor to perform the work according to the terms of this Contract for the above-mentioned price(s), and agrees to pay the same at the time, in the manner, and upon the conditions stipulated in the said specifications; and the said parties for themselves, their heirs, executors, administrators, successors, and assigns, do hereby agree to the full performance of the covenants herein contained.**
5. **The Notice Inviting Bids, Instructions to Bidders, Bid Forms, Information Required of Bidder, Performance Bond, Payment Bond, Contractors License Declaration, Specifications, Drawings, all General Conditions and all Special Conditions, and all addenda issued by the Agency with respect to the foregoing prior to the opening of bids, are hereby incorporated in and made part of this Contract, as if fully set forth.**
6. **The Contractor agrees to commence work under this Contract on or before the date to be specified in a written "Notice To Proceed" and to complete said work to the satisfaction of the Agency within two hundred eighty (280) calendar days after award of the Contract. All work shall be completed before final payment is made.**
7. **Time is of the essence on this Contract.**
8. **Contractor agrees that in case the work is not completed before or upon the expiration of the contract time, damage will be sustained by the Agency, and that it is and will be impracticable to determine the actual damage which the Agency will sustain in the event and by reason of such delay, and it is therefore agreed that the Contractor shall pay to the Agency the amount of four thousand (\$4,000) dollars for each day of delay, which shall be the period between the expiration of the contract time and the date of final acceptance by the Agency, as liquidated damages and not as a penalty. It is further agreed that the amount stipulated for liquidated damages per day of delay is a reasonable estimate of the damages that would be sustained by the Agency, and the Contractor agrees to pay such liquidated damages as herein provided. In case the liquidated damages are not paid, the Contractor agrees that the Agency may deduct the amount thereof from any money due or that may become due to the Contractor by progress payments or otherwise under the Contract, or if said amount is not sufficient, recover the total amount.**
9. **In addition to the liquidated damages, which may be imposed if the Contractor fails to complete the work within the time agreed upon, the Agency may also deduct from any sums due or to become due to the Contractor, penalties and fines for violations of applicable local, state, and federal law.**
10. **That the Contractor will pay, and will require subcontractors to pay, employees on the work a salary or wage at least equal to the prevailing salary or wage established for such work as set forth in the wage determinations and wage standards applicable to this work, contained in or referenced in the contract documents.**
11. **That, in accordance with Section 1775 of the California Labor Code, Contractor shall forfeit to the Agency, as a penalty, not more than Fifty (\$50.00) Dollars for each day, or portion thereof, for each worker paid, either by the Contractor or any subcontractor, less**

than the prevailing rates as determined by the Director of the California Department of Industrial Relations for the work.

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

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

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

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

By _____
General Manager

Contractor
Kiewit Infrastructure West Co.

By Eric M. Scott
Title
Eric M. Scott, Senior Vice President

*Municipal Water District

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 Los Angeles }

On July 18, 2018 before me, Monica Barbosa, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Eric M. Scott, Senior Vice President
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.



Place Notary Seal and/or Stamp Above

Signature Monica Barbosa
Signature of Notary Public

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: Contract

Document Date: July 18, 2018 Number of Pages: 4

Signer(s) Other Than Named Above: No other signers

Capacity(ies) Claimed by Signer(s)

Signer's Name: Eric M. Scott

Corporate Officer – Title(s): Senior Vice President

Partner – Limited General

Individual Attorney in Fact

Trustee Guardian of Conservator

Other: _____

Signer is Representing: Kiewit Infrastructure West Co.

Signer's Name: _____

Corporate Officer – Title(s): _____

Partner – Limited General

Individual Attorney in Fact

Trustee Guardian of Conservator

Other: _____

Signer is Representing: _____

Attachment 3



CONTRACT AMENDMENT NUMBER: 4600002268-004
FOR
CONSULTING ENGINEERING SERVICES
FOR THE
RP-1 PRIMARY EFFLUENT CONVEYANCE IMPROVEMENTS,
PROJECT Nos. EN15012 AND EN15012.01

THIS CONTRACT AMENDMENT FOUR is made and entered into this _____ day of _____, 2018, 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 Stantec Consulting Services Inc. with offices located in Irvine, California and Denver, Colorado (hereinafter referred to as "Consultant"), for design and construction services for the RP-1 Primary Effluent Conveyance Improvements Project Numbers EN15012 and EN15012.01, and shall revise the Contract as amended:

SECTION 4.. SCOPE OF WORK AND SERVICES, IS REVISED TO ADD: Additional Consultant services and responsibilities shall include and be in accordance with tasks proposed by Consultant on March 27, 2018, which is attached hereto, incorporated herein, and made a part hereof by this reference as **Exhibit 1**.

SECTION 6.. COMPENSATION, IS REVISED TO ADD THE FOLLOWING PARAGRAPH: As compensation for the additional work performed under this Amendment, IEUA shall pay Consultant, as attached hereto and made a part hereof, up to the **not-to-exceed maximum of \$1,037,701.00** (This includes the additional sum of \$302,500.00 in accordance with **Exhibit 1**.)

ALL OTHER PROVISIONS OF THIS CONTRACT REMAIN UNCHANGED.

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

INLAND EMPIRE UTILITIES AGENCY:
(A Municipal Water District)

STANTEC CONSULTING SERVICES INC.:

Halla H. Razak
General Manager

(Date)



Robert Reid
Senior Associate

6/27/18

(Date)

Exhibit 1



Stantec Consulting Services Inc.

38 Technology Drive, Irvine CA 92618-5312

March 27, 2018

File: 2042518701

Reference:

**RP-1 Primary Effluent Conveyance Project
EN15012 Proposal for Contract Amendment 4 –
Engineering Services During Construction**

Attention: John Scherck, PE
Inland Empire Utilities Agency
6075 Kimball Avenue
Chino, CA 91708

Dear John,

As requested, Stantec is providing you with this proposal for engineering support services during the construction of the RP-1 Primary Effluent Conveyance Improvements project, EN15012. The scope of work provided is based on the tasks provided to us by IEUA on February 21, 2018 with additional clarifications via subsequent email communications.

Scope

Task 1- Preparation of Conformed Drawings and Specifications

We will prepare Conformed Drawings and Specifications to reflect addenda issued during the bid period. We assume the following:

- Conformed Drawings and Specifications will be submitted electronically in CAD, PDF and MS Word Format
- IEUA assumes responsibility for hard copy reproduction

Task 2- Meetings and Site Visits

2.1 Pre-Construction Meeting

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

2.2 Construction Workshops

We will attend workshops as required throughout the estimated duration of 12 months of construction for the project to include:

- Overall System
- Mechanical, Concrete
- Coatings & Installation Observations
- 70% Completion
- Testing, Training, Start-Up and Commissioning

Each of these workshops are assumed to be approximately 2-hours in duration.

2.3 Weekly Construction Progress Meetings

We will attend weekly construction progress meetings. We assume that the majority of these meetings will be via conference call. However, there will be meetings attended in person as required. For budgetary purposes, we anticipate forty (40) weekly conference calls, with eight (8) additional progress meetings attended in person.

Task 3- Submittal Reviews

Will review catalog, review and process submittals per IEUA standard conditions using CIPO. We anticipate up to eighty (80) submittals and up to sixty (60) resubmittals.

Task 4- Respond to Requests for Information (RFIs)

We will respond to Contractor's RFI's using CIPO for all documentation. However, simple items may be discussed via conference call. We assume up to thirty-five (35) RFI's will require our response.

Task 5- Review of Construction Change Order Requests

We will assist with construction change order requests by reviewing the change order requests for validation of the quotes received from the contractor. We assume up to five (5) such reviews.

Task 6- Startup and Testing Assistance

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

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

Task 7- Preparation of Record Drawings

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

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

Task 8- Project Management

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

Page 3 of 3

March 27, 2018

Reference: RP-1 Primary Effluent Conveyance
Project EN15012 Proposal for Contract Amendment 4
– Engineering Services During Construction

Exclusions

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

Budget

To perform the above scope of services, Stantec respectfully requests a budget of \$302,500 to be amended to the current contract. We have a breakdown of the proposed labor hours and costs for each task described above.

Best regards,



Jeff Dunn, PE
Senior Project Manager

Phone: (949) 923-6974
Fax: (949) 923-6121
jeff.dunn@stantec.com



Robert S. Reid, PE
Senior Associate

Phone: (949) 923-6037
Fax: (949) 923-6121
Robert.reid@stantec.com

Attachment: Labor Hours and Costs Breakdown

d:\v\projects\204251870110_framework\6_change_orders\contract_amendment_4\et_prop_rp-1_primary_effluent_amendment_4_cms_en15012.docx

**Inland Empire Utilities Agency
 Contract Amendment No. 4 - Primary Effluent Conveyance Project No. EN15012
 Engineering Services During Construction
 Proposed Labor Hours and Budget**



	LABOR HOURS					TOTAL STANTEC LABOR FEES	Ori2	V&A	Other Direct Costs	TOTAL FEES
	Robert Reid, PE QA/QC	Jeff Dunn, PE Project Manager	Civil / Mechanical Project Engineer	Civil / Mechanical Designer / CAD	TOTAL STANTEC LABOR HOURS					
1 Preparation of Conformed Drawings and Specifications	2	8	20	24	54	\$ 8,658	\$1,000			\$ 9,658
2 Meetings and Site Visits	0	68	126	6	200	\$ 35,766	\$3,000	\$29,500	\$984	\$ 69,230
3 Submittal Reviews (140)	12	112	288		412	\$ 73,116	\$5,000	\$32,100		\$ 110,216
4 Respond to RFI's (35)	8	60	100	24	192	\$ 34,332	\$4,000	\$13,400		\$ 51,732
5 Review of Construction Change Order Requests (5)	10	50	20		80	\$ 16,860				\$ 16,860
6 Startup and Testing Assistance	4	12	24		40	\$ 7,440	\$1,000	\$3,300	\$354	\$ 12,094
7 Preparation of Record Drawings	4	8	16	32	60	\$ 9,612	\$1,000			\$ 10,612
8 Project Management	2	96			98	\$ 22,098				\$ 22,098
Total Hours	42	414	594	86	1,136					
Total Fees	\$10,458	\$93,150	\$92,664	\$11,610		\$ 207,882	\$15,000	\$78,300	\$1,338	\$ 302,500

**ACTION
ITEM
1D**

Date: July 18, 2018

To: The Honorable Board of Directors

From: Halla Razak, General Manager

Committee: Engineering, Operations & Water Resources

07/11/18

HR

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

Subject: RP-1 & RP-5 Expansion Office Engineer Support Services Contract Award

Executive Summary:

To assist with the extensive reviews required for the design submittals for the RP-1 and RP-5 Expansion Projects, IEUA released the Request for Proposals (RFP) for office engineer support services. On June 14, 2018, IEUA received three consultant proposals. An evaluation team reviewed, evaluated, and scored the received proposals based upon experience, qualifications, ability to meet the project schedules, and the cost rate schedule.

The evaluation team unanimously selected CDM Smith, Inc. The major reasons for this selection include: the firms experience with design of large wastewater treatment plants local to IEUA, engineering staff to manage fluctuations in workload, and the average hourly cost for engineering services.

The established cost plus contract amount is \$1,250,000, which is an estimate of the required services to complete reviews of the RP-1 design memorandums, RP-1 30% design, RP-5 50% design, RP-5 85% design, RP-5 final design, and value engineering of the RP-5 design. The cost for these services are budgeted within the project and the capital program.

Staff's Recommendation:

1. Award a consultant contract for the RP-5 Liquids Treatment Expansion, RP-5 Solids Treatment Facility, and RP-1 Capacity Recovery, Project Nos. EN19001, EN19006, EN24001, and EN24002, for office engineer support services to CDM Smith, Inc. for the not-to-exceed amount of \$1,250,000; and
2. Authorize the General Manager to execute the contract subject to non-substantive changes.

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

Account/Project Name:

EN19001/RP-5 Liquids Treatment Expansion	EN19006/RP-5 Solids Treatment Facility
EN24001/RP-1 Liquids Capacity Recovery	EN24002/RP-1 Solids Capacity Recovery

Fiscal Impact (explain if not budgeted):

None.

Prior Board Action:

On December 20, 2017, IEUA Board of Directors approved a consulting engineering services contract for the design of the RP-1 Capacity Recovery Project to Carollo Engineers, Inc. for the not-to-exceed amount of \$13,637,633.

On May 17, 2017, IEUA Board of Directors approved a consulting engineering services contract amendment for the design of the RP-5 Liquids Expansion and Solids Treatment Facility to Parsons Water & Infrastructure, Inc. for the not-to-exceed amount of \$17,993,680.

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 potential SRF Loan Funding.

Business Goal:

The RP-1 Capacity Recovery, RP-5 Liquids Treatment Expansion, and RP-5 Solids Treatment Facility Projects are 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 - PowerPoint

Attachment 2 - Consultant Contract [Click to Download](#)

Attachment 1

RP-1 and RP-5 Expansion Office Engineer Support Services Contract Award

Project Nos. EN19001, EN19006, EN24001, EN24002



Shaun Stone, P.E.
July 2018

Background and Scope of Services

- Engineering Consultant to support Engineering and Construction Management and Operations and Maintenance in review and value engineering of major design submittal packages

RP-1

- 1,000 Pages of Design Intent Memos
- 1,000 Drawing Sheets
- 2,000 Pages of Specifications
- 500 Pages of Process Control Narratives
- 500 Pages of Construction Estimates
- **5,000 Total Pages**

RP-5

- 3,000 Pages of Preselection Agreements
- 1,500 Drawing Sheets
- 3,000 Pages of Specifications
- 1,000 Pages of Process Control Narratives
- 1,000 Pages of Construction Estimate
- **9,500 Total Pages**

- Standard review period for a design submittal is three weeks

Consultant Selection

- Request for Proposals issued on May 3, 2018
- 3 Proposals Received on June 14, 2018

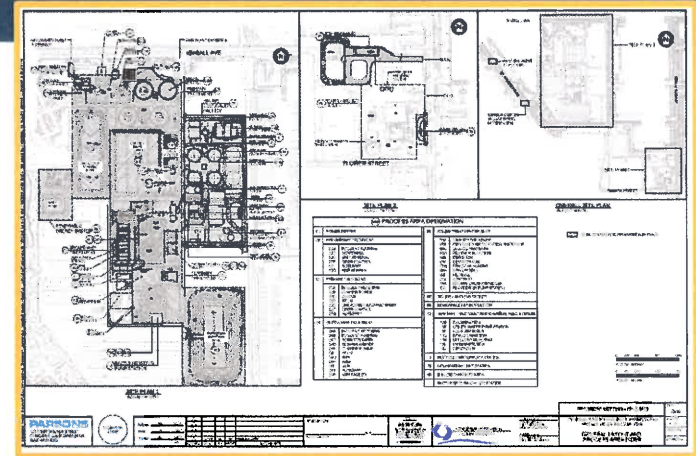
Proposals Received
CDM Smith, Inc.
Civiltec Engineering, Inc.
GHD Inc.

- Evaluation and Selection Committee
 - Engineering and Construction Management, Operations and Maintenance, Contracts and Procurement

Consultant Selection Continued

- Selection Criteria

- Experience and qualifications
- Ability to work on an as-needed basis
- Rate schedule



- CDM Smith unanimously selected as the Office Engineer Consultant:

- Experience with design of large wastewater treatment plants
- Ability to meet project schedule and manage fluctuations in workload
- Competitive Rate Schedule

RP-1 Project Budget and Schedule

Description	Estimated Cost
Design Services	\$20,887,633
Consultant Design Contract	\$13,637,633
Other Design Services (4%)	\$7,000,000
Office Engineer Support Services	\$250,000
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:	\$210,987,633
Total Project Budget:	\$230,100,000

Project Milestone	Date
Design	
Design Intent Memorandums	August 2018
30% Design Completion	December 2018
50%, 85%, 100% Design Completion	TBD
Construction	
Construction Contract Award	TBD
Construction Completion	TBD

RP-5 Project Budget & Schedule

Description	Estimated Cost
Design Services	\$27,063,680
Consultant Design Contract	\$17,993,680
Other Design Services (3%)	\$8,070,000
Office Engineer Support Services	\$1,000,000
Construction Services	\$24,210,000
Engineering Services During Construction (3%)	\$8,070,000
Other Construction Services (6%)	\$16,140,000
Construction	\$269,000,000
Construction (estimate)	\$245,000,000
Contingency (~10%)	\$24,000,000
Total Project Cost:	\$320,273,680
Total Project Budget:	\$325,000,000

Project Milestone	Date
Design	
✔ Consultant Design Contract Award	May 2017
✔ 30% Design Completion	December 2017
50% Design Completion	July 2018
85% Design Completion	December 2018
Final Design Completion	June 2019
Construction	
Construction Bid Phase	July 2019
Construction Contract Award	December 2019
Phase I System Startup	January 2022
Construction Completion	December 2022

Recommendation

- Award a consultant contract for the RP-5 Liquids Treatment Expansion, RP-5 Solids Treatment Facility, and RP-1 Capacity Recovery, Project Nos. EN19001, EN19006, EN24001, and EN24002, for office engineer support services to CDM Smith, Inc. for the not-to-exceed amount of \$1,250,000; and
- Authorize the General Manager to execute the contract subject to non-substantive changes.

The RP-1 Capacity Recovery, RP-5 Liquids Treatment Expansion, and RP-5 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.

**ACTION
ITEM
1E**

Date: July 18, 2018

To: The Honorable Board of Directors

From: Halla Razak, General Manager

Committee: Engineering, Operations & Water Resources

HR

07/11/18

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

Subject: Force Main Improvements Consultant Contract Award

Executive Summary:

The Philadelphia Force Main Improvements Project was identified as an urgent project to provide improvements to an aging system. The existing pipelines are in need of improvement due to being at the end of their useful life and reduced capacity from material build-up. Operational flexibility is needed to provide Operations Staff with several alternatives to control flow during maintenance activities. This project will replace two force main pipelines, install overflow protection, and line a storage pond.

The Regional Force Main Improvements Project will address the lack of maintenance access vaults on the existing regional force mains. The project objectives are to gather pipeline condition assessment data as well as provide maintenance access vaults along the Montclair and the San Bernardino Avenue pipelines for ease of pipeline maintenance.

On May 3, 2018, IEUA received six proposals. A review committee consisting of staff from IEUA Engineering and the City of Ontario reviewed the proposals. Based on the firm's qualifications, experience, capability, and understanding of the scope, the committee unanimously selected GHD as the most qualified consultant to perform the work.

Staff's Recommendation:

1. Award a consulting engineering services contract for the Force Main Improvements; Project Nos. EN23002 and EN19025, to GHD for a not-to-exceed amount of \$873,696; and
2. Authorize the General Manager to execute the consulting engineering services contract subject to non-substantive changes.

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

Account/Project Name:

EN23002.00 - Philadelphia Force Main Improvements
EN19025.00 - Regional Force Main Improvements

Fiscal Impact (explain if not budgeted):

None.

Prior Board Action:

None.

Environmental Determination:

Categorical 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 Philadelphia Force Main Improvements Project and the Regional Force Main Improvements Project are 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, sustainability managed, and can accommodate changes in regional water use.

Attachments:

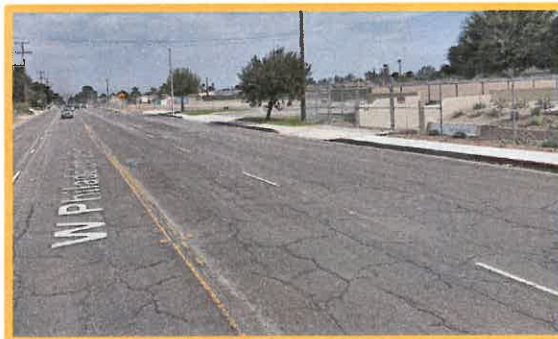
Attachment 1 - PowerPoint

Attachment 2 - Contract

Attachment 1

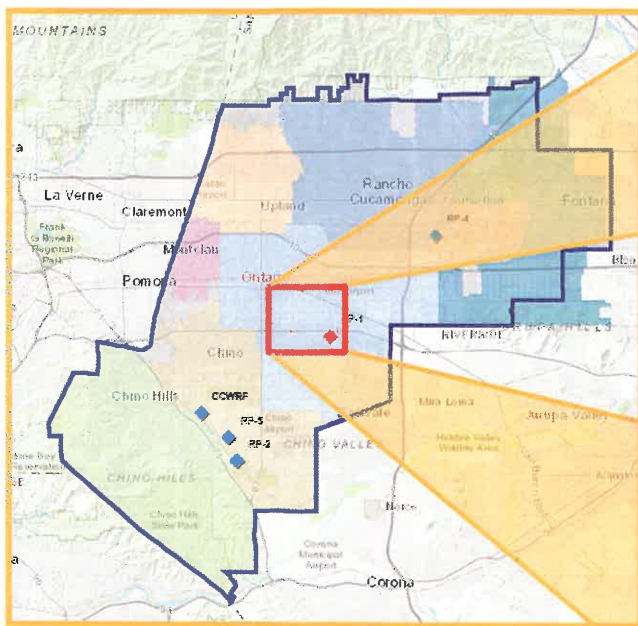
Force Main Improvements Consultant Contract Award

Project Nos. EN23002 and EN19025

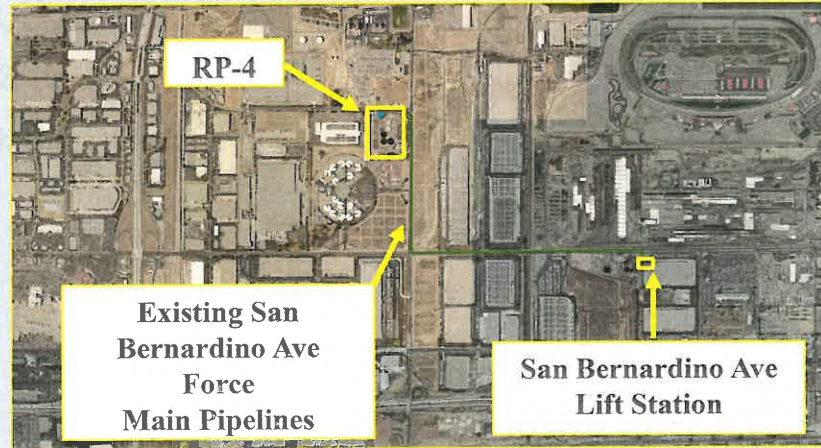
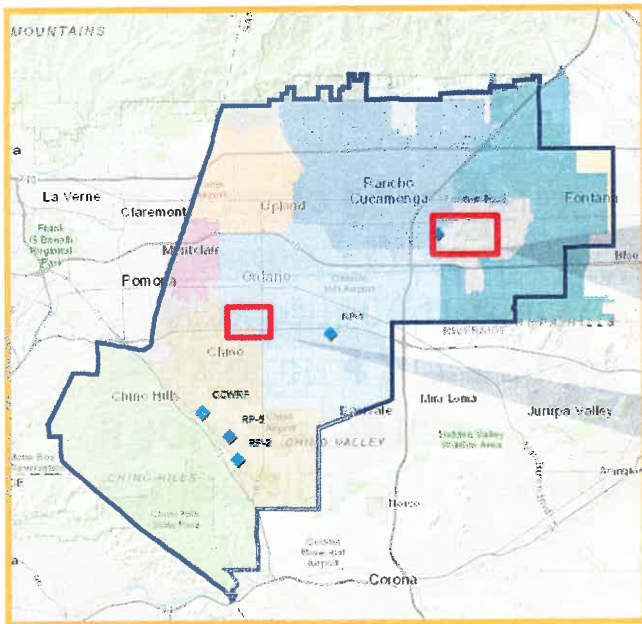


Michael Dias, P.E.
July 2018

Project Location – Philadelphia Force Main Improvements

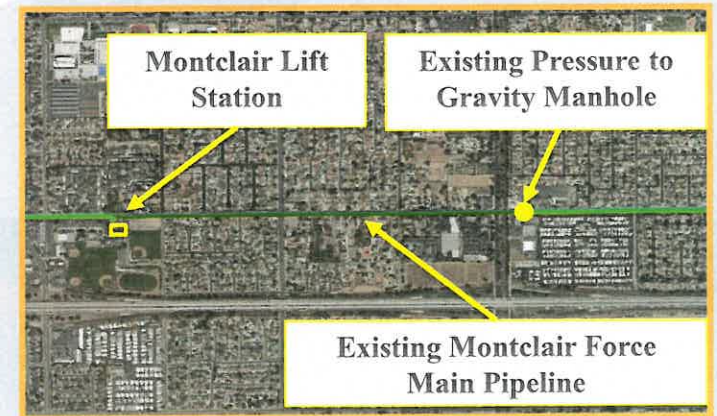


Project Location – Regional Force Main Improvements



San Bernardino Ave Lift Station Force Main

Montclair Lift Station Force Main



The Projects

- Philadelphia Force Main Improvements
 - Two force main pipelines
 - Maintenance vaults
 - Overflow protection
 - Storage pond lining
- Regional Force Main Improvements
 - Condition assessment of pipelines
 - Maintenance vaults on existing force mains



Philadelphia Lift Station

Consultant Selection

- Selection Committee
 - Staff from IEUA Engineering and City of Ontario
- Six proposals received on May 3, 2018
- Evaluation criteria for selection:
 - Qualifications and experience
 - Project scope understanding
 - Ability to meet project schedule
- Selection
 - GHD

Proposals Received
GHD
Carollo
Lee & Ro
NV5
Albert A. Webb Associates
Woodard & Curran

Project Budget and Schedule

EN23002 and EN19025

Description	Estimated Cost
Design Services	\$1,211,446
Consultant Design Contract (this action)	\$873,696
IEUA Design Services (7%)	\$337,750
Construction Services	\$482,500
Design Consultant Construction Services (5%)	\$241,250
IEUA Construction Services (5%)	\$241,250
Construction	\$5,307,500
Construction (estimate)	\$4,825,000
Contingency (10%)	\$482,500
Total Project Cost:	\$7,001,446
Total Project Budget:	\$7,250,000

Project Milestone	Date
Design	
Consultant Design Contract Award	July 2018
Design Completion	May 2019
Construction	
Construction Contract Award	September 2019
Construction Completion	September 2020

Recommendation

- Award of a consulting engineering services contract for the Force Main Improvements, Project Nos. EN23002 and EN19025, to GHD in the amount of \$873,696; and
- Authorize the General Manager to execute the consulting engineering services contract subject to non-substantive changes

The Philadelphia Force Main Improvements Project and the Regional Force Main Improvements Project are 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, sustainability managed, and can accommodate changes in regional water use.

Attachment 2



CONTRACT NUMBER: 4600002572
FOR
DESIGN CONSULTING SERVICES
FOR
PHILADELPHIA FORCE MAIN IMPROVEMENTS, PROJECT NO. EN23002,
AND THE REGIONAL FORCE MAIN IMPROVEMENTS, PROJECT NO. EN19025

THIS CONTRACT (the "Contract"), is made and entered into this ____ day of _____, 2018, 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 interchangeably referred to as "IEUA" and "Agency") and GHD Inc. with offices located in Irvine, California (hereinafter referred to as "Consultant"), for professional design services in support of Projects EN23002 and EN19025.

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: Michael C. Dias, P.E., Associate Engineer
Address: 6075 Kimball Avenue, Building "B"
Chino, California 91708
Telephone: (909) 993-1849
Facsimile: (909) 993-1982
Email: mdias@ieua.org

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

Consultant: Greg Watanabe, P.E.
Address: 175 Technology Drive, Suite 200
Irvine, CA 91730
Telephone: (949) 585-5200
Facsimile: (949) 648-5299
Email: Greg.Watanabe@ghd.com

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 4600002572
 - B. Contract Number 4600002572 General Terms and Conditions.
 - C. Project Manager's Request for Proposals RFP-RW-18-015 and all germane Addenda, incorporated herein by this reference.
 - D. Consultant's Proposal dated May 3, 2018 and revised Proposal dated June 6, 2018, both 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-RW-18-015 and all germane Addenda, incorporated herein by this reference, and made a part hereof (hereinafter "Work").

5. FAMILIARITY WITH SCOPE OF WORK: By execution of this Agreement, Consultant warrants that:
 - (1) It has thoroughly investigated and considered the scope of the Work under this Agreement to be performed, based on all available information; and
 - (2) It carefully considered how the Work should be performed; and
 - (3) It fully understands the difficulties and restrictions attending the performance of the Work under this Agreement; and
 - (4) It has the professional and technical competency to perform the Work and the production capacity to complete the Work in a timely manner with respect to the Scope of Work.

5. TERM: The term of this Contract shall extend from the date of the Notice to Proceed and terminate on completion of the referenced Projects 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, within thirty (30) days following receipt of the invoice by IEUA. 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 4600002572 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 covered under California prevailing wage laws (California Labor Code §1720 et seq.) 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/SB96 [<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 **\$873,696.00** for all services provided in accordance with **Exhibit 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 **Exhibit 2**. Invoice shall not be submitted in advance and shall not be dated earlier than the actual date of submittal. A copy of subject Excel invoicing template shall be furnished by the Agency's Project Manager.

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 \$25,000.00, SB854 and SB96 are 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.

C. Confined Space Work:

1. Precautions and Programs:
 - a. The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the work or the activities of subcontractors, suppliers, and others at the work site.
 - b. The Contractors and subcontractors shall comply with the provisions of the Safety and Health Regulations for Construction, promulgated by the Secretary of Labor under Section 107 of the "Contract Work Hours and Safety Standards Act," as set forth in Title 29 C.F.R. If the Agency is notified of an alleged violation of the Occupational Safety and Health Standards referred to in this Section and it is established that there is a violation, the Contractor shall be subject to liquidated damages as provided in the Contract.
 - c. The Contractor and all subcontractors shall comply with the provisions of the Occupational Safety and Health Standards, promulgated by the United States Secretary of Labor under the "Occupational Safety and Health Act of 1970," as set forth in Title 29, C.F.R. Where an individual State act on occupational safety and health standards has been approved by federal authority, then the provisions of said state act shall control.
 - d. The Contractor shall take all necessary precautions for the safety of, and shall provide the necessary supervision, control, and direction to prevent damage, injury, or loss to:
 - 1) All employees on the work or work site and other persons and organizations who may be affected thereby;
 - 2) All the work and materials and equipment to be incorporated therein, whether in storage or on or off the work site; and
 - 3) All other property at the site.

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

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

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

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 claim 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. Consultant will undertake the obligation to provide prior notification.

- 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 reserves the right to not disclose the subject information as a matter of policy.
- 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, Risk Specialist, email awitte@ieua.org
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 project is not grant-funded.
- 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. Consultant understands and acknowledges that executing this Agreement may inhibit the Consultant from engaging in future contracts, jobs, or agreements with the Agency that is, or can be considered, related to the Scope of Work due to a potential conflict of interest. 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 IEUA 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 Consultant's liability with respect to any claims 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 fund the defense of and hold them harmless from all liabilities, demands, actions, claims, losses and expenses, including reasonable attorneys' fees, which to the extent caused by 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. Consultant will indemnify the IEUA and assist IEUA, and will reimburse IEUA for all damages suffered, including reasonable costs, to the proportionate extent of Consultant's liability. Notwithstanding the foregoing, to the extent that this Contract includes design professional services under Civil Code Section 2782.8, as may be amended from time to time, such duties of Consultant to defend and to indemnify Agency shall only be to the full extent permitted by Civil Code Section 2782.8.
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. Any modifications or reuse of such materials for purposes other than those intended by the Contract shall be at the Agency's sole risk and without liability to Consultant. 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
Inland Empire Utilities Agency, a Municipal Water District
P.O. Box 9020
Chino Hills, California 91709

Consultant: Paul Hermann
Principal
GHD Inc.
175 Technology Drive, Suite 200
Irvine, CA 92618

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. CERTIFICATION UNDER LABOR CODE SECTION 1861 BY CONSULTANT: I, the undersigned Consultant, am aware of the provisions of Section 3700 et seq. of the Labor Code which requires every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of the Code, and I, the undersigned Consultant, agree to and will comply with such provisions before commencing the performance of the work of this Agreement.
20. 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.
21. 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.

22. 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.
23. 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.
24. FORCE MAJEURE: Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, natural disasters, etcetera.
25. NOTICE TO PROCEED: No services shall be performed or furnished under this Contract unless and until this document has been properly signed by all responsible parties and a Notice to Proceed order has been issued to the Consultant.
26. 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.
28. 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 indemnify rights or otherwise shall accrue to a third party as a result of this Agreement of 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)

GHD INC.:



6/28/18

Halla H. Razak
General Manager

(Date)

Paul Hermann
Principal

(Date)

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Exhibit 1



May 3, 2018 (Revised June 6, 2018)

Mr. Michael Dias, PE
Project Manager
Inland Empire Utilities Agency
6075 Kimball Avenue, Building A
Chino, CA 91708

Proposal No. 11153751

Subject: Fee Proposal for Consulting Engineering Services for the Philadelphia Force Main Improvements (Project No. EN23002) and Montclair and San Bernardino Avenue Clean Outs (Project No. EN19025) (RFP-RW-18-015)

Dear Mr. Dias:

Thank you for the opportunity to submit our fee proposal for the Consulting Engineering Services for the Philadelphia Force Main Improvements (Project No. EN23002) and Montclair and San Bernardino Avenue Clean Outs (Project No. EN19025). We are very excited about these projects and look forward to working with IEUA on this important endeavor. Our fee proposal outlines the project tasks, team member hours, hourly rates, subconsultant fees, and other direct costs associated with our approach and scope to accomplish IEUA's goals. GHD will bill these services monthly at a "time and materials" basis with a maximum not-to-exceed amount of **\$873,696** as shown in the attached Fee Proposal.

As a professional service provider, GHD is always willing to work with our clients to arrive at a scope of work that meets budget goals. Thank you again for your consideration of this proposal. Please feel free to contact me with questions regarding our proposal, accompanying fees and level of effort estimate.

Respectfully submitted,

GHD Inc.

A handwritten signature in black ink, appearing to read "Greg Watanabe", written in a cursive style.

Greg Watanabe, PE
Project Manager

FEE PROPOSAL

Inland Empire Utilities Agency

Philadelphia Force Main Improvements (Project No. EN23002) and Montclair and San Bernardino Avenue Clean Outs (Project No. EN19025)

May 3, 2018 (Revised June 6, 2018)



Task Description	QA/QC Manager	Principal-in-Charge	Project Manager	Senior Project Engineer	Project Engineer	Staff Engineer	CAD Designer	Project Assistant	GHD Hours	Subconsultant Hours	GHD Labor Costs	Subconsultants Including Markup	Other Direct Costs	Total
	Hourly Rates	\$210	\$265	\$240	\$205	\$185	\$145	\$125	\$85					
PHASE 1 – PRELIMINARY DESIGN														
Task 1.1 – Coordinate and Attend Kickoff Meeting (Meeting #1)	-	3	6	4	-	-	-	2	15	-	\$ 3,225	\$ -	\$ 90	\$ 3,315
Task 1.2 – Permitting Requirements	-	-	8	8	-	32	-	-	48	-	\$ 8,200	\$ -	\$ 888	\$ 9,088
Task 1.3 – Review Background, Description, and Alternative Alignment Options	1	2	8	34	29	40	8	1	123	-	\$ 21,880	\$ -	\$ 738	\$ 22,618
Task 1.4 – Review Basis of Design and Design Criteria (TM #2)	1	1	4	16	6	16	-	1	45	-	\$ 8,230	\$ -	\$ 270	\$ 8,500
Task 1.5 – Perform Geotechnical Exploration	-	1	2	20	28	60	-	8	120	-	\$ 19,615	\$ 24,200	\$ 7,569	\$ 51,384
Task 1.6 – Verify Existing Utilities and Potholing (subconsultant)(50 potholes)	-	-	2	8	-	40	40	4	94	270	\$ 13,260	\$ 72,683	\$ 564	\$ 86,507
Task 1.7 – Research Right-of-Way (subconsultant)	-	-	-	2	-	-	4	-	6	34	\$ 910	\$ 5,423	\$ 36	\$ 6,369
Task 1.8 – Develop Estimate of Probable Construction Cost and Schedule (TM #3)	1	1	2	4	8	8	-	1	25	-	\$ 4,500	\$ -	\$ 150	\$ 4,650
Task 1.9 – Prepare Preliminary Design Report	2	2	8	40	12	36	40	2	142	-	\$ 23,680	\$ -	\$ 1,452	\$ 25,132
Prepare 30% Pipeline and Lift Station Plans	6	1	20	40	20	60	280	4	431	-	\$ 62,265	\$ -	\$ 3,186	\$ 65,451
Preliminary Design Review Meeting (Meeting #2)	-	4	4	4	-	-	-	1	13	-	\$ 2,925	\$ -	\$ 78	\$ 3,003
Task 1.10 – Topographic Mapping and Site Surveying (subconsultant)	-	-	2	-	-	-	4	-	6	524	\$ 980	\$ 72,160	\$ 36	\$ 73,176
Subtotal – PHASE 1 – PRELIMINARY DESIGN	12	15	66	180	103	292	376	24	1,068	828	\$ 169,670	\$ 174,466	\$ 15,057	\$ 359,193
	1%	1%	6%	17%	10%	27%	35%	2%						
Phase 2 – FINAL DESIGN														
Task 2.1 – Prepare 60% PS&E														
60% Pipeline and Lift Station PS&E	8	1	40	144	40	140	388	4	765	-	\$ 117,605	\$ -	\$ 5,190	\$ 122,795
60% Traffic Control Plans	2	-	8	24	-	40	80	1	155	-	\$ 23,145	\$ -	\$ 1,230	\$ 24,375
60% Design Review Meeting (Meeting #4)	-	4	4	4	-	-	-	1	13	-	\$ 2,925	\$ -	\$ 78	\$ 3,003
Task 2.2 – Prepare 90% PS&E														
90% Pipeline and Lift Station PS&E	8	1	66	122	32	100	264	4	597	-	\$ 96,555	\$ -	\$ 4,182	\$ 100,737
90% Traffic Control Plans	2	-	8	16	-	24	40	1	91	-	\$ 14,185	\$ -	\$ 846	\$ 15,031
90% SWPP and WQMP	2	-	8	20	-	20	24	1	75	-	\$ 12,425	\$ -	\$ 750	\$ 13,175
Geotechnical Baseline Report	-	1	2	28	10	20	-	4	65	-	\$ 11,575	\$ -	\$ 690	\$ 12,265
90% Design Review Meeting (Meeting #5)	-	4	4	4	-	-	-	1	13	-	\$ 2,925	\$ -	\$ 78	\$ 3,003
Task 2.3 – Prepare 100% (Final) PS&E														
100% (Final) Pipeline and Lift Station PS&E	8	1	40	74	24	48	124	4	323	-	\$ 53,955	\$ -	\$ 2,538	\$ 56,493
100% (Final) Traffic Control Plans	2	-	4	10	-	12	24	1	53	-	\$ 8,255	\$ -	\$ 618	\$ 8,873
100% (Final) SWPP and WQMP	2	-	4	12	-	12	16	1	47	-	\$ 7,665	\$ -	\$ 582	\$ 8,247
100% (Final) Design Review Meeting (Meeting #6)	-	4	4	4	-	-	-	1	13	-	\$ 2,925	\$ -	\$ 78	\$ 3,003
Subtotal – PHASE 2 – FINAL DESIGN	34	16	192	462	106	416	960	24	2,210	-	\$ 354,140	\$ -	\$ 17,460	\$ 371,600
	2%	1%	9%	21%	5%	19%	43%	1%						
Phase 3 – BID AND AWARD ADMINISTRATION ASSISTANCE														
Task 3.1 – Attend Pre-Bid Meeting (Meetings #7 & 8)	-	-	8	8	-	-	-	-	16	-	\$ 3,560	\$ -	\$ 96	\$ 3,656
Task 3.2 – Respond to Inquiries during Two Bidding Periods	-	4	16	28	-	16	-	-	64	-	\$ 12,960	\$ -	\$ 384	\$ 13,344
Task 3.3 – Prepare Bid Addenda (4 Addenda)	-	4	8	12	-	16	40	4	84	-	\$ 13,100	\$ -	\$ 504	\$ 13,604
Task 3.4 – Prepare Conformed Plans and Specifications (2 sets)	-	2	20	20	-	24	60	4	130	-	\$ 20,750	\$ -	\$ 780	\$ 21,530
Subtotal – PHASE 3 – BID AND AWARD ADMINISTRATION ASSISTANCE	-	10	52	68	-	56	100	8	294	-	\$ 50,370	\$ -	\$ 1,764	\$ 52,134
	0%	3%	18%	23%	0%	19%	34%	3%						
Phase 4 – CONDITION ASSESSMENT DURING CONSTRUCTION														
Task 4.1 – Condition Assessment														
Data Review and Desktop Assessment	-	-	4	36	-	36	-	4	80	-	\$ 13,900	\$ -	\$ 480	\$ 14,380
Field Data Collection	-	-	4	44	-	90	-	4	142	128	\$ 23,370	\$ 25,080	\$ 6,052	\$ 54,502
Condition Assessment Technical Memorandum	2	1	4	28	16	72	-	4	127	-	\$ 21,125	\$ -	\$ 762	\$ 21,887
Subtotal – PHASE 4 – CONDITION ASSESSMENT DURING CONSTRUCTION	2	1	12	108	16	198	-	12	349	128	\$ 58,395	\$ 25,080	\$ 7,294	\$ 90,769
	1%	0%	3%	31%	5%	57%	0%	3%						
Total (Not-to-Exceed)	48	42	322	818	225	962	1,436	68	3,921	956	\$ 632,575	\$ 199,546	\$ 41,575	\$ 873,696
	1%	1%	8%	21%	6%	25%	37%	2%						

FEE PROPOSAL

Inland Empire Utilities Agency
Philadelphia Force Main Improvements (Project No. EN23002)
June 14, 2018



Task Description	QA/QC Manager	Principal-in-Charge	Project Manager	Senior Project Engineer	Project Engineer	Staff Engineer	CAD Designer	Project Assistant	GHD Hours	Subconsultant Hours	GHD Labor Costs	Subconsultants Including Markup	Other Direct Costs	Total
	Hourly Rates	\$210	\$265	\$240	\$205	\$185	\$145	\$125	\$85					
PHASE 1 – PRELIMINARY DESIGN														
Task 1.1 – Coordinate and Attend Kickoff Meeting (Meeting #1)	-	2	4	2	-	-	-	1	9	-	\$ 1,985	\$ -	\$ 54	\$ 2,039
Task 1.2 – Permitting Requirements	-	-	4	4	-	16	-	-	24	-	\$ 4,100	\$ -	\$ 444	\$ 4,544
Task 1.3 – Review Background, Description, and Alternative Alignment Options	1	1	6	24	21	28	6	1	88	-	\$ 15,510	\$ -	\$ 525	\$ 16,035
Task 1.4 – Review Basis of Design and Design Criteria (TM #2)	1	1	3	10	4	10	-	1	30	-	\$ 5,520	\$ -	\$ 180	\$ 5,700
Task 1.5 – Perform Geotechnical Exploration	1	1	2	20	28	60	-	8	120	-	\$ 19,615	\$ 24,200	\$ 7,569	\$ 51,384
Task 1.6 – Verify Existing Utilities and Potholing (subconsultant)(50 potholes)	-	-	1	4	-	28	28	2	63	270	\$ 8,790	\$ 72,683	\$ 378	\$ 81,851
Task 1.7 – Research Right-of-Way (subconsultant)	-	-	-	1	-	-	2	-	3	24	\$ 455	\$ 3,828	\$ 18	\$ 4,301
Task 1.8 – Develop Estimate of Probable Construction Cost and Schedule (TM #3)	1	1	1	2	6	6	-	1	18	-	\$ 3,190	\$ -	\$ 108	\$ 3,298
Task 1.9 – Prepare Preliminary Design Report	1	1	6	28	8	26	28	1	99	-	\$ 16,490	\$ -	\$ 894	\$ 17,384
Prepare 30% Pipeline and Lift Station Plans	4	1	14	28	14	40	192	2	295	-	\$ 42,765	\$ -	\$ 2,070	\$ 44,835
Preliminary Design Review Meeting (Meeting #2)	-	2	2	2	-	-	-	1	7	-	\$ 1,505	\$ -	\$ 42	\$ 1,547
Task 1.10 – Topographic Mapping and Site Surveying (subconsultant)	-	-	1	-	-	-	2	-	3	441	\$ 490	\$ 60,973	\$ 18	\$ 61,481
Subtotal – PHASE 1 – PRELIMINARY DESIGN	9	10	44	125	81	214	258	18	759	735	\$ 120,415	\$ 161,684	\$ 12,300	\$ 294,399
	1%	1%	6%	16%	11%	28%	34%	2%						
Phase 2 – FINAL DESIGN														
Task 2.1 – Prepare 60% PS&E														
60% Pipeline and Lift Station PS&E	4	1	24	84	24	80	228	2	447	-	\$ 68,795	\$ -	\$ 3,082	\$ 71,877
60% Traffic Control Plans	1	-	4	12	-	20	40	1	78	-	\$ 11,615	\$ -	\$ 668	\$ 12,283
60% Design Review Meeting (Meeting #4)	-	2	2	2	-	-	-	1	7	-	\$ 1,505	\$ -	\$ 42	\$ 1,547
Task 2.2 – Prepare 90% PS&E														
90% Pipeline and Lift Station PS&E	4	1	38	74	20	60	160	2	359	-	\$ 57,965	\$ -	\$ 2,554	\$ 60,519
90% Traffic Control Plans	1	-	4	8	-	12	20	1	46	-	\$ 7,135	\$ -	\$ 476	\$ 7,611
90% SWPP and WQMP	2	-	8	20	-	20	24	1	75	-	\$ 12,425	\$ -	\$ 750	\$ 13,175
Geotechnical Baseline Report	-	1	2	28	10	20	-	4	65	-	\$ 11,575	\$ -	\$ 690	\$ 12,265
90% Design Review Meeting (Meeting #5)	-	2	2	2	-	-	-	1	7	-	\$ 1,505	\$ -	\$ 42	\$ 1,547
Task 2.3 – Prepare 100% (Final) PS&E														
100% (Final) Pipeline and Lift Station PS&E	4	1	24	44	14	28	76	2	193	-	\$ 32,205	\$ -	\$ 1,558	\$ 33,763
100% (Final) Traffic Control Plans	1	-	2	5	-	6	12	1	27	-	\$ 4,170	\$ -	\$ 362	\$ 4,532
100% (Final) SWPP and WQMP	2	-	4	12	-	12	16	1	47	-	\$ 7,665	\$ -	\$ 582	\$ 8,247
100% (Final) Design Review Meeting (Meeting #6)	-	2	2	2	-	-	-	1	7	-	\$ 1,505	\$ -	\$ 42	\$ 1,547
Subtotal – PHASE 2 – FINAL DESIGN	19	10	116	293	68	258	576	18	1,358	-	\$ 218,065	\$ -	\$ 10,848	\$ 228,913
	1%	1%	9%	22%	5%	19%	42%	1%						
Phase 3 – BID AND AWARD ADMINISTRATION ASSISTANCE														
Task 3.1 – Attend Pre-Bid Meeting (Meetings #7 & 8)	-	-	4	4	-	-	-	-	8	-	\$ 1,780	\$ -	\$ 48	\$ 1,828
Task 3.2 – Respond to Inquiries during Two Bidding Periods	-	2	8	14	-	8	-	-	32	-	\$ 6,480	\$ -	\$ 192	\$ 6,672
Task 3.3 – Prepare Bid Addenda (4 Addenda)	-	2	4	6	-	8	20	2	42	-	\$ 6,550	\$ -	\$ 252	\$ 6,802
Task 3.4 – Prepare Conformed Plans and Specifications (2 sets)	-	1	10	10	-	12	30	2	65	-	\$ 10,375	\$ -	\$ 390	\$ 10,765
Subtotal – PHASE 3 – BID AND AWARD ADMINISTRATION ASSISTANCE	-	5	26	34	-	28	50	4	147	-	\$ 25,165	\$ -	\$ 882	\$ 26,067
	0%	3%	18%	23%	0%	19%	34%	3%						
Total (Not-to-Exceed)	28	25	186	452	149	500	884	40	2,264	735	\$ 363,665	\$ 161,684	\$ 24,030	\$ 549,379
	1%	1%	8%	20%	7%	22%	39%	2%						

FEE PROPOSAL

Inland Empire Utilities Agency
Regional Force Main Improvements (Project No. EN19025)
June 14, 2018



Task Description	QA/QC Manager	Principal-in-Charge	Project Manager	Senior Project Engineer	Project Engineer	Staff Engineer	CAD Designer	Project Assistant	GHD Hours	Subconsultant Hours	GHD Labor Costs	Subconsultants Including Markup	Other Direct Costs	Total
	Hourly Rates	\$210	\$265	\$240	\$205	\$185	\$145	\$125	\$85					
PHASE 1 – PRELIMINARY DESIGN														
Task 1.1 – Coordinate and Attend Kickoff Meeting (Meeting #1)	-	1	2	2	-	-	-	1	6	-	\$ 1,240	\$ -	\$ 36	\$ 1,276
Task 1.2 – Permitting Requirements	-	-	4	4	-	16	-	-	24	-	\$ 4,100	\$ -	\$ 444	\$ 4,544
Task 1.3 – Review Background, Description, and Alternative Alignment Options	-	1	2	10	8	12	2	-	35	-	\$ 6,265	\$ -	\$ 318	\$ 6,583
Task 1.4 – Review Basis of Design and Design Criteria (TM #2)	-	-	1	6	2	6	-	-	15	-	\$ 2,710	\$ -	\$ 90	\$ 2,800
Task 1.5 – Not Used	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -
Task 1.6 – Verify Existing Utilities	-	-	1	4	-	12	12	2	31	-	\$ 4,470	\$ -	\$ 186	\$ 4,656
Task 1.7 – Research Right-of-Way (subconsultant)	-	-	-	1	-	-	2	-	3	10	\$ 455	\$ 1,595	\$ 18	\$ 2,068
Task 1.8 – Develop Estimate of Probable Construction Cost and Schedule (TM #3)	-	-	1	2	2	2	-	-	7	-	\$ 1,310	\$ -	\$ 42	\$ 1,352
Task 1.9 – Prepare Preliminary Design Report	1	1	2	12	4	10	12	1	43	-	\$ 7,190	\$ -	\$ 558	\$ 7,748
Prepare 30% Pipeline and Lift Station Plans	2	-	6	12	6	20	88	2	136	-	\$ 19,500	\$ -	\$ 1,116	\$ 20,616
Preliminary Design Review Meeting (Meeting #2)	-	2	2	2	-	-	-	-	6	-	\$ 1,420	\$ -	\$ 36	\$ 1,456
Task 1.10 – Topographic Mapping and Site Surveying (subconsultant)	-	-	1	-	-	-	2	-	3	83	\$ 490	\$ 11,187	\$ 18	\$ 11,695
Subtotal – PHASE 1 – PRELIMINARY DESIGN	3	5	22	55	22	78	118	6	309	93	\$ 49,150	\$ 12,782	\$ 2,862	\$ 64,794
	1%	2%	7%	18%	7%	25%	38%	2%						
Phase 2 – FINAL DESIGN														
Task 2.1 – Prepare 60% PS&E														
60% Pipeline and Lift Station PS&E	4	-	16	60	16	60	160	2	318	-	\$ 48,810	\$ -	\$ 2,208	\$ 51,018
60% Traffic Control Plans	1	-	4	12	-	20	40	-	77	-	\$ 11,530	\$ -	\$ 662	\$ 12,192
60% Design Review Meeting (Meeting #4)	-	2	2	2	-	-	-	-	6	-	\$ 1,420	\$ -	\$ 36	\$ 1,456
Task 2.2 – Prepare 90% PS&E														
90% Pipeline and Lift Station PS&E	4	-	28	48	12	40	104	2	238	-	\$ 38,590	\$ -	\$ 1,728	\$ 40,318
90% Traffic Control Plans	1	-	4	8	-	12	20	-	45	-	\$ 7,050	\$ -	\$ 470	\$ 7,520
90% Design Review Meeting (Meeting #5)	-	2	2	2	-	-	-	-	6	-	\$ 1,420	\$ -	\$ 36	\$ 1,456
Task 2.3 – Prepare 100% (Final) PS&E														
100% (Final) Pipeline and Lift Station PS&E	4	-	16	30	10	20	48	2	130	-	\$ 21,750	\$ -	\$ 1,080	\$ 22,830
100% (Final) Traffic Control Plans	1	-	2	5	-	6	12	-	26	-	\$ 4,085	\$ -	\$ 356	\$ 4,441
100% (Final) Design Review Meeting (Meeting #6)	-	2	2	2	-	-	-	-	6	-	\$ 1,420	\$ -	\$ 36	\$ 1,456
Subtotal – PHASE 2 – FINAL DESIGN	15	6	76	169	38	158	384	6	852	-	\$ 136,075	\$ -	\$ 6,612	\$ 142,687
	2%	1%	9%	20%	4%	19%	45%	1%						
Phase 3 – BID AND AWARD ADMINISTRATION ASSISTANCE														
Task 3.1 – Attend Pre-Bid Meeting (Meetings #7 & 8)	-	-	4	4	-	-	-	-	8	-	\$ 1,780	\$ -	\$ 48	\$ 1,828
Task 3.2 – Respond to Inquiries during Two Bidding Periods	-	2	8	14	-	8	-	-	32	-	\$ 6,480	\$ -	\$ 192	\$ 6,672
Task 3.3 – Prepare Bid Addenda (4 Addenda)	-	2	4	6	-	8	20	2	42	-	\$ 6,550	\$ -	\$ 252	\$ 6,802
Task 3.4 – Prepare Conformed Plans and Specifications (2 sets)	-	1	10	10	-	12	30	2	65	-	\$ 10,375	\$ -	\$ 390	\$ 10,765
Subtotal – PHASE 3 – BID AND AWARD ADMINISTRATION ASSISTANCE	-	5	26	34	-	28	50	4	147	-	\$ 25,185	\$ -	\$ 882	\$ 26,067
	0%	1%	7%	10%	0%	8%	14%	1%						
Phase 4 – CONDITION ASSESSMENT DURING CONSTRUCTION														
Task 4.1 – Condition Assessment														
Data Review and Desktop Assessment	-	-	4	36	-	36	-	4	80	-	\$ 13,900	\$ -	\$ 480	\$ 14,380
Field Data Collection	-	-	4	44	-	90	-	4	142	128	\$ 23,370	\$ 25,080	\$ 6,052	\$ 54,502
Condition Assessment Technical Memorandum	2	1	4	28	16	72	-	4	127	-	\$ 21,125	\$ -	\$ 762	\$ 21,887
Subtotal – PHASE 4 – CONDITION ASSESSMENT DURING CONSTRUCTION	2	1	12	108	16	198	-	12	349	128	\$ 58,395	\$ 25,080	\$ 7,294	\$ 90,769
	0%	0%	1%	7%	1%	12%	0%	1%						
Total (Not-to-Exceed)	20	17	136	366	76	462	552	28	1,657	221	\$ 268,805	\$ 37,862	\$ 17,650	\$ 324,317
	1%	1%	8%	22%	5%	28%	33%	2%						

Exhibit 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:	This Period: From: 9/1/2015 To: 9/30/2015
Phone No.:		Jamal Zughbi	
Proj. Name & No: RP-1 Improvements Project, EN15xxx			Invoice No. /Consult Ref XXXXXX

ORIGINAL CONTRACT:

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

CONTRACT AMENDMENTS:

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

PAYMENT SUMMARY FOR THIS PERIOD:

PRIOR PAYMENT SUMMARY:

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

TOTAL PAYMENT SUMMARY:

CONTRACT SCHEDULE SUMMARY:

Total Contract		Contract Start Date:	10/9/2014
Total Original Contract	\$0.00	Contract Duration:	365
Total Contract Amendments	\$0.00	Contract Completion Date:	10/9/2015
Total Payments to Date	\$0.00	Authorized Time Extension:	0
Back Charges	\$0.00	Revised Completion Date:	10/9/2015
Payment this period	\$0.00	PROJECT COMPLETION SUMMARY:	
Balance of Contract	\$0.00	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: _____

**ACTION
ITEM
1F**

Date: July 18, 2018

HR

To: The Honorable Board of Directors

From: Halla Razak, General Manager

Committee: Engineering, Operations & Water Resources

07/11/18

Finance & Administration

07/11/18

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

Subject: Chino Basin Water Bank Professional Services Contract Amendment

Executive Summary:

On November 15, 2017, the IEUA Board approved the Chino Basin Water Bank (CBWB) Planning Authority Joint Powers Agreement (JPA); the JPA partners are IEUA, the Cucamonga Valley Water District, the City of Ontario, and Monte Vista Water District.

In June 2017, IEUA contracted with Arcadis U.S. Inc. on behalf of the CBWB to provide services related to refining the bank conceptual structure, perform stakeholder outreach, and update and finalize the banking concept (Phase I). Three stakeholder workshops have been facilitated by the Arcadis team, which have had good participation and engagement from the various stakeholders. Arcadis is nearing the completion of the Phase I of the contract.

The proposed contract amendment for \$484,454 is for Phase II of the CBWB development work, which will include continuance of stakeholder engagement, engineering evaluation, financial analysis, develop storage and recovery application with Chino Basin Watermaster, and an Operations Plan. The Phase II work for the CBWB is anticipated to be completed by June 2019. The costs will be equally cost shared amongst the CBWB JPA; contract was approved by CBWB on May 30, 2018.

Staff's Recommendation:

1. Approve budget amendments of \$450,000 for the Chino Basin Water Bank Program, Project No. WR18028 and corresponding reimbursements;
2. Approve a contract amendment for professional consulting services related to Arcadis U.S., Inc. for the not-to-exceed amount of \$484,584; and
3. Authorize the General Manager to execute the contract amendment subject to non-substantive changes.

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

Account/Project Name:

The contract amendment for the not-to-exceed amount of \$484,584 will be funded by Project No. WR18028 in the Water Resources (WW) fund. The costs will be equally cost shared amongst the CBWB partners at \$121,146.

Fiscal Impact (explain if not budgeted):

There is no impact on the fiscal year because the costs will be reimbursed by the CBWB partners.

Prior Board Action:

On June 21, 2017, the Board of Directors approved a task order to master services contract for consulting services to Arcadis U.S. Inc., for the Chino Basin Water Bank Program.

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 Chino Basin Water Bank professional services contract and related work is consistent with the Agency's Business Goal of increasing Water Reliability by meeting the region's need to develop reliable, drought-proof and diverse local water resources in order to reduce dependence on imported water supplies.

Attachments:

Attachment 1 - Arcadis Contract Amendment



**MASTER SERVICES CONTRACT
AMENDMENT NUMBER: 4600002275-001**

**FOR
PROVISION OF PROFESSIONAL ENGINEERING SERVICES
FOR THE DEVELOPMENT OF WATER RESOURCES**

THIS CONTRACT AMENDMENT ONE is made and entered into this ____ day of _____, 2018, 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 Arcadis U.S., Inc. with offices located in Irvine, California (hereinafter referred to as "Consultant"), in order to establish mutually acceptable terms and conditions which will hold for and govern all "Task Order" releases subsequently issued under this Master Services Contract, and shall revise the Contract as herein amended:

SECTION TWO, SCOPE OF WORK AND SERVICES IS REVISED TO ADD THE FOLLOWING PARAGRAPH: Purpose of Amendment -001 is to adjust the scope of the overall Project. Consultant services and responsibilities shall be modified to and be in accordance with tasks identified in **Exhibit 2**, which is attached hereto, referenced herein, and made a part hereof.

SECTION FIVE, INVOICING, PAYMENT DISCOUNT & PAYMENT, IS REVISED TO ADD THE FOLLOWING PARAGRAPH:

As compensation for the additional work performed under this Contract Amendment One, Agency shall pay Consultant, on a **Fixed Price Level-of-Effort** basis at the rates specified within Consultant's proposed Fee Schedule, referenced herein, made a part hereof, and attached hereto as **Exhibit 2**, up to the **NOT-TO-EXCEED total contract value established at \$957,271.00**. This reflects an Amendment increase of **\$484,584.00** to the Contract.

ALL OTHER PROVISIONS OF THIS CONTRACT REMAIN UNCHANGED.


[Signature Page Immediately Follows]

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

INLAND EMPIRE UTILITIES AGENCY:
(A Municipal Water District)

ARCADIS U.S., INC.:

Halla H. Razak (Date)
General Manager



Christine Cotton, P.E. 6/26/2018
Senior Vice President (Date)

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Exhibit 2

DRAFT SCOPE OF WORK

PHASE 2 – CHINO BASIN WATER BANK FORMATION

Task 1 – Project Management

The Project Management task includes all aspects of project administration and bi-weekly internal team progress meetings. Ed Means will be the Project Manager and the main point of contact for the project. Arcadis will track project progress, budget, and schedule, and provide IEUA with a monthly budget update accompanying the monthly invoice. Arcadis will ensure successful communication among the consultant team. Arcadis assumes the length of project is 12 months spanning July 2018 to June 2019.

Task 2 – Technical Advisory

Arcadis will provide technical advisory services as a continuation of Phase 1 work. Ed Means will lead facilitation and stakeholder engagement activities.

Task 2.1 – CBWB JPA Meetings

- Prepare for and participate in Chino Basin Water Bank (CBWB) JPA meetings. Six meetings are assumed.

Task 2.2 – Stakeholder Engagement and Workshops

- Prepare for and facilitate two Stakeholder workshops (August 2018 and a subsequent workshop). The August 2018 workshop will recap findings of the CBWB Concept Framework White Paper and will provide the context to Phase 2 work. The subsequent workshop is anticipated to cover (in addition to a general update), the facilities overview, the storage application, and overview of the financial model.
- Meet with other stakeholders on an as-needed basis

Task 3 – Facilities and Engineering Evaluation

Arcadis will work with the CBWB JPA and IEUA in coordination with its Regional Water Supply Infrastructure Modeling Project to identify and evaluate facilities to support the CBWB. In order to determine the necessary facilities for the CBWB, the existing facilities, their capacity, and availability must be determined and understood. Arcadis will carry out the following activities pertaining to facilities evaluation.

Task 3.1 – Existing Facility Inventory

Arcadis will review the Watermaster's Recharge Master Plan Update (RMPU 2010, 2013 and currently being updated) which identifies the recharge and some of the extraction facilities. However, it does not identify all the extraction facilities especially those of individual groundwater users. Most of the recharge facilities are already fully subscribed.

It is assumed that CBWB JPA and IEUA (and its modeling consultant, Intera) will provide facilities information to Arcadis as best available. Arcadis will use existing facility information to identify “incremental” facilities needed to meet the CBWB put/take and storage requirements (i.e. above what is required to meet the regional water supply and reliability as is the focus of Regional Water Supply Infrastructure Modeling (Infrastructure Model) effort). These incremental facility concepts will be developed in close coordination with the CBWB JPA.

If necessary, Arcadis will identify additional facilities data needed for the put/take scenarios development. It is assumed that IEUA will assist in providing these data. For example, it will be necessary to inventory existing recharge and extraction facilities, determine their owner, recharge rate, existing use agreements and actual use (days, weeks, months) and determine those recharge facilities that might be available and what capacity is available to the CBWB. Some of the pumpers may have facilities that have additional pumping capacity over their needs and be willing to contract to the CBWB to use that surplus pumping capacity. Arcadis will contact each pumper for interest in contracting out their surplus pumping capacity (if any) when it is available.

Task 3.2 – Conceptual Put/Take Scenarios and Facilities Evaluation

Based on the facility inventory, Arcadis will define and develop conceptual “put/ take and storage” scenarios for the CBWB’s operation. These scenarios will complement the Watermaster’s 10-year cycle of 4-year put, 3-year hold, and 3-year take scenario. These put/take scenarios will be submitted for analysis in IEUA’s Infrastructure Model. These will be vetted with the CBWB JPA and may include:

- Amount of recharge over a fixed period of time i.e. 1 year over “X” months.
- Amount of withdrawal over a fixed period of time i.e. “Y” acre feet per year over “Z” years.
- Total storage period (i.e. 5, 10, 15, 30 years).
- Account of real losses and leave behind water.

These scenarios will depend on each Operating (Op) Band as well as mitigation condition and cost imposed with each Op Band condition.

This task includes four “brain storming” sessions (including a session with the CBWB JPA).

Arcadis will closely coordinate with IEUA and its modeling consultant, Intera to ensure that the data provided to Arcadis are appropriate for developing put/take scenarios and that the put/take scenarios developed are appropriate for the Infrastructure Model. Coordination will include meetings/conference calls with IEUA and Intera (weekly or biweekly check-in and as needed) and attending bimonthly Water Managers’ meeting when the Infrastructure Model is discussed, at a minimum.

Task 3.3 – Conceptual Cost Estimate

Arcadis will develop conceptual cost estimates for the “put and take” scenarios established under Task 3.2, including “incremental” increase in capital cost and all Operation and Maintenance (O&M) costs for facilities identified for the CBWB operation. The put/take facilities associated with Op Bands 1 and 2 are fairly well defined (SARCCUP and Prop 1 facilities). Other Op Bands will require new put/take facilities to be determined.

The Watermaster’s Storage Framework Workshop 7 held on May 15, 2018 indicated no Material Physical Injury (MPI) associated with Op Bands 1 through 4 with potential MPI after 2056 for Op Bands 3 and 4

due to storage operations. Watermaster's modeling results show hydraulic control will be maintained under Op Bands 1 and 2. Under Op Bands 3 and 4, groundwater discharge will approach the 1,000 KAFY threshold and mitigation will be required by optimizing recovery well field.

The May 15th Storage Framework Workshop also indicated that storage operations i.e. well field interference under operating conditions of Op Band 2, 3, and 4 will result in a net recharge reduction of 1.7% per year of average storage (i.e. relative to Op Band 1). Suggested mitigation includes reducing takes proportional to net recharge reduction and optimizing well field recovery.

Storage Framework findings (from preliminary findings to date and Final Report scheduled to be available in September 2018) will be incorporated into developing the conceptual cost estimate of the put/take scenarios corresponding to the following Op Band.

- Op Band 1 – 600 - 700KAF – to include conceptual costs for some put/take facilities
- Op Band 2 – 700 - 800KAF – to include conceptual costs for some put/take facilities
- Op Band 3 – 800 - 900KAF – to include conceptual costs for put/take and potential hydraulic control mitigation facilities
- Op Band 4 – 900 – 1,000KAF – to include conceptual costs for put/take and potential hydraulic control mitigation facilities

Task 3.4 – Technical Memorandum

Findings from the facilities evaluation will be documented in a technical memorandum. The technical memo will:

- Compare available recharge and extraction facilities to the amount of storage available for each Op Band,
- Identify the additional recharge, in-lieu, and/or extraction facilities (and costs) needed for each Op Band, and
- Identify conceptual mitigation costs for each Op Band, where applicable.

Assumptions

- CBWB JPA and Infrastructure Model will develop the list of facilities for the evaluation and provide information such as, facility owner, facility capacity, contracted use, actual use, and any available unused capacity and time available, as well as contracting terms.
- CBWB JPA and Infrastructure Model will help identify major water transmission facilities, owners and capacity that could be used to wheel water out of the Chino Basin. This information can be used to help locate potential pumping facilities.
- Arcadis will generate cost information for facilities (capital and O&M) by collecting readily available cost information from participating agencies and developing conceptual cost estimates where information is not readily available.
- Final put/take scenario(s) to be analyzed will be reviewed with Watermaster for concurrence.

Task 4 – Financial Analysis

The key activities of this task include:

- Review the State Water Project market conditions and prices paid for “stored” dry year water and the prices for wet year water available for storage.
- Benchmark key financial provisions against other banks (much of this information is already in hand).
- Solicit input from up to five potential bank “depositors” (to be vetted with the CBWB JPA) to ensure competitiveness of the CBWB.
- Frame and facilitate discussion of the key financial policy questions by the CBWB JPA.
- Develop a financial model incorporating the cost components from Task 3 above, tiers of participation, mitigation cost recovery, and leave behind water accounting. The model will be sufficient to allow the CBWB to price participation.
- Develop “Pricing Scenarios” to refine the array of rates and charges that are appropriate to support the CBWB.

This task will be accomplished under five sub-tasks as described below:

Task 4.1 - Costs/Cost Drivers Review and Fee Structure Evaluation

Review capital and operational costs and cost drivers as evaluated in Task 3. Each participating Agency presents unique capital and operational characteristics which must be included in the cost allocation and pricing. Arcadis will use the operating and capital costs developed in Task 3 required to effectively implement and operate the CBWB on an ongoing basis. The costs will be functionalized to provide a basis for developing different fee mechanisms. Potential fee structures (as evaluated below), will be incorporated into the model to reflect the reduction in overall upfront and/or ongoing costs related to the CBWB.

Evaluate potential fees and fee structures. Arcadis will summarize fees and charges used by other similar water banks (pulled from existing information the Partners have developed) to provide an understanding of what other water banks charge and the purpose behind the charges. The evaluation of fees will include items such as cost recovery element (capital or operational), timing (up-front or future fee), and the fee basis (based on share ownership or put/take rates). It is important to understand the position of the CBWB JPA with respect to fee type and structure preference. Potential fees identified in Phase 1 of the project and to be included are:

- Participation Share Buy In
- Recharge Fee
- Recovery Fee
- Storage Fee
- Annual Fee/Administrative Fee (per share)
- Maintenance Fee
- Production/Power Fee
- Wheeling Charges
- Mitigation Fee

Arcadis will review the different charges with the CBWB JPA to receive their feedback and guidance on the attributes of the various fees and charges. Working collaboratively with the CBWB JPA, we will finalize the fees and charges to be incorporated into the CBWB fee structure.

Task 4.2 – Cost Allocation Analysis

Evaluate tiers of participation. The pricing structure of the CBWB is considering tiers of participation which consider a participant's initial involvement and cost contribution to the CBWB. Potential tiers of participation could include the following:

- Storage only vs. Storage and Recovery Members
- Grant sharing members
- In-Basin participants (no grant)
- Out-of-Basin participants

The above presents some potential levels of participation. Arcadis will work with CBWB JPA to assess the potential participants and their associated level of involvement or use of bank facilities.

Cost allocation analysis. Based on the findings of the evaluations described above, a methodology and analysis for equitably distributing costs to participants will be developed. The objective of the cost allocation is to properly assign cost responsibility to each participating member considering their tier of participation.

Task 4.3 – Financial Model Development

Develop fees/pricing structure. Specific fees will be developed using the costs of each participating member (based on individual operating characteristics). The objective of this analysis is to develop fees resulting in proper cost recovery. The analysis will be developed such that fee scenarios or alternatives can be developed.

Structure a scalable financial and pricing model. Using the cost allocation and fee/pricing analyses, a pricing model will be developed. The model will be prepared to evaluate alternative cost and pricing scenarios as well as changes in cost assumptions. The model will:

- Consider capital and operating costs and cost responsibility
- Consider a range of potential fees and fee structures
- Incorporate tiers of participation
- Account for leave behind water as appropriate

We will develop a scalable (expandable as the bank grows) Microsoft Excel-based model that consolidates operating and capital costs; incorporates potential participants (and tiers) and their respective uses of the bank; and allows for the ability to assess the impact of various participant and operating scenarios.

Task 4.4 – Pricing Scenario Development

Develop “Pricing Scenarios”. Once the level and type of participants is better understood, Arcadis will develop and finalize pricing scenarios to determine the overall fee structure for the CBWB. The pricing model will provide the overall basis for potential participants to understand the overall pricing methodology and potential fees and charges to be assessed should they become a participant

Task 4.5 – Frame and Facilitate Discussion

Frame and facilitate discussion of the key financial policy questions by the JPA. Discussions with the CBWB JPA will be conducted throughout the Financial Analysis phase. It is anticipated that up to three (3) on-site meetings will be held with the JPA. We anticipate the meetings will focus on the following:

- Meeting/Workshop 1 – confirm capital and operational cost drivers, evaluate fees and fee structures, and evaluate tiers of participation
- Meeting/Workshop 2 – present and discuss initial Pricing Scenarios
- Meeting/Workshop 3 – present final Pricing Structure and Pricing Model

In addition to the onsite meeting/workshops, we will participate in regular conference calls as noted in Task 2 to provide progress updates and reflect interim modeling results to receive feedback from the CBWB JPA.

Assumptions

- The California Water Bank comparison spreadsheet developed for the JPA under separate contract can be used and is accurate.

Task 5 – Preparation of Storage Application

Watermaster engagement from Phase 1 CBWB development will continue into Phase 2 and will resume immediately. While, the actual storage application appears relatively straightforward, the Watermaster has never executed one of the complexity of the CBWB. All the terms and conditions will have to be negotiated and will be based around the Storage Framework. This includes the amount of storage, mitigation, agreement life, and where recharge and extraction can take place. Numerous other conditions (e.g. storage losses) will likely arise during negotiations. Additionally, the Watermaster may want to wait until after CEQA work has been completed.

The Watermaster has indicated that the Storage Framework is to be completed in September 2018. At the Storage Framework Workshop 7 in May 2018, Watermaster's consultant, WEI, indicated that there was no Material Physical Injury (MPI) up to and including Op Band 4 (Up to 1,000 KAF). The OBMP and current CEQA documents only cover Storage up to 700 KAF, The Watermaster may need to go through a CEQA process and possibly update the OBMP before they can consider a storage application from the CBWB.

The Storage Agreement will require approval of each individual Pool Committee, the Advisory Committee, and the Watermaster Board. We expect this process to be very time consuming. The following sub-tasks are envisioned.

Task 5.1 – Coordination with CBWB JPA

- Coordinate with the CBWB JPA and the Watermaster to develop and negotiate the Storage Application process that adequately defines the planned CBWB operation to allow conduct of an MPI analysis and Watermaster's CEQA process.

- Meet with CBWB JPA to review steps of the Storage and Recovery Application process and set milestones to work towards. Milestones include release of the Storage Framework, findings of facilities evaluation (Task 3), and approval by individual Pools.

Task 5.2 – Watermaster Engagement

- Attend Storage Framework workshops, one-on-one meeting with Watermaster, and as-needed meetings with Pools.
- Incorporate mitigation terms into the storage agreement (e.g. tiered implementation on amount of storage being used).
- Negotiate the Watermaster mandatory storage loss from the current 6% per year to something more manageable. Identify alternatives such as Watermaster use of Bank facilities or sharing leave behind water.
- Provide input into any MPI and the CEQA process regarding the development operation of the bank.

Task 5.3 – Storage and Recovery Agreement Application Support

- Support the CBWB JPA in the Storage Application submittal. The application will require approval of each individual Pool, the Advisory Committee and the Watermaster Board.
 - a. Meet with the Executive Committee of each pool and committee to get concurrence on the storage agreement. It may be necessary to meet with individual pool members in order to obtain consensus and pool approval.
 - b. Assist in negotiation and review preliminary Storage Agreement terms and conditions (two meetings).
 - c. Attend individual Pool committees, Advisory Committee and Watermaster Board meetings. Present the final draft application and respond to questions as needed.

Task 6 – Operations Plan Development

The Banks rules and regulations will need to operate within and under the Watermaster’s rules and regulations. Obtaining Metropolitan Water District (MWD) as a potential bank stakeholder could be strategic to the bank. To that end the team will develop strategies for developing an agreement with MWD. In addition, Arcadis will develop a water acquisition strategy that outlines research on potential supplemental water supplies and steps to procure these supplies for interested bank participants. Both plans can be implemented in Phase 3. Arcadis will develop a CBWB Operations Plan and strategies to acquire water and an agreement with MWD by carrying out the activities described below.

Task 6.1 - Operations Plan Development

- Develop strategies to (1) acquire water and (2) an agreement with MWD.
- Review operation plans and regulations of other water banks and those of the Chino Basin Watermaster.
- Develop a matrix of suggested bank operating criteria, rules and regulations consistent with Watermaster requirements. This should be helpful in avoiding conflicts with the Watermaster.
- Develop a formal operating plan / Administrative Code for the CBWB.

- Define the management structure for CBWB including staffing requirements.
- Develop put and take documentation/reporting requirements.
- Coordinate with Watermaster to ensure consistency with an “approved” Storage Agreement.
- Coordinate with potential bank participants to ensure that put and take “rules” provide value to bank participants and are competitive with other banks Develop draft rules and regulations for CBWB.
- Develop put and take documentation/reporting requirements that satisfy participant and Watermaster needs and requirements.

Fee Schedule - Phase 2 Scope of Work: Chino Basin Water Bank Formation

Task Description	Arcadis											Subconsultants						Total		
	Deputy Project Manager	Principal Engineer II	Senior Engineer II	Senior Engineer I	Project Engineer	Staff Engineer	Project Assistant	Total Labor Hours	Total Labor Costs	Other Direct Costs	Total Arcadis Costs	Brill	Hunt-Thornton	Means (Project Manager)	Total Labor Hours	Total Labor Costs	Other Direct Costs	Total Subs Costs	Grand Total Hours	Grand Total Costs (w/ 10% subs mark up)
	\$185/hr	\$258/hr	\$206/hr	\$185/hr	\$165/hr	\$149/hr	\$108/hr					\$180/hr	\$265/hr	\$278/hr						
Task 1 – Project Management																				
Task 1.1 - Project Management	60	6	6	6	6	6	32	122	\$20,334	\$500	\$20,834	8	16	40	64	\$16,800	\$1,000	\$17,800	186	\$40,414
Sub-total	60	6	6	6	6	6	32	122	\$20,334	\$500	\$20,834	8	16	40	64	\$16,800	\$1,000	\$17,800	186	\$40,414
Task 2 – Technical Advisory																				
Task 2.1 - CBWB JPA Meetings	24					8		32	\$5,632	\$500	\$6,132	12	12	24	48	\$12,012	\$4,500	\$16,512	80	\$24,295
Task 2.2 - Stakeholder Engagement and Workshops	60					50	8	118	\$19,414	\$500	\$19,914	40	40	96	176	\$44,488	\$9,000	\$53,488	294	\$78,751
Sub-total	84					58	8	150	\$25,046	\$1,000	\$26,046	52	52	120	224	\$56,500	\$13,500	\$70,000	374	\$103,046
Task 3 – Facilities and Engineering Evaluation																				
Task 3.1 - Existing Facility Inventory	8	12		40	24	24		108	\$19,512	\$500	\$20,012	6	12	12	30	\$7,596	\$750	\$8,346	138	\$29,193
Task 3.2 - Conceptual Put/Take Scenarios and Facilities Evaluation	8	8		80	30	30		156	\$27,764	\$1,500	\$29,264	6	12	12	30	\$7,596	\$750	\$8,346	186	\$38,445
Task 3.3 - Conceptual Cost Estimate	8	8		80	20	20		136	\$24,624	\$500	\$25,124	6	8	8	22	\$5,424	\$750	\$6,174	158	\$31,915
Task 3.4 - Technical Memorandum	8	8		24	24	24	8	96	\$16,384	\$500	\$16,884	6	8	8	22	\$5,424	\$750	\$6,174	118	\$23,675
Sub-total	32	36		224	98	98	8	496	\$88,284	\$3,000	\$91,284	24	40	40	104	\$26,040	\$3,000	\$29,040	600	\$123,228
Task 4 – Financial Analysis																				
Task 4.1 - Costs/Cost Drivers Review and Fee Structure Evaluation	4	16	16		8			44	\$9,484	\$500	\$9,984	6	4	4	14	\$3,252	\$1,500	\$4,752	58	\$15,211
Task 4.2 - Cost Allocation Analysis	4	24	36		16			80	\$16,988	\$500	\$17,488	6		4	10	\$2,192	\$1,500	\$3,692	90	\$21,549
Task 4.3 - Financial Model Development	8	40	40		24		2	114	\$24,216	\$500	\$24,716		4	4	8	\$2,172	\$1,500	\$3,672	122	\$28,755
Task 4.4 - Pricing Scenario Development	8	16	12		8		2	46	\$9,616	\$500	\$10,116		4	4	8	\$2,172	\$1,500	\$3,672	54	\$14,155
Task 4.5 - Frame and Facilitate Discussion	12	24	12		12		8	68	\$13,728	\$6,000	\$19,728	12	12	12	36	\$8,676	\$1,500	\$10,176	104	\$30,922
Sub-total	36	120	116		68	0	12	352	\$74,032	\$8,000	\$82,032	24	24	28	76	\$18,464	\$7,500	\$25,964	428	\$110,592
Task 5 – Preparation of Storage Application																				
Task 5.1 - Coordination with CBWB JPA	8					8		16	\$2,672	\$200	\$2,872	6	12	16	34	\$8,708		\$8,708	50	\$12,451
Task 5.2 - Watermaster Engagement	8					8		16	\$2,672	\$200	\$2,872	6	12	16	34	\$8,708	\$4,500	\$13,208	50	\$17,401
Task 5.3 - Storage and Recovery Agreement Application Support	8					32		40	\$6,248	\$200	\$6,448	8	32	64	104	\$27,712	\$4,500	\$32,212	144	\$41,881
Sub-total	24		0			48	0	72	\$11,592	\$600	\$12,192	20	56	96	172	\$45,128	\$9,000	\$54,128	244	\$71,733
Task 6 – Operations Plan Development																				
Task 6.1 - Operations Plan Development	12	12	24		28		16	92	\$16,608	\$500	\$17,108	36	36	36	108	\$26,028	\$2,500	\$28,528	200	\$48,489
Sub-total	12	12	24		28	0	16	92	\$16,608	\$500	\$17,108	36	36	36	108	\$26,028	\$2,500	\$28,528	200	\$48,489
Total	248	174	146	230	200	210	76	1,284	\$235,896	\$13,600	\$249,496	164	224	360	748	\$188,960	\$36,500	\$225,460	2,032	\$497,502

Schedule - Phase 2 Scope of Work: Chino Basin Water Bank Formation

Task Description	2018						2019					
	July	August	September	October	November	December	January	February	March	April	May	June
	1	2	3	4	5	6	7	8	9	10	11	12
Task 1 – Project Management												
Task 1.1 - Project Management												
Task 2 – Technical Advisory												
Task 2.1 - CBWB JPA Meetings	◆		◆		◆		◆		◆		◆	
Task 2.2 - Stakeholder Engagement and Workshops		◆						◆				
Task 3 – Facilities and Engineering Evaluation												
Task 3.1 - Existing Facility Inventory												
Task 3.2 - Conceptual Put/Take Scenarios and Facilities Evaluation												
Task 3.3 - Conceptual Cost Estimate												
Task 3.4 - Technical Memorandum					◆		◆					
Task 4 – Financial Analysis												
Task 4.1 - Costs/Cost Drivers Review and Fee Structure Evaluation												
Task 4.2 - Cost Allocation Analysis												
Task 4.3 - Financial Model Development							◆		◆			
Task 4.4 - Pricing Scenario Development									◆	◆		
Task 4.5 - Frame and Facilitate Discussion					◆		◆			◆		
Task 5 – Preparation of Storage Application												
Task 5.1 - Coordination with CBWB JPA												
Task 5.2 - Watermaster Engagement												
Task 5.3 - Storage and Recovery Agreement Application Support												
Task 6 – Operations Plan Development												
Task 6.1 - Operations Plan Development								◆		◆		

Legend

- ◆ Meeting or Workshop
- ◆ Draft Deliverable
- ◆ Final Deliverable

Additional Assumptions

Task 1 – Project Management	
Length of Project (months)	12
Task 2 – Technical Advisory	
Number of CBWB JPA Meetings (bimonthly)	6
Number of (Non-Watermaster) Stakeholder Meetings	20
Number of Stakeholder Workshops	2
Task 3 – Facilities and Engineering Evaluation	
Number of put/take scenarios Arcadis will develop for consideration	Up to 3
Task 4 – Financial Analysis	
Number of in-person meetings related to Financial Model and Pricing Structure	3
Water Bank comparison spreadsheet previously prepared is accurate	
Task 5 – Preparation of Storage Application	
Number of One-on-one Meetings with Watermaster including Pools	6
Number of Other Meetings e.g. Advisory Committee, Board, etc.	12
Task 6 – Operations Plan Development	
Number of reviews with CBWB staff	2
Number of presentation to CBWB Board of Directors	1

Deliverables

Task 1 – Project Management
Monthly Invoice with Budget Summary
Task 2 – Technical Advisory
Agenda and Summary for CBWB JPA Meetings
Workshop Presentations and Handouts
Task 3 – Facilities and Engineering Evaluation
Facilities Evaluation Tech Memo
Task 4 – Financial Analysis
Financial Model
Pricing Scenarios and Pricing Structure Tech Memo
Task 5 – Preparation of Storage Application
Completed Application
Task 6 – Operations Plan Development
CBWB Operations Plan

**ACTION
ITEM
1G**

Date: July 18, 2018

To: The Honorable Board of Directors

From: Halla Razak, General Manager

Committee: Engineering, Operations & Water Resources

##R
07/11/18

Executive Contact: Randy Lee, Executive Manager of Operations/AGM

Subject: Contract Award for Regional Water Recycling Plant No. 4 Process Painting

Executive Summary:

The Agency owns numerous facilities which includes process piping and equipment that require protective coating. Every five years, these facilities and process areas require repainting to protect against damage from exposure to the environment. On May 2, 2018, a competitive Request for Proposal (RFP-SM-18-002) was issued to 46 prospective contractors through the PlanetBids Network to provide industrial coatings to necessary pipes, equipment, and tanks throughout Regional Water Recycling Plant No. 4 (RP-4). Out of eight potential contractors who participated in the mandatory job-walk, four submitted proposals. The most comprehensive proposal, and determined to be the best value for the Agency, was submitted by Tony Painting. Tony Painting understood the scope of work, has been contracted with the Agency for three years performing similar work, and continues to meet all Agency expectations. The apparent lowest proposal did not meet the RFP requirements and received the lowest overall score from the review committee. Tony Painting had the second lowest proposal and highest overall score.

The RP-4 Process Painting Contract No. 4600002553 to Tony Painting will be for a not-to-exceed amount of \$268,450.

Staff's Recommendation:

1. Award a service contract for the RP-4 Process Painting to Tony Painting, for a not-to-exceed amount of \$268,450; and
2. Authorize the General Manager to execute the service contract.

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

Account/Project Name:

PA19002 Agency Wide Coatings & Paintings with additional funds from Regional Operations and Maintenance (RO) Fund, Professional Fees and Services

Fiscal Impact (explain if not budgeted):

Prior Board Action:

August 16, 2017 - Contract Award for Process Painting for Regional Water Recycling Plant No. 5 (RP-5)

Environmental Determination:

Statutory Exemption

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

Business Goal:

Asset Management - 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 - Contract No. 4600002553 for RP-4 Process Painting

Attachment 1



CONTRACT NUMBER: 4600002553

FOR CONTRACTOR SERVICES

RP4 Painting

THIS CONTRACT (the "Contract"), is made and entered into this ____ day of _____, 2018, by and between the Inland Empire Utilities Agency, a Municipal Water District, organized and existing in the County of San Bernardino under and by virtue of the laws of the State of California (hereinafter referred to as "Agency" or "IEUA"), and Tony Painting Inc., located in Garden Grove, CA (hereinafter referred to as "Contractor"), for RP5 Painting Project.

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

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

Project Manager: Lucia Diaz
Address: 6075 Kimball Ave
CHINO, CA 92880
Telephone: (909) 993-1631
Facsimile: (909) 993-1987
Email: ldiaz@ieua.org

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

Contractor: Tony Painting Inc.
Address: 7291 Garden Grove Blvd Suite A.
Garden Grove, CA 92841
Telephone: (714) 899-5303
Facsimile: (714) 899-5305
Email: tonyspaintingsb@yahoo.com

3. ORDER OF PRECEDENCE: The documents referenced below represent the Contract Documents. Where any conflicts exist between the General Terms and Conditions the governing order of precedence shall be as follows:
1. Amendments to Contract Number 4600002553
 2. Contract Number 4600002553 General Terms and Conditions.
 3. Agency Request For Proposal RFP-SM-18-002
 4. Contractor's Bid dated May 29, 2018, Exhibit A
4. SCOPE OF WORK AND SERVICES: Contractor services and responsibilities shall include and be in accordance with the following:
- A. The Scope of Work and Technical Specifications in accordance with Exhibit A.
 - B. Contractor shall provide Agency with a Schedule of Work and Services, documenting the anticipated completion of the work within the time-frame set forth in Subsection 4.A., above. The Schedule of Work and Services will be prepared and submitted, to the Project Manager, for review and approval.
 - C. Method of Inspection:
 1. Work performed under this Contract may be required to undergo inspections.
 2. The Project Manager will be responsible for performance of the inspections.
 3. If Contractor fails an inspection, the Project Manager will be responsible for providing a written notice to the Contractor explaining the error and a determination of the urgency for the correction of the error (herein referred to as a "Cure Notice").
 - D. Cure Procedure:
 1. For a Cure Notice deemed by the Agency to be **urgent**, Contractor shall correct any error of the Work within 3 calendar days after Contractor's receipt of a Cure Notice, as directed by the Project Manager.
 2. For a Cure Notice deemed by the Agency to be **important**, Contractor shall correct any error of the Work within 10 calendar days after Contractor's receipt of a Cure Notice, as directed by the Project Manager.
 3. If the Project Manager rejects all, or any part of, the Work as unacceptable and agreement to correct such Work cannot be reached without modification to the Contract, Contractor shall notify

the Project Manager, in writing, detailing the dispute and the reason(s) 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.

- E. The Agency may, at any time, make changes to this Contract's Scope of Work; including additions, reductions, and other alterations to any or all of the Work. However, such changes shall only be made via written amendment to this Contract. The Contract compensation and Schedule of Work and Services shall be equitably adjusted, if required, to account for such changes and shall be set forth within the mutually approved Contract Amendment.
5. TERM: The term of this Contract shall extend from date of Notice to Proceed, and terminate 12/31/2018 or until services are complete, whichever occurs first, unless agreed upon by both parties, reduced to writing, and amended to this Contract.
6. PAYMENT, INVOICING, AND COMPENSATION:
- A. The Contractor may submit an invoice not more than once per month during the term of this Contract to the Agency's Accounts Payable Department. Agency shall pay Contractor's properly executed invoice, approved by the Project Manager, within thirty (30) days following receipt of the invoice.
 - B. As compensation for the Work performed under this Contract, Agency shall pay Contractor's monthly invoice, for a total contract price NOT-TO-EXCEED **\$268,450.00** for all services satisfactorily provided during the term of this Contract.
 - C. Additionally, to qualify for payment, the Contractor shall prominently display, on the first page of the invoice, both:
 - 1. The Contract Number – 4600002553, and;
 - 2. The Contract Release Purchase Order Number – **45000XXXXX**

If Contractor submits invoice by email, such invoice shall be submitted as follows:

APGroup@ieua.org
Scan the invoice as a PDF file.
Attach the scanned file to an email.

If Contractor submits invoice by mail, such invoice shall be submitted as follows:

Inland Empire Utilities Agency
Re: Contract Number: 4600002367
P.O. Box 9020
Chino Hills, CA 91709

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

this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. **Automobile Liability:** ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, covering hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
 3. **Workers' Compensation and Employers Liability:** Workers' compensation limits as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
 4. **Payment Bond and Performance Bond:** If Applicable, Shall be in a sum equal to the contract price. If the Performance Bond provides for a one-year warranty a separate Maintenance Bond is not necessary. Bonds shall be duly executed by a responsible corporate surety, authorized to issue such bonds in the State of California and secured through an authorized agent with an office in California.
- 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 insurance policies are to contain, or be endorsed to contain, the following provisions:
1. **Commercial General Liability and Automobile Liability Coverage**
 - a. **Additional Insured Status:** The Agency, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment supplied in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85; or **by either** CG 20 10, CG 20 26, CG 20 33, or CG 20 38 **and** CG 20 37 forms if later revisions are used).
 - b. **Primary Coverage:** The 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 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 the 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, or reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Agency pursuant to Section 14, page 12 of this Contract.

- D. Acceptability of Insurers: Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A minus:VII, and who are admitted insurers in the State of California.
- E. Verification of Coverage: Contractor shall provide the Agency with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the Agency before work

commences. However, failure to obtain the required documents prior to the work beginning shall not waive the 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
Attn: Angela Witte
P.O. Box 9020
Chino Hills, CA 91709

9. FITNESS FOR DUTY:

- A. Fitness: Contractor and its Subcontractor personnel on the Jobsite:

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

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

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

- I. Conflict of Interest: No official of the Agency, who is authorized in such capacity and on behalf of the Agency to negotiate, make, accept or approve, or to take part in negotiating, making, accepting or approving this Contract, or any subcontract relating to services or tasks to be performed pursuant to this Contract, shall become directly or indirectly personally interested in this Contract.
- J. Equal Opportunity: During the performance of this Contract, the Contractor shall not unlawfully discriminate against any employee or employment applicant because of race, color, religion, sex, age, marital status, ancestry, physical or mental disability, sexual orientation, veteran status or national origin. The Agency is committed to creating and maintaining an environment free from harassment and discrimination.
- K. Disputes:
1. All disputes arising out of or in relation to this Contract shall be resolved 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 a dispute. By entering into this Contract, both parties are obligated, and hereby agree, to submit all disputes arising under or relating to the Contract which remain unresolved after the exhaustion of the procedures provided herein, to independent arbitration. Except as otherwise provided herein, arbitration shall be conducted under California Code of Civil Procedure Sections 1280, et seq., or their successor.
 2. Any and all disputes prior to the work starting shall be subject to resolution by the Agency's Project Manager; and the Contractor shall comply, with the Agency Project Manager instructions. If the Contractor is not satisfied with the resolution directed by the Agency Project Manager, they may file a written protest with the Agency Project Manager within seven (7) calendar days after receiving written directive of the Project Manager's decision. Failure by Contractor to file a written protest within seven (7) calendar days shall constitute waiver of protest, and acceptance of the Project Manager's resolution. The Project Manager shall submit the Contractor's written protests to the General Manager, together with a copy of the Project Manager's written decision, for his or her consideration within seven (7) calendar days after receipt of the protest-related documents. The General Manager shall make his or her determination with respect to each protest filed with the Project Manager within ten (10) calendar days after receipt of the protest-related documents. If Contractor is not satisfied with any such resolution by the General Manager, they may file a written request for arbitration with the Project Manager within seven (7) calendar days after receiving written notice of the General Manager's decision.

3. In the event of arbitration, the parties to this contract agree that there shall be a single neutral Arbitrator who shall be selected in the following manner:

a. The Demand for Arbitration shall include a list of five names of persons acceptable to the Contractor to be appointed as Arbitrator. The Agency shall determine if any of the names submitted by Contractor are acceptable and, if so, such person will be designated as Arbitrator.

b. In the event that none of the names submitted by Contractor are acceptable to Agency, or if for any reason the Arbitrator selected in Step (a) is unable to serve, the Agency shall submit to Contractor a list of five names of persons acceptable to Agency for appointment as Arbitrator. The Contractor shall, in turn, have seven (7) calendar days in which to determine if one such person is acceptable.

c. If after Steps (a) and (b), the parties are unable to mutually agree upon a neutral Arbitrator, the matter of selection of an Arbitrator shall be submitted to the San Bernardino County Superior Court pursuant to Code of Civil Procedure Section 1281.6, or its successor. The costs of arbitration, including but not limited to reasonable attorneys' fees, shall be recoverable by the party prevailing in the arbitration. If this arbitration is appealed to a court pursuant to the procedure under California Code of Civil Procedure Section 1294, et seq., or their successor, the costs of arbitration shall also include court costs associated with such appeals, including but not limited to reasonable attorneys' fees which shall be recoverable by the prevailing party.

4. Association in Mediation/Arbitration: The Agency may join the Contractor in mediation or arbitration commenced by a contractor on the Project pursuant to Public Contracts Code Sections 20104 et seq. Such association shall be initiated by written notice from the Agency's representative to the Contractor.

L. Workers' Legal Status: For performance against this Contract, Contractor shall only utilize employees and/or subcontractors that are authorized to work in the United States pursuant to the Immigration Reform and Control Act of 1986.

M. Prevailing Wage Requirements: Pursuant to Section 1770 and following, of the California Labor Code, the Contractor shall not pay less than the general prevailing wage rates, as determined by the Director of the State

of California Department of Industrial Relations for the locality in which the work is to be performed and for each craft or type of worker needed to execute the work contemplated under the Contract. The Contractor or any subcontractor performing part of said work shall strictly adhere to all provisions of the Labor Code, including, but not limited to, minimum wages, work days, nondiscrimination, apprentices, maintenance and availability of accurate payroll records and any other matters required under all Federal, State and local laws related to labor.

N. Contractor shall provide with their invoice certified payroll verifying that Contractor has paid prevailing wage requirements as stipulated in SB-854 (<http://www.dir.ca.gov/DIRNews/2014/2014-55.pdf>).

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 them to the Agency whenever requested to do so by the Project Manager and/or Agency representative. The Contractor agrees that all documents shall not be made available to any individual or organization, private or public, without the prior written consent of an Agency representative.

12. TITLE AND RISK OF LOSS:

A. Documentation: Title to the Documentation shall pass to the Agency when prepared; however, a copy may be retained by 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 the Agency or for the performance of Work related to the Scope of Work described in this Contract.

B. Material: Title to all Material, field or research equipment, and laboratory models, procured or fabricated under the Contract shall pass to the Agency when procured or fabricated, and such title shall be free and clear of any and all encumbrances. 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 the Agency has title as directed, in writing, by the Project Manager and/or an Agency representative.

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

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

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

Contractor: Ante Marijanovic
Tony Painting
7291 Garden Grove Blvd
Garden Grove, CA 92841

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

15. SUCCESSORS AND ASSIGNS: All of the terms, conditions and provisions of this Contract shall take effect to the benefit of and be binding upon the Agency, the Contractor, and their respective successors and assigns. 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.
16. 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 this work. 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, in any action or proceeding arising under the Public Records Act.
17. RIGHT TO AUDIT: The Agency reserves the right to review and/or audit all Contractor's records related to the Work. The option to review and/or audit may be exercised during the term of the Contract, upon termination, upon completion of the Contract, or at any time thereafter up to twelve (12) months after final payment has been made to the Contractor. The Contractor shall make all records and related documentation available within three (3) working days after said records are requested by the Agency.
18. INTEGRATION: The Contract Documents represent the entire Contract made and entered into by and between the Agency and the Contractor as to those matters contained in this contract. No prior oral or written understanding shall be of any force or effect with respect to those matters covered by the Contract Documents. This Contract may not be modified, altered, or amended except by written mutual agreement by the Agency and the Contractor.
19. GOVERNING LAW: This Contract is to be governed by and constructed in accordance with the laws of the State of California, in the County of San Bernardino.

20. TERMINATION FOR CONVENIENCE: The Agency reserves and has the right to immediately suspend, cancel or terminate this Contract at any time upon written notice to the Contractor. In the event of such termination, the Agency shall pay Contractor for all authorized and Contractor-invoiced services up to the date of such termination, as approved by the Project Manager.
21. 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.
22. NOTICE TO PROCEED: No services shall be performed or provided under this Contract unless and until this document has been properly signed by all responsible parties and a notice to proceed has been issued to the Contractor by the Project Manager.
23. AUTHORITY TO EXECUTE CONTRACT: The Signatories, below, each represent, warrant, and covenant that they have the full authority and right to enter into this Contract on behalf of the separate entities shown below.
24. DELIVERY OF DOCUMENTS: The Parties to this Contract and the individuals named to facilitate the realization of its intent, with the execution of the Contract, authorize the delivery of documents via facsimile, via email, and via portable document format (PDF) and covenant agreement to be bound by such electronic versions.

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

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

TONY PAINTING, INC:

 Halla Razak
 General Manager

 (Date)

 Ante Marijanovic
 President/CEO

 (Date)

**ACTION
ITEM
1H**

Date: July 18, 2018

#HR

To: The Honorable Board of Directors

From: Halla Razak, General Manager

Committee: Engineering, Operations & Water Resources

07/11/18

Executive Contact: Randy Lee, Executive Manager of Operations/AGM

Subject: Master Service Contract for the Repair, Rebuild, or Refurbishment of Rotating Machinery

Executive Summary:

The Agency has rotating equipment such as pumps, blowers, gearboxes, compressors, and mixers, etc. that periodically require repair or refurbishment. A three-year contract, with a reputable and highly-qualified service provider, ensures reliability of Agency equipment at a competitive cost. This contract would provide for both on-site and off-site repair of equipment, and this contract would be used at any Agency facility.

This contract will be used Agency-wide, with Operations' division needs estimated at \$700,000, Engineering division needs estimated at \$500,000, and Inland Empire Regional Composting Facility's needs estimated at \$300,000 over the term of the contract.

On May 18, 2018 staff issued a Request for Proposal (RFP-SM-18-005) through the PlanetBids Network. Three proposals were received, with Vaughan's Industrial Repair, Inc. of Paramount, California as the lowest responsive bidder. Vaughan has been contracted with the Agency for over three years for this type of work and staff is satisfied with their performance.

Staff's Recommendation:

It is recommended that the Board of Directors:

1. Approve the award of Contract No. 4600002562 to Vaughan's Industrial Repair, Inc. to provide repair, rebuild, or refurbishment services of rotating machinery for a total aggregate not-to-exceed amount of \$1,500,000 over a three-year period, with two, one-year options to extend; 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:

If approved, sufficient funds are available in Fiscal Year 2018/19 through Fiscal Year 2021/22 Regional Operations and Maintenance (RO), Recycled Water (WC), and Non-Reclaimable Wastewater (NC) Funds, Professional Fees and Services Budget, to support the contract services

Fiscal Impact (explain if not budgeted):

Prior Board Action:

June 21, 2017, the Board approved an amendment amount increase of \$300,000 to Vaughan's Industrial Repair, Inc.

January 31, 2017, the Board approved an amendment amount increase of \$390,000 to Vaughan's Industrial Repair, Inc.

May 20, 2015, the Board approved the award of Contract No. 4600001864 to Vaughan's Industrial Repair, Inc. a total aggregate not-to-exceed amount of \$240,000.

Environmental Determination:

Statutory Exemption

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

Business Goal:

IEUA is committed to providing a reliable and cost-effective water supply and promoting sustainable water use throughout the region.

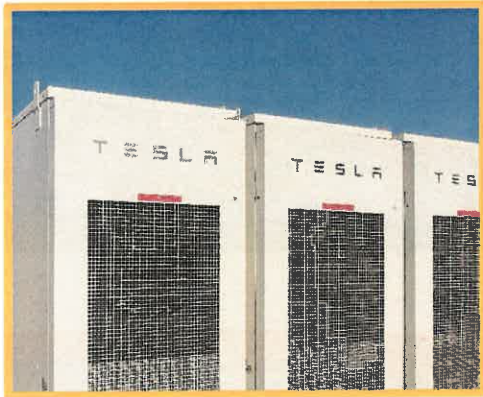
Attachments:

Attachment 1 - PowerPoint

Attachment 2 - Contract No. 4600002562 for Vaughan's Industrial Repair, Inc.

Attachment 1

Master Service Contract for the Repair, Rebuild, or Refurbishment of Rotating Machinery



Albert VanBreukelen
July 2018

Vaughan's Previously Provided Offsite Repair Only



Vaughan's to Provide Both Onsite and Offsite Repair



Oct 20, 2016, 11:46:11 AM

Recommendation

- Approve the award of Contract No. 4600002562 to Vaughan's Industrial Repair, Inc. to provide repair, rebuild, or refurbishment services of rotating machinery for a total aggregate not-to-exceed amount of \$1,500,000 over a three-year period, with two, one-year options to extend; and
- Authorize the General Manager to execute the contract.

The award of this contract aligns with the Agency's goal of providing a reliable and cost-effective water supply and promoting sustainable water use throughout the region.

Attachment 2



CONTRACT NUMBER: 4600002562
FOR
AS-NEEDED REPAIR SERVICE FOR ROTATING MECHANICAL AND ELECTRICAL
EQUIPMENT

THIS CONTRACT (the "Contract"), is made and entered into this _____ day of _____, 2018, by and between the Inland Empire Utilities Agency (IEUA), 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 Vaughan's Industrial Repair Company, existing in the County of Los Angeles (hereinafter referred to as "Contractor") for the execution of the as needed repairs/service of the Agency's mechanical and electrical equipment.

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: Albert Van Breukelen
Inland Empire Utilities Agency
Address: 2662 E. Walnut Street
Ontario, California 91761
Telephone: (909) 993-1628
Email: avanbreukelen@ieua.org

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

Contractor: Jack Wilber
Vaughan's Industrial Repair Company, Inc.
Address: 16224 Garfield Ave
Paramount, California 90723
Telephone: (562) 822-2387
Facsimile: (562) 633-1504
Email: jack@virc1.com

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 4600002562.
- B. Contract Number 4600002562 General Terms and Conditions.
- C. Agency Solicitation Number RFP-SM-18-005
- C. Contractor's Proposal dated May 16, 2018

4. **SCOPE OF WORK AND SERVICES:** Contractor services and responsibilities shall be in accordance with Contractor's Proposal, which is attached hereto as **Exhibit A** and incorporated herein by reference, and includes, but is not limited to the following tasks:

- a. On-Site repair to equipment on any of the Agency work sites as requested
- b. On-Site installation and alignment of equipment on any of the Agency work sites as requested
- c. Pick-Up, repair and return delivery of equipment at any of the Agency work sites as requested
- d. Off-site services including repairs to equipment and machining of equipment and parts.
- e. Full turnkey type service i.e. (disconnect equipment, remove equipment, transport equipment, rebuild/service equipment, transport equipment back to facility, install equipment, reconnect equipment, where applicable laser alignment of equipment, vibration analysis, pump efficiency test, MEG motor, and provide all equipment and tools to accomplish the above tasks.

NOTE: Contractor shall advise Agency within two (2) weeks of any changes to the written Scope of Work based upon discussions from any meetings. Any significant scope of work changes or project delays longer than 4 weeks must be made in writing by an Amendment to the Contract. Work initiated without written approval, shall be at the Contractor's own risk, and shall not be reimbursed by the Agency.

5. **TERM:** The term of this Contract shall extend from date of notice to proceed and terminate June 30, 2021 unless agreed to by both parties and amended to this contract. This Contract may be extended for an additional two years in one-year increments.

6. **COMPENSATION:** Agency shall pay Contractor's properly executed invoice approved by the Project Manager within thirty (30) days following receipt of the invoice. Payment will be withheld for any service which does not meet or exceed Agency requirements or have proven unacceptable until such service is revised, the invoice resubmitted, and accepted by the Project Manager. Invoices shall include Contract Number 4600002562.

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

Agency may at any time make changes to the Work including additions, reductions, and changes to any or all of the Work, as directed in writing by the Agency. Such changes shall be made by an Amendment to the Contract. The NOT-TO-EXCEED Amount and

Work Schedule shall be equitably adjusted, if required, to account for such changes and shall be set forth in the Amendment.

In compensation for the work represented by this Contract, Agency shall pay Contractor's in accordance with the attached fee schedule, which is attached hereto and made a part hereof, up to a maximum NTE total of \$1, 500,000.00 for all services provided. Payment shall be made only after review and acceptance of the work by the Agency's Project Manager.

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

8. FITNESS FOR DUTY:

A. Fitness: Contractor and its Subcontractor personnel on the Jobsite:

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

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

9. INSURANCE: During the term of this Contract, the Contractor shall maintain at Contractor's sole expense, the following insurance.

A. Minimum Scope of Insurance: Coverage shall be at least as broad as:

1. Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$1,000,000 per occurrence. If a

general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. Automobile Liability: ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, covering hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
 3. Workers' Compensation and Employers Liability: Workers' compensation limits as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
- B. Deductibles and Self-Insured Retention: Any deductibles or self-insured retention must be declared to and approved by the Agency. At the option of the Agency, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the Agency, its officers, officials, employees and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration and defense expenses.
- C. Other Insurance Provisions: The insurance policies are to contain, or be endorsed to contain, the following provisions:
1. General Liability and Automobile Liability Coverage
 - a. Additional Insured Status: The Agency, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used).
 - b. Primary Coverage: The Contractor's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the Agency, its officer, officials, employees and volunteers. Any insurance or self-insurance maintained by the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract with the Agency shall be excess of the Contractor's insurance and shall not contribute with it.

- c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, its officers, officials, employees or volunteers.
- d. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- e. The Contractor may satisfy the limit requirements in a single policy or multiple policies. Any such additional policies written as excess insurance shall not provide any less coverage than that provided by the first or primary policy.

2. Workers' Compensation and Employers Liability Coverage

The insurer hereby grants to Agency a waiver of any right to subrogation which any insurer of said Contractor may acquire against the Agency by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Agency has received a waiver of subrogation endorsement from the insurer.

3. All Coverages

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

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

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

10. LEGAL RELATIONS AND RESPONSIBILITIES

- A. Professional Responsibility: The Contractor shall be responsible, to the level of competency presently maintained by other practicing professionals performing the same or similar type of work.
- B. Status of Contractor: The Contractor is retained as an independent Contractor only, for the sole purpose of rendering the services described herein, and is not an employee of the Agency.
- B. Observing Laws and Ordinances: Consistent with the standard of skill and care set forth in 10.A, Professional Responsibility, the Contractor shall keep itself fully informed of all relevant existing state and federal laws and all relevant county and city ordinances and regulations which pertain to structural engineering services or tasks performed under this Contract, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. The Contractor shall at all times observe and comply with all such existing laws, ordinances, regulations, orders and decrees, and shall to the extent of Contractor's negligence, protect and indemnify, as required herein, the Agency, its officers, employees and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by the Contractor or its employees.
- C. Subcontract Services: Any subcontracts for the performance of any services under this Contract shall be subject to the written approval of the Project Manager.
- D. Grant Funded Projects: This is not a grant funded project.
- E. 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.
- F. Equal Opportunity and Unlawful Discrimination: During the performance of this Contract, the Contractor shall not unlawfully discriminate against any employee or employment applicant because of race, color, religion, sex, age, marital status, ancestry, physical or mental disability, sexual orientation, veteran status or national origin. The Agency is committed to creating and maintaining an environment free from harassment and discrimination. To accomplish these goals

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

- G. Non-Conforming Work and Warranty: Consistent with the standard of skill and care set forth in Section 10.A, Professional Responsibility, Contractor represents and warrants that the Work and Documentation shall be adequate to serve the purposes described in the Contract. If the Project Manager rejects all or any part of the Work or Documentation as unacceptable, and agreement to correct such Work or Documentation cannot be reached without modification to the Contract, Contractor shall notify the Project Manager, in writing, detailing the dispute and reason for Contractor's position. Any dispute that cannot be resolved between the Project Manager and the Contractor, shall be resolved in accordance with the Dispute Section of this Contract.
- H. Disputes:
1. All disputes arising out of or in relation to this Contract shall be determined in accordance with this section. The Contractor shall pursue the work to completion in accordance with the instruction of the Agency's Project Manager notwithstanding the existence of dispute. By entering into this Contract, both parties are obligated, and hereby agree, to submit all disputes arising under or relating to the Contract, which remain unresolved after the exhaustion of the procedures provided herein, to independent arbitration. Except as otherwise provided herein, arbitration shall be conducted under California Code of Civil Procedure Sections 1280, et. seq, or their successor.
 2. Any and all disputes during the pendency of the work shall be subject to resolution by the Agency Project Manager and the Contractor shall comply, pursuant to the Agency Project Manager instructions. If the Contractor is not satisfied with any such resolution by the Agency Project Manager, they may file a written protest with the Agency Project Manager within seven (7) calendar days after receiving written notice of the Agency's decision. Failure by Contractor to file a written protest within seven (7) calendar days shall constitute waiver of protest, and acceptance of the Agency Project Manager's resolution. The Agency's Project Manager shall submit the Contractor's written protests to the General Manager, together with a copy

of the Agency Project Manager's written decision, for his or her consideration within seven (7) calendar days after receipt of said protest(s). The General Manager shall make his or her determination with respect to each protest filed with the Agency Project Manager within ten (10) calendar days after receipt of said protest(s). If Contractor is not satisfied with any such resolution by the General Manager, they may file a written request for arbitration with the Project Manager within seven (7) calendar days after receiving written notice of the General Manager's decision.

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

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

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

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

13. TITLE AND RISK OF LOSS:

- A. Documentation: Title to the Documentation shall pass, subject to payment therefore, to Agency when prepared; however, a copy may be retained by Contractor for its records and internal use. Contractor shall retain such Documentation in a controlled access file, and shall not reveal, display or disclose the contents of the Documentation to others without the prior written authorization of Agency or for the performance of Work related to the project.
- B. Material: Title to all Material, field or research equipment, subject to payment therefore, and laboratory models, procured or fabricated under the Contract shall pass to Agency when procured or fabricated, and such title shall be free and clear of any and all encumbrances. Contractor shall have risk of loss of any Material or Agency-owned equipment of which it has custody. Contractor shall not be responsible for loss, theft or damage of Materials at the school site (raised beds, irrigation, and plants) caused by parties other than the Contractor.
- C. Disposition: Contractor shall dispose of items to which Agency has title as directed in writing by the Agreement Administrator and/or Agency.

14. PROPRIETARY RIGHTS:

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

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

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

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

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

Agency: Warren T. Green
Manager of Contracts and Facilities Services
Inland Empire Utilities Agency
6075 Kimball Avenue, Building A
Chino, California 91708

Contractor: Jack Wilber
Vaughan's Industrial Repair Company, Inc.
16224 Garfield Ave.
Paramount, California 90723

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

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

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

19. RIGHT TO AUDIT: The Agency reserves the right to review and/or audit all Contractors' records related to the Work. The option to review and/or audit may be exercised during the term of the Contract, upon termination, upon completion of the Contract, or at any time thereafter up to twelve (12) months after final payment has been made to Contractor. The Contractor shall make all records and related documentation available within three (3) working days after said records are requested by the Agency.
20. INTEGRATION: The Contract Documents represent the entire Contract of the Agency and the Contractor as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered by the Contract Documents. This Contract may not be modified, altered or amended except by written mutual agreement by the Agency and the Contractor.
21. GOVERNING LAW: This Contract is to be governed by and constructed in accordance with the laws of the State of California.
22. TERMINATION FOR CONVENIENCE: The Agency reserves and has the right to immediately suspend, cancel or terminate this Contract at any time upon written notice to the Contractor. In the event of such termination, the Agency shall pay Contractor for all authorized and Contractor-invoiced services up to the date of such termination.
23. CHANGES: The Agency may, at any time, make changes to this Contract's Scope of Work; including additions, reductions and other alterations to any or all of the work. However, such changes shall only be made via written amendment to this Contract. The Contract Price and Work Schedule shall be equitably adjusted, if required, to account for such changes and shall be set forth within the Contract Amendment.
24. FORCE MAJEURE: Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, natural disasters, etcetera.
25. NOTICE TO PROCEED: No services shall be performed or furnished under this Contract unless and until this document has been properly signed by all responsible parties and a Notice to Proceed order has been issued to the Contractor.

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

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

INLAND EMPIRE UTILITIES AGENCY,
A MUNICIPAL WATER DISTRICT:

Vaughan's Industrial Repair Inc:

Warren T. Green (Date)
Manager of Contracts
and Procurement

Kevin Vaughan (Date)
Vice President

**ACTION
ITEM
11**

Date: July 18, 2018

HHR

To: The Honorable Board of Directors

From: Halla Razak, General Manager

Committee: Engineering, Operations & Water Resources

07/11/18

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

Subject: 8th Street Basin Recycled Water Construction Contract Award

Executive Summary:

The 8th Street Basin recycled water turnout currently discharges into an unlined portion of West Cucamonga Creek to facilitate groundwater recharge. The lack of concrete lining at the discharge location causes erosion and vegetation growth to occur which requires routine and costly maintenance.

This project will relocate the recycled water turnout to the lined portion of West Cucamonga Creek. The unlined West Cucamonga Creek channel will be graded and returned to its original condition as required by San Bernardino County Flood Control District.

On May 29, 2018, IEUA received four construction bids from pre-qualified contractors. Schuler Constructors was the lowest responsive, responsible bidder with a bid price of \$250,367.

Staff's Recommendation:

1. Award a construction contract for the 8th Street Basin Recycled Water Retrofit, Project No. EN17039, to Schuler Constructors in the amount of \$250,367; and
2. Authorize the General Manager to execute the construction contract subject to non-substantive changes.

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

Account/Project Name:

EN17039/8th Street Basin Recycled Water Retrofit

Fiscal Impact (explain if not budgeted):

None.

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(d) of the State CEQA Guidelines.

Business Goal:

The 8th Street Basin Recycled Water Retrofit 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, sustainability managed, and can accommodate changes in regional water use.

Attachments:

Attachment 1 - PowerPoint

Attachment 2 - Contract

Attachment 1

8th Street Basin Recycled Water Retrofit Construction Contract Award

Project No. EN17039



Project Location



8th Street Basin Aerial Photograph

The Project

- Recycled water pipeline modification
 - Cut and cap existing recycled water pipeline
 - Install new recycled water pipeline to lined channel
- Grade existing unlined channel per permit requirements



Existing Erosion in Unlined Channel



Existing Recycled Water Discharge

Contractor Selection

Four bids were received on May 29, 2018:

Bids Received

Bidder's Name	Total
Schuler Constructors	\$250,367
Trinity Construction	\$315,500
Ferreira Construction	\$363,633
SCW Contracting Corp	\$435,000
Engineer's Estimate	\$410,000

Project Budget and Schedule

Description	Estimated Cost
Design Services	\$76,057
Design Contract (actual cost)	\$23,430
IEUA Design Services (actual cost)	\$52,627
Construction Services	\$37,400
Engineering Services During Construction (~9%)	\$22,400
IEUA Construction Services (~6%)	\$15,000
Construction	\$287,922
Construction Contract (this action)	\$250,367
Contingency (15%)	\$37,555
Total Project Cost:	\$401,379
Total Project Budget:	\$556,128

Project Milestone	Date
Construction	
Construction Contract Award	July 2018
Construction Completion	November 2018

Recommendation

- Award a construction contract for the 8th Street Basin Recycled Water Retrofit, Project No. EN17039, to Schuler Constructors in the amount of \$250,367; and
- Authorize the General Manager to execute the construction contract subject to non-substantive changes.

The 8th Street Basin Recycled Water Retrofit 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.

Attachment 2

CONTRACT

THIS CONTRACT, made and entered into this ____ day of July, 2018, by and between Schuler Constructors Inc., hereinafter referred to as "Contractor," and The Inland Empire Utilities Agency, a Municipal Water District, located in San Bernardino County, California, hereinafter referred to as "Agency".

WITNESSETH:

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

1. Contractor agrees to perform and complete in a workmanlike manner, all work required under the bidding schedule of said Agency's specifications entitled SPECIFICATIONS FOR 8TH STREET BASIN RECYCLED WATER TURNOUT DISCHARGE RETROFIT PROJECT, PROJECT NO. EN17039, 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 Hundred Fifty Thousand, Three Hundred Sixty-Seven
Dollars and Zero Cents.

If this is not a lump sum bid and the contract price is dependent upon the quantities constructed, the Agency will pay and said Contractor shall receive, in full compensation for the work the prices named in the Bidding and Contract Requirements, Section C - Bid Forms.

4. The Agency hereby employs the Contractor to perform the work according to the terms of this Contract for the above-mentioned price(s), and agrees to pay the same at the time, in the manner, and upon the conditions stipulated in the said specifications; and the said parties for themselves, their heirs, executors, administrators, successors, and assigns, do hereby agree to the full performance of the covenants herein contained.
5. The Notice Inviting Bids, Instructions to Bidders, Bid Forms, Information Required of Bidder, Performance Bond, Payment Bond, Contractors License Declaration, Specifications, Drawings, all General Conditions and all Special Conditions, and all addenda issued by the Agency with respect to the foregoing prior to the opening of bids, are hereby incorporated in and made part of this Contract, as if fully set forth.
6. The Contractor agrees to commence work under this Contract on or before the date to be specified in a written "Notice to Proceed" and to complete said work to the satisfaction of the Agency ninety (90) 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 five hundred (\$500) dollars for each day of delay, which shall be the period between the expiration of the contract time and the date of final acceptance by the Agency, as liquidated damages and not as a penalty. It is further agreed that the amount stipulated for liquidated damages per day of delay is a reasonable estimate of the damages that would be sustained by the Agency, and the Contractor agrees to pay such liquidated damages as herein provided. In case the liquidated damages are not paid, the Contractor agrees that the Agency may deduct the amount thereof from any money due or that may become due to the Contractor by progress payments or otherwise under the Contract, or if said amount is not sufficient, recover the total amount.

In addition to the liquidated damages, which may be imposed if the Contractor fails to complete the work within the time agreed upon, the Agency may also deduct from any sums due or to become due the Contractor, liquidated damages in accordance with the Bidding and Contract Requirements, Section B - Instruction to Bidders, Part 5.0 "Liquidated Damages", for any violation of the General Conditions, Section D - Contractor's Responsibilities, Part 8, "Law and Regulations"; Bidding and Contract Requirements Contract Section D - Contract and Relevant Documents, Part 1.0, Paragraphs 9 through 11; General Conditions, Section D - Contractor's Responsibilities, Part 4.0, "Labor, Materials and Equipment"; General Conditions Section D - Contractor's Responsibilities, Part 12.0, "Safety and Protection" or General Conditions Section H - Legal Responsibilities, Part 8.0, "Disturbance of the Peace".

9. That the Contractor will pay, and will require subcontractors to pay, employees on the work a salary or wage at least equal to the prevailing salary or wage established for such work as set forth in the wage determinations and wage standards applicable to this work, contained in or referenced in the contract documents.
10. That, in accordance with Section 1775 of the California Labor Code, Contractor shall forfeit to the Agency, as a penalty, not more than Fifty (\$50.00) Dollars for each day, or portion thereof, for each worker paid, either by the Contractor or any subcontractor, less than the prevailing rates as determined by the Director of the California Department of Industrial Relations for the work.
11. That, except as provided in Section 1815 of the California Labor Code, in the performance of the work not more than eight (8) hours shall constitute a day's work, and not more than forty (40) hours shall constitute a week's work; that the Contractor shall not require more than eight (8) hours of labor in a day nor more than forty hours of labor in a week from any person employed by the Contractor or any subcontractor; that the Contractor shall conform to Division 2, Part 7, Chapter 1, Article 3 (Section 1810, et seq.) of the California Labor Code; and that the Contractor shall forfeit to the Agency, as a penalty, the sum of Twenty-Five (\$25.00) Dollars for each worker employed in the execution of the work by Contractor or any subcontractor for each day during which any worker is required or permitted to labor more than eight (8) hours in violation of said Article 3.
12. That the Contractor shall carry Workers' Compensation Insurance and require all subcontractors to carry Workers' Compensation Insurance as required by the California Labor Code.
13. That the Contractor shall have furnished, prior to execution of the Contract, two bonds approved by the Agency, one in the amount of one hundred (100) percent of the contract price, to guarantee the faithful performance of the work, and one in the amount of one hundred (100) percent of the contract price to guarantee

14. payment of all claims for labor and materials furnished.
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.

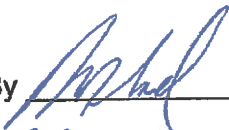
The Contractor further agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands or suit at the sole expense of the Contractor.

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 _____
General Manager

Contractor

By  _____ PRESIDENT
BRIAN P. SOHL Title

*A Municipal Water District

**ACTION
ITEM
1J**

Date: July 18, 2018

To: The Honorable Board of Directors

From: Halla Razak, General Manager

Committee: Engineering, Operations & Water Resources

HR
07/11/18

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

Subject: RP-1 Piping & Instrumentation Diagrams Development Consultant Contract Award

Executive Summary:

Consistent with IEUA's Supervisory Control and Data Acquisition (SCADA) Master Plan, the third phase of the SCADA Enterprise System Project will migrate all control systems at Regional Water Recycling Plant No. 1 (RP-1) to the Rockwell PlantPax platform. Much of the information needed for this migration work is typically contained in Piping and Instrumentation Diagrams (P&ID) that describe process equipment and all associated control wiring. Because a majority of RP-1 construction pre-dates this control diagramming philosophy, the facility does not have a comprehensive list of P&IDs. Migrating RP-1's control systems without P&IDs would require significant effort from both the design consultant and future system integrator. This consulting engineering services contract is for the development of all necessary RP-1 P&IDs.

On June 12, 2018, IEUA received nine proposals for this effort. A review committee consisting of staff from IEUA Engineering, Maintenance, and Cucamonga Valley Water District reviewed the proposals. Based on the firm's qualifications, experience at RP-1, technical skill, and ability to meet the desired schedule and budget, the committee selected Arcadis U.S., Inc., as the most qualified to perform the work.

Staff's Recommendation:

1. Award a consulting engineering services contract for the SCADA Enterprise System, RP-1 Migration, Project No. EN13016.05, to Arcadis U.S., Inc. for a not-to-exceed amount of \$246,300; and
2. Authorize the General Manager to execute the consulting engineering services contract subject to non-substantive changes.

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

Account/Project Name:

EN13016.05/SCADA Enterprise System (RP-1)

Fiscal Impact (explain if not budgeted):

None

Prior Board Action:

On June 20, 2018, the Board of Directors approved an amendment to the engineering services contract award for the SCADA Enterprise System, Project No. EN13016, to Westin.

On July 18, 2012, the Board of Directors adopted the SCADA Master Plans.

On May 15, 2013, the Board of Directors approved the Consulting Engineering Services Contract Award for the SCADA Enterprise System, Project No. EN13016, to Westin.

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 2 as defined in Section 15302(c) of the State CEQA Guidelines.

Business Goal:

The SCADA Enterprise System Project is consistent with IEUA's Business Goal of Business Practices, specifically the Efficiency and Effectiveness objective that IEUA strives to 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.

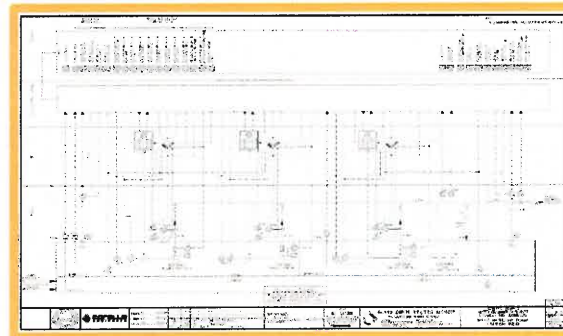
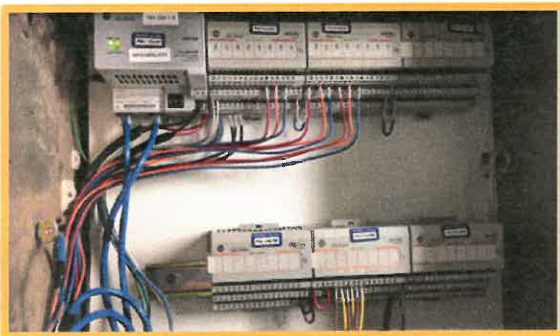
Attachments:

Attachment 1 - PowerPoint

Attachment 2 - Consultant Contract

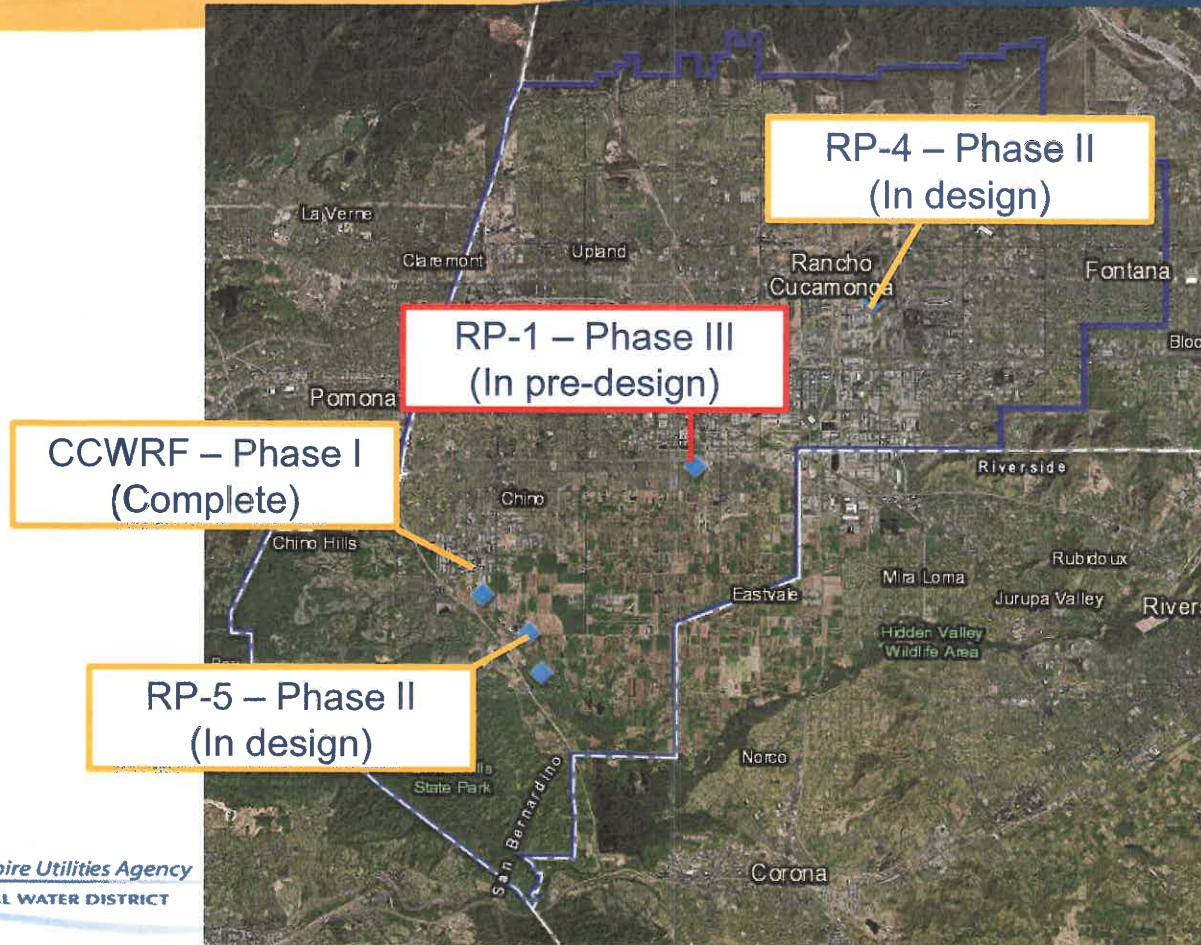
Attachment 1

RP-1 P&ID Development Consultant Contract Award Project No. EN13016.05



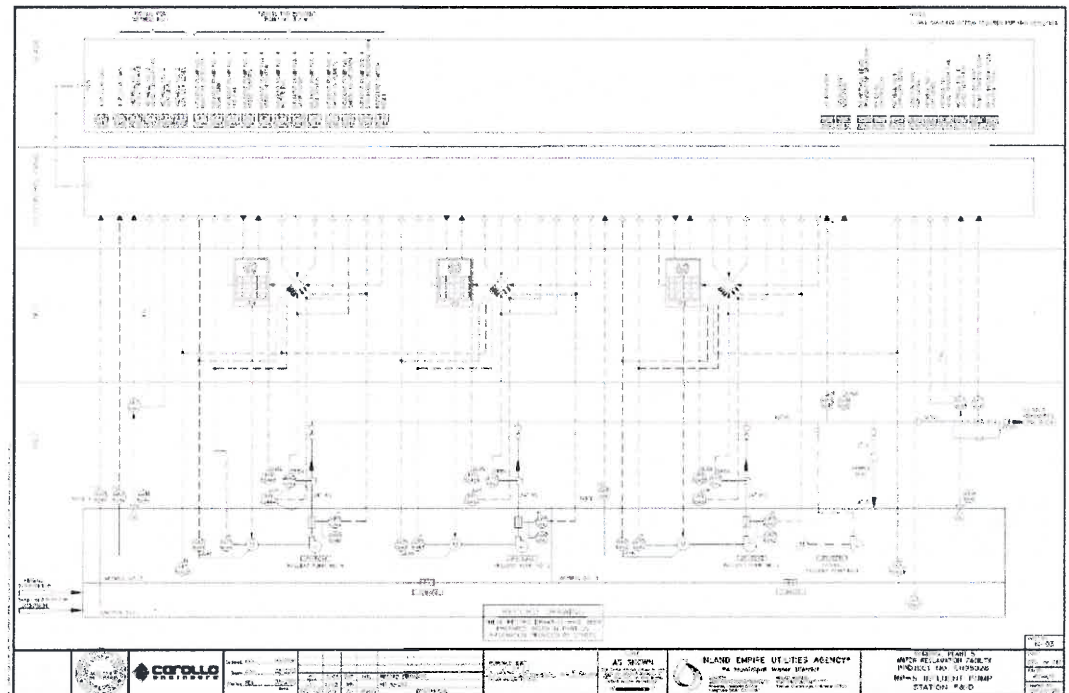
Jesse Pompa, P.E., PMP
July 2018

Project Location and Background



Design Consultant Scope of Work

- Coordination with facility maintenance staff
 - Identify existing control points and process flow
 - Utilize control systems architecture software
- Develop 45 P&IDs to complete RP-1 documentation



Example Piping & Instrumentation Diagram

Consultant Selection

- Selection Committee
 - Staff from IEUA Engineering, Maintenance
- Nine proposals received on June 12
- Evaluation criteria for selection:
 - Qualifications and experience
 - Project scope understanding
 - Ability to meet project schedule/budget
 - Reasonable Level of Effort

Proposals Received
Arcadis
Huntington Beach Electric
Vertech Industrial
Westin Technology Solutions
Tetra Tech
Michael Baker, International
Lee & Ro
P2S
Carollo

Project Budget and Schedule

Description	Estimated Cost
Design Services	\$875,023
Consultant Predesign/Design Contract	\$570,723
Consultant Contract Award(this item)	\$246,300
IEUA Design Services (10%)	\$58,000
Construction Services	\$220,195
Design Consultant Construction Services	\$174,151
Design Consultant Construction Services Amendment (this item)	\$8,044
IEUA Construction Services (10%)	\$19,000
Construction Services Contingency (10%)	\$19,000
Construction	\$3,080,000
Construction (estimate)	\$2,800,000
Contingency (10%)	\$280,000
Total Project Cost (Phase III):	\$4,175,218
Total Project Budget (for all four treatment facilities):	\$15,803,331
Expended to Date (Phase I):	\$5,018,000
Expended to Date (Phase II):	\$6,781,000

Project Milestone	Date
P&ID Development Completion	December 2018
Design	
RP-1 Predesign Completion	January 2019
RP-1 Design Completion	February 2020
Construction	
RP-1 Construction Award	May 2020
RP-1 Construction Completion	August 2021

Recommendation

- Award a a consulting engineering services contract for the SCADA Enterprise System, RP-1 Migration, Project No. EN13016.05, to Arcadis U.S., Inc. for a not-to-exceed amount of \$246,300; and
- Authorize the General Manager to execute the contract subject to non-substantive changes.

The SCADA Enterprise System Project is consistent with the *IEUA's Business Goal of Business Practices*, specifically the Efficiency and Effectiveness objective that IEUA strives to 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.

Attachment 2



CONTRACT NUMBER: 4600002564
FOR
CONSULTING ENGINEERING SERVICES FOR THE
DEVELOPMENT OF PIPING AND INSTRUMENTATION DIAGRAMS (P&IDs)
FOR REGIONAL PLANT NO. 1 (RP-1) SCADA MIGRATION

THIS CONTRACT (the "Contract"), is made and entered into this _____ day of _____, 2018, 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 interchangeably referred to as "IEUA" and "Agency") and Arcadis U.S., Inc. with offices located in Irvine, California (hereinafter referred to as "Consultant"), for professional design services in support of Project No. EN13016.05.

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

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

Project Manager: Jesse Pompa, P.E., Senior Engineer
Address: 6075 Kimball Avenue, Building "B"
Chino, California 91708
Telephone: (909) 993-1545
Facsimile: (909) 993-1982
Email: jpompa@ieua.org

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

Consultant: Brandon Ermdt, Project Manager
c/o Arcadis U.S., Inc.
Address: 445 South Figueroa Street, Suite 3650
Los Angeles, California 90071
Telephone: (213) 486-9884
Email: brandon.ermdt@arcadis.com

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 4600002564
 - B. Contract Number 4600002564 General Terms and Conditions.
 - C. Project Manager's Request for Proposals RFP-RW-18-029 and all germane Addenda, incorporated herein by this reference;
 - D. Consultant's Proposal dated June 12, 2018, incorporated herein by this reference.

4. **SCOPE OF WORK AND SERVICES:** Consultant's services and responsibilities shall be in accordance with Project Manager's Request for Proposals RFP-RW-18-029 and all germane Addenda which are incorporated herein by this reference (hereinafter "Work").

5. **FAMILIARITY WITH SCOPE OF WORK:** By execution of this Agreement, Consultant warrants that:
 - (1) It has thoroughly investigated and considered the scope of the Work under this Agreement to be performed, based on all available information; and
 - (2) It carefully considered how the Work should be performed; and
 - (3) It fully understands the difficulties and restrictions attending the performance of the Work under this Agreement; and
 - (4) It has the professional and technical competency to perform the Work and the production capacity to complete the Work in a timely manner with respect to the Scope of Work.

5. **TERM:** The term of this Contract shall extend from the date of the Notice to Proceed and terminate on close-out of Project EN13016.05 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, within thirty (30) days following receipt of the invoice by IEUA. 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 4600002564 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 covered under California prevailing wage laws (California Labor Code §1720 et seq.) 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 / SB96 [<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 **\$246,300.00** for all services provided in accordance with **Exhibit 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 **Exhibit 2**. Invoice shall not be submitted in advance and shall not be dated earlier than the actual date of submittal. A copy of subject Excel invoicing template shall be furnished by the Agency's Project Manager.

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 \$25,000.00, SB96 and 854 are 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.

C. Confined Space Work:

1. Precautions and Programs:
 - a. The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the work or the activities of subcontractors, suppliers, and others at the work site.
 - b. The Contractors and subcontractors shall comply with the provisions of the Safety and Health Regulations for Construction, promulgated by the Secretary of Labor under Section 107 of the "Contract Work Hours and Safety Standards Act," as set forth in Title 29 C.F.R. If the Agency is notified of an alleged violation of the Occupational Safety and Health Standards referred to in this Section and it is established that there is a violation, the Contractor shall be subject to liquidated damages as provided in the Contract.
 - c. The Contractor and all subcontractors shall comply with the provisions of the Occupational Safety and Health Standards, promulgated by the United States Secretary of Labor under the "Occupational Safety and Health Act of 1970," as set forth in Title 29, C.F.R. Where an individual State act on occupational safety and health standards has been approved by federal authority, then the provisions of said state act shall control.
 - d. The Contractor shall take all necessary precautions for the safety of, and shall provide the necessary supervision, control, and direction to prevent damage, injury, or loss to:
 - 1) All employees on the work or work site and other persons and organizations who may be affected thereby;
 - 2) All the work and materials and equipment to be incorporated

therein, whether in storage or on or off the work site; and

3) All other property at the site.

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

1) *Proof of training on confined space procedures, as defined in Cal-OSHA Regulation 8 CCR, Section 5157. This regulation also requires the following to be submitted to IEUA for approval prior to the entry of a confined space:*

2) *A written plan that includes identification of confined spaces within the construction site, alternate procedures where appropriate, contractor provisions, specific procedures for permit-required and non-permit required spaces, and a rescue plan.*

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

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 claim 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, Risk Specialist, email awitte@ieua.org
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 project is not grant-funded.
- 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. Consultant understands and acknowledges that executing this Agreement may inhibit the Consultant from engaging in future contracts, jobs, or agreements with the Agency that is, or can be considered, related to the Scope of Work due to a potential conflict of interest. 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 IEUA 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 Consultant's liability with respect to any claims 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 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.

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. Any modifications or reuse of such materials for purposes other than those intended by the Contract shall be at the Agency's sole risk and without liability to Consultant. 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: Harmik Aghanian, P.E.
Associate Vice President
Arcadis U.S., Inc.
445 South Figueroa Street, Suite 3650
Los Angeles, California 90071

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. **CERTIFICATION UNDER LABOR CODE SECTION 1861 BY CONSULTANT:** I, the undersigned Consultant, am aware of the provisions of Section 3700 et seq. of the Labor Code which requires every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of the Code, and I, the undersigned Consultant, agree to and will comply with such provisions before commencing the performance of the work of this Agreement.
20. **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.

21. **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.
22. **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.
23. **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.
24. **FORCE MAJEURE**: Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, natural disasters, etcetera.
25. **NOTICE TO PROCEED**: No services shall be performed or furnished under this Contract unless and until this document has been properly signed by all responsible parties and a Notice to Proceed order has been issued to the Consultant.
26. **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.
28. **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 indemnify rights or otherwise shall accrue to a third party as a result of this Agreement of 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)

ARCADIS U.S., INC.:

Halla H. Razak
General Manager

(Date)

Harmik Aghanian

Harmik Aghanian, P.E.
Associate Vice President

6/26/18

(Date)

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Exhibit 1



**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:	This Period: From: 9/1/2015 To: 9/30/2015
Phone No.:		Jamal Zughbi	
Proj. Name & No: RP-1 Improvements Project, EN15xxx			Invoice No. /Consult Ref XXXXXX

ORIGINAL CONTRACT:

PO No.	SAP Line Item No.	WBS Element No.	Item Description	Original Contr. Value	Total This Period From: 9/1/2015 To: 9/30/2015		Total to Date From: 9/9/2015 To: 9/30/2015		Progress to Date	Remaining Contract Value
				Amount (\$)	% Complete	Amount (\$)	% Complete	Amount (\$)	% Complete	Amount (\$)
45-xxxxx	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 From: To:		Total to Date From: To:		Progress to Date	Remaining Contract Value
				Amount (\$)	% Complete	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:

PRIOR PAYMENT SUMMARY:

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

TOTAL PAYMENT SUMMARY:

CONTRACT SCHEDULE SUMMARY:

	Total Contract	Contract Start Date: 10/9/2014
Total Original Contract	\$0.00	Contract Duration: 365
Total Contract Amendments	\$0.00	Contract Completion Date: 10/9/2015
Total Payments to Date	\$0.00	Authorized Time Extension: 0
Back Charges	\$0.00	Revised Completion Date: 10/9/2015
Payment this period	\$0.00	PROJECT COMPLETION SUMMARY:
Balance of Contract	\$0.00	Contract Time Expired: 102%
		Contract Work Complete: #DIV/0!

Consultant Approval:

Title: _____ Signature: _____ Date: _____

Inland Empire Utilities Agency Approvals:

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

Exhibit 2

LABOR HOUR ESTIMATE
Development of P&IDs for RP-1 SCADA Migration
(Updated 6/15/18)

Scope of Work	ARCADIS Labor hours						Brown and Caldwell Labor Hours					Total Labor Hours	ARCADIS Labor Cost	ARCADIS Other Direct Costs (ODC)	Brown and Caldwell Labor Cost	Brown & Caldwell Other Direct Costs (ODC)	Total Cost
	Project Manager	Project Engineer	I&C Engineer	Process Engineer	Senior CAD Designer	Total	I&C Engineer	QA/QC	CAD Designer	Senior I&C Engineer	Total						
Rate	\$220	\$200	\$155	\$170	\$120		\$126	\$297	\$132	\$183							
Tasks																	
Task 1: Review RP-1 Foxboro DCS	6	30	30			66	24				24	90	\$11,970		\$3,024		\$14,994
Task 2: Develop P&ID sketches	6	20	40	20	60	146	40		32	12	84	230	\$22,120		\$11,460		\$33,580
Task 3: Solidify tag numbers	0	4	8			12	8			4	12	24	\$2,040		\$1,740		\$3,780
Task 4: Perform field investigations	6	24	110	23		163	72			32	104	267	\$26,995	\$ 1,295	\$14,928	\$100	\$43,318
Task 5: Develop P&IDs	8	30	80	30	160	308	80	20	130	32	262	570	\$44,460		\$39,036		\$83,496
Task 6: Finalize P&IDs	4	4	23	20	60	111	40	20	40	32	132	243	\$15,768		\$22,116		\$37,884
Meetings																	
Kick-off meeting	2	6				8	4			4	8	16	\$1,640	\$ 600	\$1,236	\$100	\$3,576
Bi-weekly progress meetings	4	8				12					0	12	\$2,480		\$0		\$2,480
Tag Numbering Meeting (Clarify tag numbering standards)	4	4				8					0	8	\$1,680		\$0		\$1,680
"Proof of Concept" Meeting (Following the development of the first complete P&ID)	4	4				8	4			4	8	16	\$1,680		\$1,236	\$100	\$3,016
Workshops																	
Preliminary/Primary Treatment (led by Arcadis)	10	12		4		26					0	26	\$5,280	\$ 500	\$0		\$5,780
Secondary Treatment (led by BC)		6		4		10	6			4	10	20	\$1,880		\$1,488	\$100	\$3,468
Tertiary Treatment (led by BC)		6		4		10	6			4	10	20	\$1,880		\$1,488	\$100	\$3,468
Solids Digestion and Dewatering (led by Arcadis)	10	12		4		26					0	26	\$5,280	\$ 500	\$0		\$5,780
TOTAL	64	170	291	109	280	913	284	40	202	128	654	1,667	\$145,153	\$ 2,895	\$97,752	\$500	\$246,300

June 15, 2018

Jesse Pompa, PE
Inland Empire Utilities Agency
6075 Kimball Avenue, Building "A"
Chino, California 91708

Arcadis U.S., Inc.
445 South Figueroa Street
Suite 3650
Los Angeles
California 90071
Tel 213 486 9884
Fax 213 486 9894
www.arcadis.com

**Subject: Best and Final Offer for Request for Proposals Number RFP-RW-18-029
Development of Piping and Instrumentation Diagrams (P&IDs) for
Regional Plant No. 1 SCADA Migration**

Dear Mr. Pompa:

Thank you for considering Arcadis for the subject project. We are committed to partnering with IEUA to develop the P&IDs for the existing processes at RP-1. Following our discussions, we are submitting our best and final offer for consideration by IEUA. After evaluating the work flow and identifying additional efficiencies, we can offer the same level of service outlined in our proposal dated June 12, 2018 for a **total fee of \$246,300.00**. An updated labor hour estimate and fee spreadsheet is attached.

Our fee is based on developing 45 P&IDs, as indicated in the request for proposal. If circumstances are such that both IEUA and Arcadis decide additional P&IDs are warranted, the cost for each P&ID over and above 45 will be at \$4,000 per drawing.

Sincerely,

Arcadis U.S., Inc.



Harmik Aghanian, PE
Associate Vice President/Principal-In-Charge

Enclosures:

Attachments

**ACTION
ITEM
1K**

Date: July 18, 2018

To: The Honorable Board of Directors

From: Halla Razak, General Manager

Committee: Engineering, Operations & Water Resources

HAR

07/11/18

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

Subject: Agency-Wide Light Pole Construction Contract Award

Executive Summary:

Maintenance staff performed inspections on light poles at the Regional Water Recycling Plant No. 1, Regional Water Recycling Plant No. 4, and Carbon Canyon Water Recycling Facility and found that 22 light poles and bases were corroded, damaged, or undersized. Under this project, the light poles and bases will be replaced with new aluminum light poles and concrete bases. Additionally, ten additional interior light fixtures will be replaced with LED light fixtures.

On May 31, 2018, IEUA received four construction bids from pre-qualified contractors. Southern Contracting Company was the lowest responsive, responsible bidder with a bid price of \$236,700.

Staff's Recommendation:

1. Award a construction contract for the Agency-wide Light Pole Replacement and Upgrades, Project No. EN18039, to Southern Contracting Company in the amount of \$236,700; and
2. Authorize the General Manager to execute the construction contract subject to non-substantive changes.

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

Account/Project Name:

EN18039/Agency-Wide Light Pole Replacement and Upgrades

Fiscal Impact (explain if not budgeted):

None.

Prior Board Action:

None.

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 15061(b)(3) of the State CEQA Guidelines.

Business Goal:

The Agency-Wide Light Pole Replacement and Upgrades 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, sustainability managed, and can accommodate changes in regional water use.

Attachments:

Attachment 1 - PowerPoint
Attachment 2 - Contract

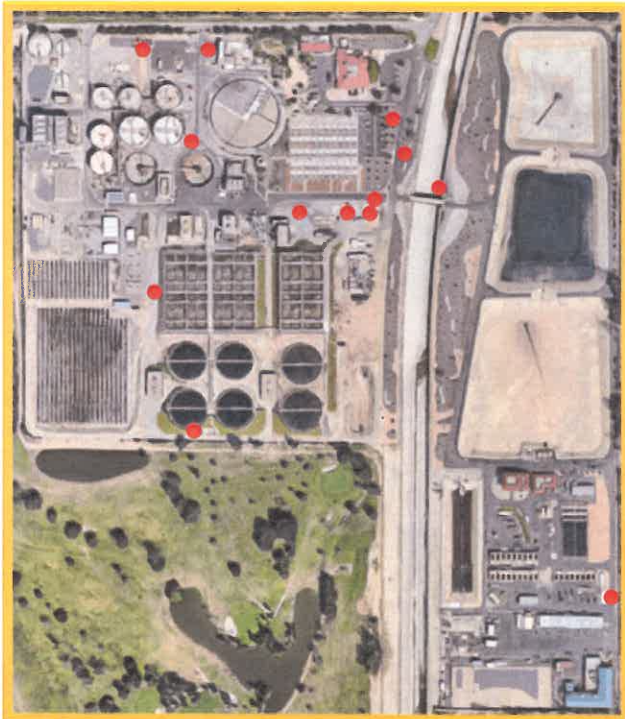
Attachment 1

Agency-Wide Light Pole Replacement and Upgrades Construction Contract Award

Project No. EN18039



Project Location



RP-1 Aerial Photograph



RP-4 Aerial Photograph



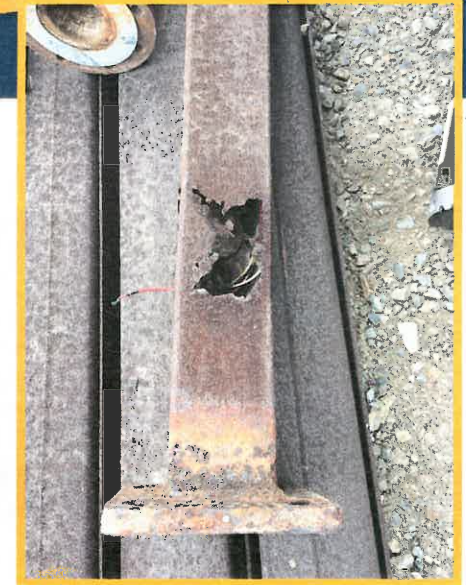
CCWRF Aerial Photograph

The Project

- Maintenance identified corroded/damaged light poles
- RP-1
 - Remove and replace 13 light poles
- RP-4
 - Remove and replace three light poles
 - Remove and replace 10 interior light fixtures
- CCWRF
 - Install six new light poles



Existing Damaged Base



Existing Corroded Light Pole

Contractor Selection

Four bids were received on May 31, 2018:

Bids Received

Bidder's Name	Total
Southern Contracting Company	\$236,700
Big Sky Electric Corp.	\$293,000
Henkels & McCoy, Inc.	\$299,498
Atom Engineering Construction, Inc.	\$307,398
Engineer's Estimate	\$375,000

Project Budget and Schedule

Description	Estimated Cost
Design Services	\$24,931
IEUA Design Services (actual cost)	\$24,931
Construction Services	\$35,505
IEUA Construction Services (~15%)	\$35,505
Construction	\$272,205
Construction Contract (this action)	\$236,700
Contingency (15%)	\$35,505
Total Project Cost:	\$332,641
Total Project Budget:	\$353,390

Project Milestone	Date
Construction	
Construction Contract Award	July 2018
Construction Completion	January 2019

Recommendation

- Award a construction contract for the Agency-Wide Light Pole Replacement and Upgrades, Project No. EN18039, to Southern Contracting in the amount of \$236,700; and
- Authorize the General Manager to execute the contract subject to non-substantive changes.

The Agency-Wide Light Pole Replacement and Upgrades 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.

Attachment 2

CONTRACT

THIS CONTRACT, made and entered into this ____ day of July, 2018, by and between Southern Contracting Company, 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 AGENCY-WIDE LIGHT POLE REPLACEMENTS AND UPGRADES, 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 Hundred Thirty-Six Thousand, Seven Hundred 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 sixty (160) calendar days after award of the Contract. All work shall be completed before final payment is made.
7. Time is of the essence on this Contract.
8. Contractor agrees that in case the work is not completed before or upon the expiration of the contract time, damage will be sustained by the Agency, and that it is and will be impracticable to determine the actual damage which the Agency will sustain in the event and by reason of such delay, and it is therefore agreed that the Contractor shall pay to the Agency the amount of five hundred (\$500) dollars for each day of delay, which shall be the period between the expiration of the contract time and the date of final acceptance by the Agency, as liquidated damages and not as a penalty. It is further agreed that the amount stipulated for liquidated damages per day of delay is a reasonable estimate of the damages that would be sustained by the Agency, and the Contractor agrees to pay such liquidated damages as herein provided. In case the liquidated damages are not paid, the Contractor agrees that the Agency may deduct the amount thereof from any money due or that may become due to the Contractor by progress payments or otherwise under the Contract, or if said amount is not sufficient, recover the total amount.

In addition to the liquidated damages, which may be imposed if the Contractor fails to complete the work within the time agreed upon, the Agency may also deduct from any sums due or to become due the Contractor, liquidated damages in accordance with the Bidding and Contract Requirements, Section B - Instruction to Bidders, Part 5.0 "Liquidated Damages", for any violation of the General Conditions, Section D - Contractor's Responsibilities, Part 8, "Law and Regulations"; Bidding and Contract Requirements Contract Section D -Contract and Relevant Documents, Part 1.0, Paragraphs 9 through 11; General Conditions, Section D - Contractor's Responsibilities, Part 4.0, "Labor, Materials and Equipment"; General Conditions Section D - Contractor's Responsibilities, Part 12.0, "Safety and Protection" or General Conditions Section H - Legal Responsibilities, Part 8.0, "Disturbance of the Peace".

9. That the Contractor will pay, and will require subcontractors to pay, employees on the work a salary or wage at least equal to the prevailing salary or wage established for such work as set forth in the wage determinations and wage standards applicable to this work, contained in or referenced in the contract documents.
10. That, in accordance with Section 1775 of the California Labor Code, Contractor shall forfeit to the Agency, as a penalty, not more than Fifty (\$50.00) Dollars for each day, or portion thereof, for each worker paid, either by the Contractor or any subcontractor, less than the prevailing rates as determined by the Director of the California Department of Industrial Relations for the work.
11. That, except as provided in Section 1815 of the California Labor Code, in the performance of the work not more than eight (8) hours shall constitute a day's work, and not more than forty (40) hours shall constitute a week's work; that the Contractor shall not require more than eight (8) hours of labor in a day nor more than forty hours of labor in a week from any person employed by the Contractor or any subcontractor; that the Contractor shall conform to Division 2, Part 7, Chapter 1, Article 3 (Section 1810, et seq.) of the California Labor Code; and that the Contractor shall forfeit to the Agency, as a penalty, the sum of Twenty-Five (\$25.00) Dollars for each worker employed in the execution of the work by Contractor or any subcontractor for each day during which any worker is required or permitted to labor more than eight (8) hours in violation of said Article 3.
12. That the Contractor shall carry Workers' Compensation Insurance and require all subcontractors to carry Workers' Compensation Insurance as required by the California Labor Code.
13. That the Contractor shall have furnished, prior to execution of the Contract, two bonds approved by the Agency, one in the amount of one hundred (100) percent of the contract price, to guarantee the faithful performance of the work, and one in the amount of one hundred (100) percent of the contract price to guarantee payment of all claims for labor and materials furnished.

14. The Contractor hereby agrees to protect, defend, indemnify and hold the Agency and its employees, agents, officers, directors, servants and volunteers free and harmless from any and all liability, claims, judgments, costs and demands, including demands arising from injuries or death of persons (including employees of the Agency and the Contractor) and damage to property, arising directly or indirectly out of the obligation herein undertaken or out of the operations conducted by the Contractor, its employees agents, representatives or subcontractors under or in connection with this Contract.

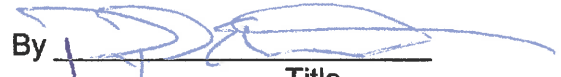
The Contractor further agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands or suit at the sole expense of the Contractor.

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

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

By _____
General Manager

Contractor
Southern Contracting Company

By  _____
Title
Philip E. Waterman, President

*A Municipal Water District

**INFORMATION
ITEM
2A**

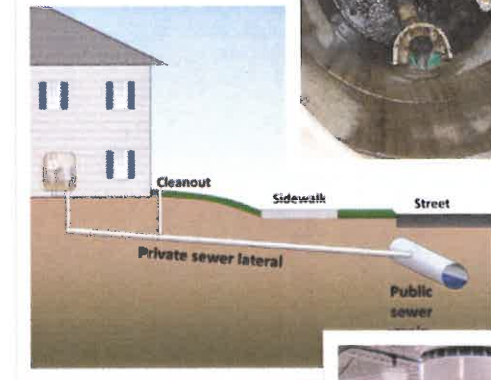
4th Quarter Planning & Environmental Resources Update



Feasibility Studies

- **Sewer Use Fee Evaluation**

- Update billing criteria for wastewater discharge (“Exhibit J” of Regional Contract)
 - Equivalent Dwelling Unit Equation Update
 - Simplify commercial categories
 - Potential Lease Options
- Project on hold per Technical Committee



- **Recycled Water Feasibility Studies**

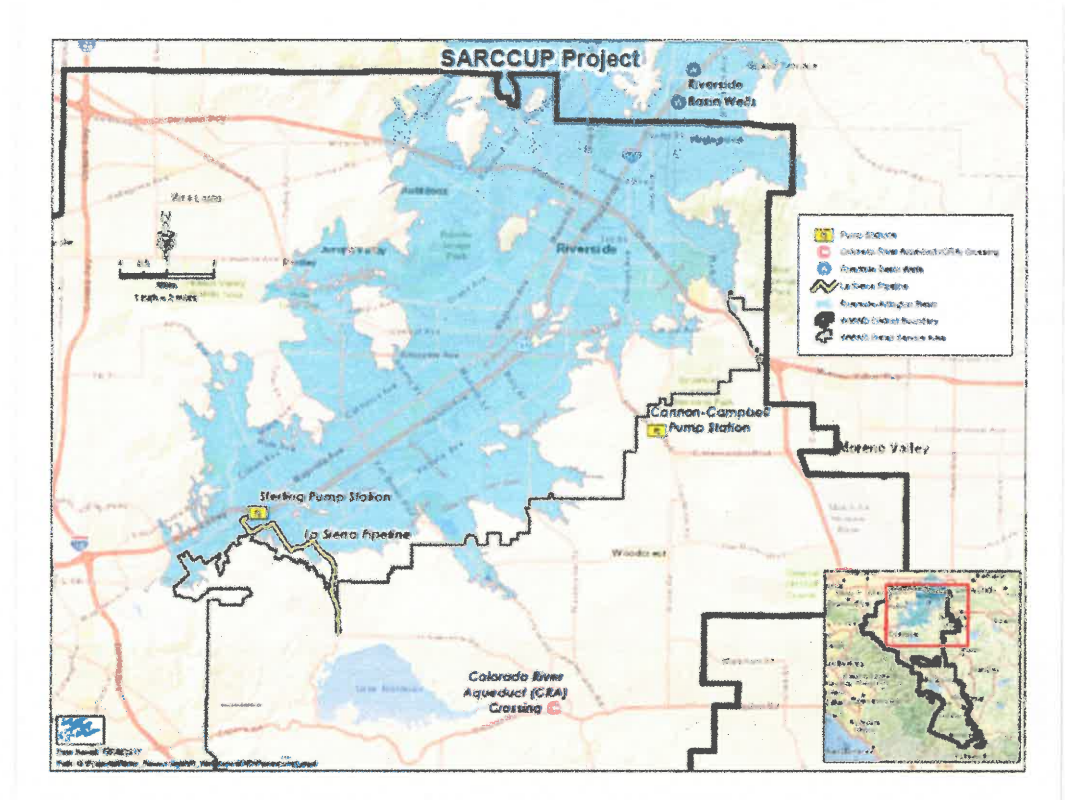
Title XVI/Water Infrastructure Improvements for the Nation (WIIN)

- IEUA/Jurupa Community Services District RW Intertie (\$54M)
- IEUA/Pomona/MVWD RW Intertie (\$71M)
- USBR approved IEUA/JCSD study



Santa Ana River Conservation & Conjunctive Use Program (SARCCUP)

- SARCCUP:
 - Continued coordination with local IEUA agencies
 - Water transfer discussions to Western Municipal Water District via Jurupa Community Services District underway
 - Pending development of local agency memorandum of understanding
 - Pending sub-grantee agreement with SAWPA

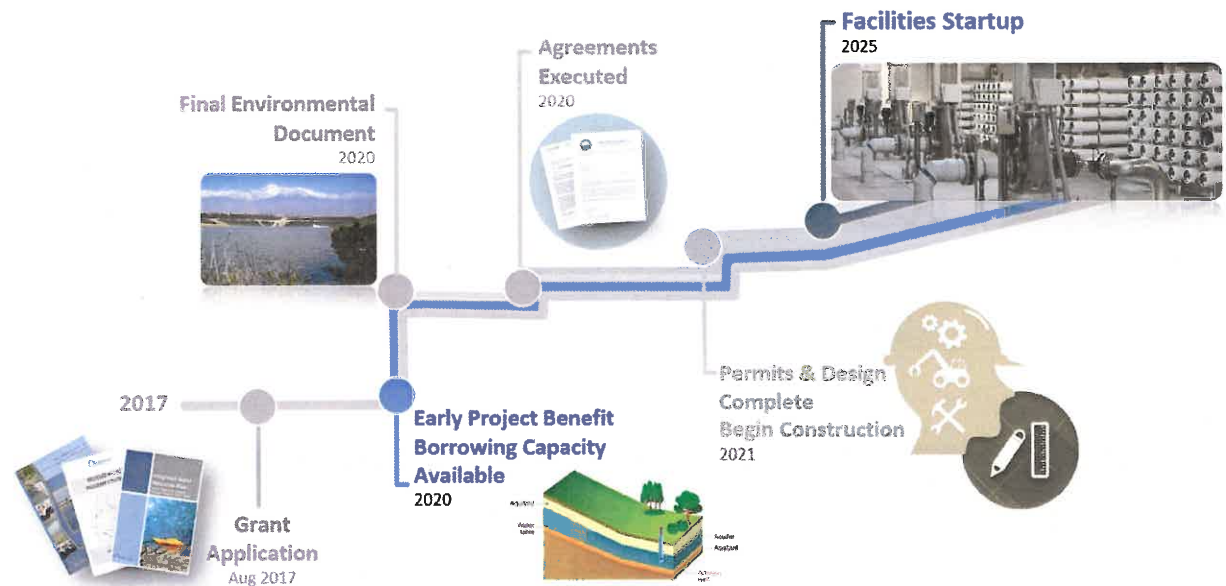




Proposition 1 Water Storage Investment Program: Chino Basin Project

- Chino Basin Project (\$372M):

- Max eligible grant: \$207 M
- Current Project Score: 69
 - Rank 5 of 8
- California Water Commission Hearing
June 27 - 29
- Final funding determination:
July 25 - 27



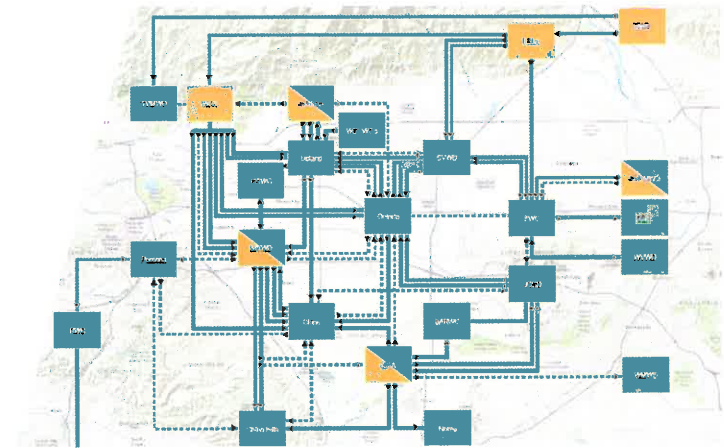
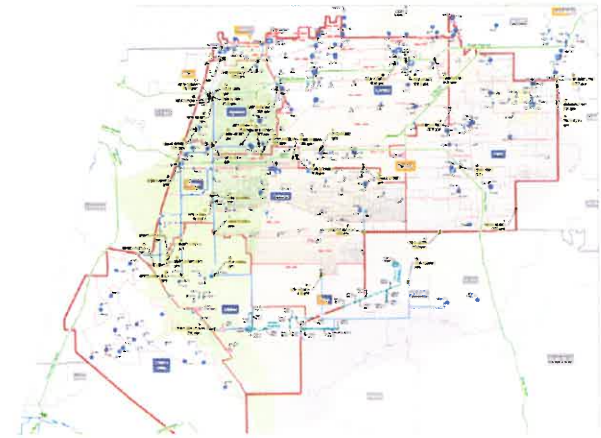
Regional Water Use Efficiency

- Regional Residential Landscape Classes
 - Ten classes have been hosted by IEUA's member agencies, since February
- MWD Turf Removal Rebate
 - Tentatively scheduled to launch August 1, 2018
 - More guidelines in order to qualify
 - Rebate structure - \$1 per square foot with a maximum of
 - 1,500 square feet for residential customers
 - 10,000 square feet for commercial customers.
- Regional Drought Plan
 - All IEUA member agencies are participating
 - USBR grant funded
 - Will comply with the Water Use Efficiency Framework



Regional Water Supply Modeling

- Regional potable water supply infrastructure model
- Collaborative effort with IEUA member agencies
- Identify water supply vulnerabilities and opportunities
- Demonstrate project regional water supply benefits:
 - Proposition 1 Chino Basin Project
 - Chino Basin Water Bank
 - Regional Drought Plan



Upper Santa Ana River Multiple Species Habitat Conservation Plan (SAR HCP)

- Project impacts analysis underway
- Draft plan: December 2018
- Joint Power Authority Establishment: Spring 2018-2019
- Participating Agency Agreements: Spring 2018-2019



INFORMATION

ITEM

2B

Date: July 18, 2018

To: The Honorable Board of Directors

From: Halla Razak, General Manager

Committee: Engineering, Operations & Water Resources

HHH

07/11/18

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

Subject: 2017 Annual Report of the Prado Basin Habitat Sustainability Committee

Executive Summary:

Pursuant to the monitoring and mitigation requirements of the 2010 Peace II Subsequent Environmental Impact Report, in order to receive the benefits of Hydraulic Control and Basin Re-Operation, the Prado Basin Habitat Sustainability Committee (PBHSC) must prepare an Annual Report. The PBHSC has completed the Annual Report for Water Year 2017.

The annual report documented no degradation to the extent or quality of the riparian habitat along Chino Creek, Mill Creek, or the Santa Ana River that is contemporaneous with implementation of the Peace II agreement. The PBHSC is not recommending any changes in the Adaptive Management Plan nor any mitigation measures for Hydraulic Control or Basin Re-Operation necessary at this time.

The draft Annual Report for Water Year 2017 was published and distributed on April 26, 2018. Chino Basin Watermaster (CBWM) and IEUA presented the draft report to members of the PBHSC at a meeting on May 9, 2018. A one-month comment period was provided and minimal feedback was received. The CBWM Board of Directors approved the report on June 21, 2018.

Staff's Recommendation:

The 2017 Annual Report is an information item for the Board of Directors to receive and file.

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

Account/Project Name:

EN18021: Prado Basin HSP. The project is cost-shared at 50/50 between IEUA and CBWM.

Fiscal Impact (explain if not budgeted):

Prior Board Action:

On August 16, 2017, the Board of Directors received and filed the 2016 Annual Report of the Prado Basin Habitat Sustainability Committee

Environmental Determination:

Project Environmental Impact Report

The Annual Report for Water Year 2017 of the Prado Basin Habitat Sustainability Committee is a Mitigation Monitoring and Reporting Program requirement of the 2010 Peace II Subsequent Environmental Impact Report.

Business Goal:

The PBHSC is consistent with the Agency's Business Goal of Environmental Stewardship by being committed to the responsible use and protection of the environment through conservation and sustainable practices.

Attachments:

Attachment 1 - 2017 Annual Report of the Prado Basin Habitat Sustainability Committee
(Click to Download)

INFORMATION

ITEM

2C

Engineering and Construction Management Project Updates

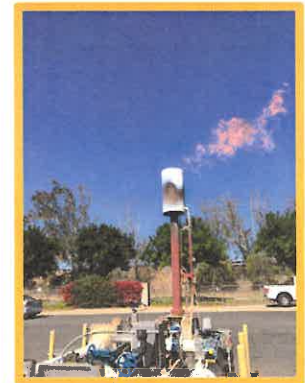


EN18006 – Regional Plant-1 Flare Improvements

- **Project Goal:** Compliance, safety, performance, and reliability
- **Current Phase:** Design
- **Design Engineer:** Lee & Ro, Inc.
- **Contract Amount:** \$378 K
 - Amendments: \$0/0.0%
- **Total Project Budget:** \$5.38 M
- **Project Completion:** December 2019
- **Percentage Complete:** 15%
- **Current Activities:**
 - 50% design in progress
 - Preparation of SCAQMD permit application



Aereon Flares – City of Riverside



RP-1 Candlestick Flare

EN16024 - RP-1 Mixed Liquor Return Pumps

- **Project Goal:** Regain Treatment Capacity
- **Current Phase:** Construction
- **Contractor:** J.F. Shea Construction, Inc.
- **Contract Amount:** \$4.8 M
- **Change Orders:** \$631,186/12.9%
 - Agency Requested: \$32,372/0.7%
 - Changed Conditions: \$598,814/12.2%
- **Total Project Budget:** \$7.2 M
- **Project Completion:** July 2018
- **Percentage Complete:** 95%
- **Current Activities:**
 - MLR Pumps in Train No's. 1 - 6 are currently operational
 - Address punchlist and continue project closeout



Baffle Walls and Mixed Liquor Return Pumps



Mixed Liquor Return Pump Operating

EP17003 – RP-1 Training Room

- **Project Goal:** Dedicated and appropriate training space
- **Current Phase:** Construction
- **Contractor:** New Millennium Construction Services
- **Contract Amount:** \$267 K
- **Change Orders:** \$21,200/7.9%
 - Agency Requested: \$0/0%
 - Changed Conditions: \$21,200/7.9%
- **Total Project Budget:** \$425 K
- **Project Completion:** July 2018
- **Percentage Complete:** 95%
- **Current Activities:**
 - Install structural steel around new HVAC unit
 - Frame interior walls

New Storefront window



New Storefront Window



New Cabinets and Countertops

EN17072 – CCWRF Airduct Grading and Drainage Improvements

- **Project Goal:** Provide repair to grading and drainage issues around the duct vault
- **Current Phase:** Construction
- **Contractor:** Ferreira Construction
- **Contract Amount:** \$76 K
- **Change Orders:** \$0/0%
 - Agency Requested: \$0/0%
 - Changed Conditions: \$0/0%
- **Total Project Budget:** \$135 K
- **Project Completion:** June 2018
- **Percentage Complete:** 95%
- **Current Activities:**
 - Installation of street covers/plates
 - Address project closeout items



Vault Covers Floated During Winter 2017 Rain Event



Straps Installed to Limit Duct's Displacement

EN15008 - Water Quality Laboratory

- **Project Goal:** Construct central lab to provide enhanced sampling and analytical support to all IEUA facilities
- **Current Phase:** Construction
- **Contractor:** Kemp Bros Construction, Inc.
- **Contract Amount:** \$17.5 M
- **Change Orders:** \$290,241/1.7%
 - Agency Requested: \$62,313/0.4%
 - Changed Conditions: \$227,928/1.3%
- **Total Project Budget:** \$24.6 M
- **Project Completion:** August 2018
- **Percentage Complete:** 99%
- **Current Activities:**
 - Complete Punchlist
 - Complete equipment training
 - Finalize outdoor landscaping



Lab Building Main Entrance



Lab Northeast Entrance