AGENDA

COMMISSION MEETING OF THE
CHINO BASIN REGIONAL FINANCING AUTHORITY
AND
WORKSHOP MEETING OF THE
BOARD OF DIRECTORS

WEDNESDAY, FEBRUARY 17, 2016
10:00 A.M.

INLAND EMPIRE UTILITIES AGENCY*
AGENCY HEADQUARTERS
6075 KIMBALL AVENUE, BUILDING A
CHINO, CALIFORNIA 91708

CALL TO ORDER
OF THE CHINO BASIN REGIONAL FINANCING AUTHORITY

FLAG SALUTE

PUBLIC COMMENT

Members of the public may address the Commission 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.

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 can be the attention of the local agency subsequent to the agenda being posted.

1. ACTION ITEMS

A. ADOPTION OF RESOLUTION NO. 2016-1, RECYCLED WATER SERVICE EXPANSION PROGRAM AS CEQA-RESPONSIBLE PARTY
It is recommended that the Board of Commissioners:

1. Adopt Resolution No. 2016-1, approving and adopting the Initial Study, Mitigated Negative Declaration, and Addendum to these
documents and the Mitigation Monitoring and Reporting Program as a CEQA-Responsible Agency; and

2. Authorize IEUA’s General Manager, or his designee, to file the Notice of Determination (NOD) with the San Bernardino County Clerk of the Board.

2. ADJOURN

CALL TO ORDER
OF THE INLAND EMPIRE UTILITIES AGENCY BOARD OF DIRECTORS MEETING

FLAG SALUTE

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 are 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.

“KICK THE HABIT” PRESENTATION -Tripepi Smith

1. CONSENT CALENDAR

NOTICE: All matters listed under the Consent Calendar are considered to be routine and non-controversial and will be acted upon by the Board by one motion in the form listed below. There will be no separate discussion on these items prior to the time the Board votes unless any Board members, staff or the public requests specific items be discussed and/or removed from the Consent Calendar for separate action.

A. MINUTES
The Board will be asked to approve the minutes from the January 20, 2016, Board meeting.

B. REPORT ON GENERAL DISBURSEMENTS
It is recommended that the Board approve the total disbursements for the month of December 2015, in the amount of $19,602,753.89.
C. RESOLUTION NO. 2016-2-1, PARTICIPATION IN THE CALIFORNIA ASSET MANAGEMENT PROGRAM
   It is recommended that the Board adopt Resolution No. 2016-2-1, authorizing participation in the California Asset Management Program.

D. RESOLUTION NO. 2016-2-2, AUTHORIZING AGENCY ORGANIZATION MEMBERSHIPS AND AFFILIATIONS
   It is recommended that the Board:
   
   1. Approve the Agency-wide memberships and affiliations for FY 2016/17, in the amount of $238,250 (includes 5% contingency); and
   

E. ADOPTION OF RESOLUTION NO. 2016-2-5 FOR THE INTERIM APPOINTMENT OF A RETIRED ANNUITANT
   It is recommended that the Board adopt Resolution No. 2016-2-5 for exception to the 180-day wait period Government Code Sections 7522.56 & 21221(h) and for the interim appointment of Ernest Yeboah, as a retired annuitant, to the position of Executive Manager of Operations/Assistant General Manager.

F. CONTRACT AWARD FOR THE CARBON CANYON WASTEWATER REGIONAL FACILITY (CCWRF) LAWN CONVERSION IMPROVEMENT
   It is recommended that the Board:
   
   1. Approve the landscape services contract to EcoTech Services, Inc. for the CCWRF Lawn Conversion Improvements Project, for a not-to-exceed amount of $124,000;

   2. Approve a budget amendment to increase the Regional Wastewater Operations and Maintenance (RO) Fund revenue and expense in the amount of $200,000; and

   3. Authorize the General Manager to execute the contract.

G. CONTRACT AWARD FOR ON-SITE FLEET VEHICLE MAINTENANCE SERVICES
   It is recommended that the Board:
   
   1. Approve Contract No. 4600002004 to Managed Mobile, Inc. of Placentia, California establishing a two-year contract for on-site vehicle maintenance services, with an option for two, one-year extensions, for a not-to-exceed amount of $150,000 for the initial two-year term; and

   2. Authorize the General Manager, or the designee, to execute the contract with two one-year potential contract extensions.
H. **PROJECT MANAGEMENT, ENGINEERING, AND CONSTRUCTION STAFF AUGMENTATION SUPPORT SERVICES CONTRACT AWARD**

It is recommended that the Board:

1. Award three-year contracts to Carollo Engineers, Inc., GK & Associates, MWH, and Wallace & Associates Consulting, Inc. for on-call “as needed” project management, engineering, and construction staff augmentation support services for a not-to-exceed total amount of $1,500,000 for each contract; and

2. Authorize the General Manager to execute the contracts.

I. **ADOPTION OF RESOLUTION NO. 2016-2-3 FOR THE USBR WATERSMART: 2016 WATER AND ENERGY EFFICIENCY PROGRAM GRANT APPLICATION**

It is recommended that the Board:

1. Adopt Resolution No. 2016-2-3, authorizing the Agency to enter into a financial assistance agreement with the U.S. Department of Interior – Bureau of Reclamation (USBR) for a grant application submitted on January 20, 2016, for the recycled water laterals for the California Steel Industries and the Auto Club Speedway to Increase Local Water Supply and Energy Efficiency Project (Project);

2. Authorize the General Manager, Assistant General Managers, or his designees to execute the financial assistance agreement, any amendments, and any grant related documents thereto.

J. **ADOPTION OF ADDENDUM NO. 2 TO THE FACILITIES MASTER PLAN PROGRAM ENVIRONMENTAL IMPACT REPORT**

It is recommended that the Board:

1. Adopt the Addendum No. 2 to the Facilities Master Plan Program Environmental Impact Report; and

2. Authorize the General Manager to file the Notice of Determination (NOD) with the San Bernardino County Clerk of the Board.

K. **1630 EAST AND WEST RECYCLED WATER PUMP STATION SURGE PROTECTION CONSTRUCTION CONTRACT AWARD**

It is recommended that the Board:

1. Approve the construction contract for the 1630 East and West Recycled Water Pump Station Surge Protection, Project No. EN15055, to J.R. Filanc Construction Company for $729,000; and

2. Authorize the General Manager to execute the contract.
L. **RP-4 AERATION BASIN MEMBRANE DIFFUSER SERVICE**
   It is recommended that the Board:

   1. Authorize the single source procurement of new aeration basin membrane diffusers that the membrane diffuser reskinning services for Regional Water Recycling Plant No. 4 (RP-4) from OVVIO USA, LLC for a not-to-exceed amount of $1,032,000; and

   2. Authorize the General Manager, or his designee, to execute the purchase.

2. **ACTION ITEMS**

A. **WATER PURCHASE AND STORAGE AGREEMENT**
   It is recommended that the Board:

   1. Approve the Water Storage Agreement between Inland Empire Utilities Agency (IEUA) and Cucamonga Valley Water District (CVWD) for the purchase of up to 5,000 acre-feet of supplemental water;

   2. Approve the use of $2,700,000 of “one-time” incremental property taxes to fund the purchase of supplemental water; and

   3. Authorize the General Manager, subject to non-substantial changes, to execute the Agreement.

B. **ENERGY MANAGEMENT PLAN**
   It is recommended that the Board concur with the proposed initiatives and findings as outlined in the Energy Management Plan.

C. **AGENCY-WIDE LIGHTING IMPROVEMENTS CONSTRUCTION CONTRACT AWARD**
   It is recommended that the Board:

   1. Approve the construction contract for the Agency-Wide Lighting Improvements Project No. EN16013, to Facilities Solutions Group for a not-to-exceed amount of $1,400,320; and

   2. Authorize the General Manager to finalize and execute the contract.

3. **INFORMATION ITEMS**

A. **REGIONAL CONTRACT AMENDMENT AND RENEWAL UPDATE**

B. **MID-YEAR BUILDING ACTIVITY REPORT (POWERPOINT)**

C. **CHINO BASIN BOUNDARY UPDATE FOR THE 2014 SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA) (POWERPOINT)**

D. **MWD UPDATE AND DROUGHT UPDATE (ORAL)**
RECEIVE AND FILE INFORMATION ITEMS

E. TREASURER’S REPORT OF FINANCIAL AFFAIRS (WRITTEN/POWERPOINT)
F. PUBLIC OUTREACH AND COMMUNICATION (WRITTEN)
G. LEGISLATIVE REPORT FROM INNOVATIVE FEDERAL STRATEGIES (WRITTEN)
H. LEGISLATIVE REPORT FROM WEST COAST ADVISORS (WRITTEN)
I. LEGISLATIVE REPORT FROM AGRICULTURAL RESOURCES (WRITTEN)
J. CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT (WRITTEN)
K. FEDERAL LEGISLATIVE TRACKING MATRIX (WRITTEN)
L. ENGINEERING AND CONSTRUCTION MANAGEMENT PROJECT UPDATES (POWERPOINT)
M. UNFUNDED LIABILITIES FOR PENSION AND OTHER POST-EMPLOYMENT BENEFITS UPDATE (POWERPOINT)
N. WATER CONSERVATION PROGRAM UPDATE (POWERPOINT)
O. CONSERVATION & DATA INITIATIVES (POWERPOINT)
P. LABORATORY SEMI-ANNUAL UPDATE (POWERPOINT)

Materials related to an item on this agenda submitted to the Agency, after distribution of the agenda packet, are available for public inspection at the Agency’s office located at 6075 Kimball Avenue, Chino, California during normal business hours.

4. AGENCY REPRESENTATIVES’ REPORTS
A. SAWPA REPORT (WRITTEN)
B. MWD REPORT (WRITTEN)
C. REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT
   (February meeting cancelled. Next meeting scheduled for March 3, 2016.)
D. CHINO BASIN WATERMASTER REPORT (WRITTEN)

5. GENERAL MANAGER’S REPORT (WRITTEN)

6. BOARD OF DIRECTORS’ REQUESTED FUTURE AGENDA ITEMS
7. DIRECTORS’ COMMENTS

A. CONFERENCE REPORTS

This is the time and place for the Members of the Board to report on prescheduled Committee/District Representative Assignment meetings, which were held since the last regular Board meeting, and/or any other items of interest.

8. CLOSED SESSION

A. PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a) –
CONFERENCES WITH LEGAL COUNSEL – EXISTING LITIGATION
   1. Chino Basin Municipal Water District vs. City of Chino, Case No. RCV51010
   2. Martin vs. IEUA, Case No. CIVRS 1000767
   3. Mwembu vs. IEUA, Case No. CIVDS 1415762

B. PURSUANT TO GOVERNMENT CODE SECTION 54956.8 –
CONFERENCES WITH REAL PROPERTY NEGOTIATOR
   1. Supplemental Water Transfer/Purchase
      Negotiating Party: General Manager P. Joseph Grindstaff
      Under Negotiation: Price and Terms of Purchase

C. PURSUANT TO GOVERNMENT CODE SECTION 54956.9
CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
   1. One (1) Case

D. PURSUANT TO GOVERNMENT CODE SECTION 54957 – PERSONNEL
   MATTERS
   1. Various Positions – Compensation Study
   2. Various Positions.

E. PURSUANT TO GOVERNMENT CODE SECTION 54957 – PERSONNEL
   MATTERS – PUBLIC EMPLOYEE PERFORMANCE EVALUATION
   1. General Manager

9. 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: KR
Declaration of Posting

I, April Woodruff, Board Secretary of the Inland Empire Utilities Agency®, A Municipal Water District, hereby certify that a copy of this agenda has been posted by 5:30 p.m. at the Agency's main office, 6075 Kimball Avenue, Building A, Chino, CA on Thursday, February 11, 2016.

Stephanie Riley
April Woodruff
Date: February 17, 2016

To: The Honorable Board of Directors

Through: Engineering, Operations, and Biosolids Management Committee (2/10/16)
Finance, Legal, and Administration Committee (2/10/16)

From: P. Joseph Grindstaff
General Manager

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

Shaun J. Stone
Manager of Engineering

Subject: Project Management, Engineering, and Construction Staff Augmentation Support Services Contract Award

---

**RECOMMENDATION**

It is recommended that the Board of Directors:

1. Award three-year contracts to Carollo Engineers, Inc., GK & Associates, MWH, and Wallace & Associates Consulting, Inc. for on-call “as needed” project management, engineering, and construction staff augmentation support services for a not-to-exceed total amount of $1,500,000 for each contract; and

2. Authorize the General Manager to execute the contracts.

---

**BACKGROUND**

The Engineering and Construction Management Department manages the design and construction of capital improvement projects, rehabilitation projects, and emergency construction activities for the Agency. The current Ten-Year Capital Improvement Plan (TYCIP) has identified projects for the FY 2015/16 through FY 2025/26 that are needed for rehabilitation, replacement, or expansion of the facilities owned and operated by the Agency. The current TYCIP budget is in excess of $600,000,000 in design and construction costs. To meet the demands of the TYCIP the Agency solicited project management, engineering and construction staff augmentation support services for support in all phases of a projects life cycle. Utilizing consulting firms allows the Agency to
supplement staff on an as needed basis. For example, the Agency is currently utilizing GK & Associates for staffing augmentation to inspect and manage several capital improvement projects. Based on changing needs and specialized requirements of future projects, staff anticipates the need for a larger pool of resources in order to augment with the “right” staff for the project needs.

Staff issued a solicitation and received 12 proposals through The Network online solicitation system. Each proposal was evaluated by representatives from Contracts and Facilities Services, Engineering, and Maintenance. Each firm was rated by the panel members in accordance with the rating categories established in the RFP.

Based on the evaluation of fee schedule rates, qualifications, and experience, the panel determined that Carollo Engineers, Inc., GK & Associates, MWH, and Wallace & Associates Consulting, Inc. are the best value for the Agency. These contracts will assist staff in maintaining project schedules and keeping costs within project budgets. The four selected firms provide a diverse set of skills for the Agency to draw from in order to meet the specific needs of the projects.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

There is no direct impact on the Agency’s Fiscal Year Budget as a result of this action. These contracts are for work, which will be required on various projects at various times throughout the next three years. The funding for this work is included in each individual project and department O&M budget under various program funds. No separate funding source is required for these contracts.

PJG:CB:SS:dm
Project Management, Engineering, and Construction Staff Augmentation Support Services Contract Award
February 2016

Shaun J. Stone, P.E
Manager of Engineering

David Mendez
Deputy Manager of Construction Management

Inland Empire Utilities Agency
A MUNICIPAL WATER DISTRICT
Scope of Work

- Consultant solicitation to meet demands of the Ten Year Capital Improvement Plan (TYCIP)
  - Provide the following services:
    - Project Management, Engineering and Construction Staff Augmentation Support
    - Services to performed with the level of care in accordance with industry standards
  - Multiple master contract awards:
    - Initial three year term
    - Not to exceed amounts of $1,500,000
    - Optional four consecutive one year extensions
Benefits

- Provides additional staff as needed basis for:
  - Capital Improvement Projects
  - Maintenance and Asset Management Projects
- Offers an additional level of expertise in:
  - Engineering, constructability, and schedule reviews during project lifecycle
- No direct impact on the Agency’s Fiscal Year Budgets
  - The funding for this work is included in each individual project budget
RFP Summary

- Twelve (12) Proposals received on December 15, 2015
- RFP evaluation criteria used by a 6 member panel of Agency staff:
  - Fee Schedule
  - Qualifications of presented staff
  - Experience
  - Ability to provide future qualified staff
- Four (4) consultants are being recommended for contract award

<table>
<thead>
<tr>
<th>Company Names</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carollo Engineers, Inc.</td>
</tr>
<tr>
<td>GK &amp; Associates</td>
</tr>
<tr>
<td>MWH</td>
</tr>
<tr>
<td>Wallace &amp; Associates Consulting, Inc.</td>
</tr>
</tbody>
</table>
Agency Goal/Recommendation

Staff recommends that the Board of Directors approve an three-year master contracts to Carollo Engineers, Inc., GK & Associates, MWH, and Wallace & Associates Consulting, Inc. for on-call "as needed" Project Management, Engineering, and Consultant Staff Augmentation Support Services for a not-to-exceed total amount of $1,500,000 for each contract, and authorize the general manager to execute the contracts.

The master contract amendment is part of the Agency's Wastewater Management Capacity Business Goal objective that IEUA will ensure capital projects are designed and implemented in a timely and economically responsible manner.
MASTER SERVICES CONTRACT NUMBER 4600002051
FOR
CONSTRUCTION PROJECT MANAGEMENT SERVICES

This CONTRACT (the Contract), is made and entered into this ___ day of _________, 2016, by and between the Inland Empire Utilities Agency, a Municipal Water District, organized and existing in the County of San Bernardino under and by virtue of the laws of the State of California (hereinafter referred to as Agency), and Wallace & Associates Consulting, Inc., with offices in Corona, California and Park City, Utah (hereinafter referred to as Consultant), for provision of project management, engineering and construction staff augmentation support services.

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

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

   Project Manager:    David Mendez  
                      Deputy Manager of Engineering  
                      Location: 6075 Kimball Avenue, Building B  
                      Chino, California 91708  
                      Telephone: (909) 993-1622  
                      E-mail: dmendez@ieua.org

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

   Consultant: Carl Wallace, PE  
               Project Manager  
               Address: 1655 E. 6th Street, Suite A-4a  
               Corona, CA 92879  
               Telephone: (951) 966-7774  
               E-mail: carl@wallace-cm.com
C. **ORDER OF PRECEDENCE**: The documents referenced below represent the Contract Documents. Where any conflicts exist between the general terms and conditions, addenda, attachment(s), or other contractual documents, the governing order of precedence shall be as follows:

1. Amendment(s) to Task Order(s) to Contract Number 4600002051
2. Task Order(s) to Contract Number 4600002051
3. Amendment(s) to Contract Number 4600002051
5. Request for Proposals No. RFP-RW-15-086 and all germane Addenda and correspondence.

D. **SCOPE OF WORK AND SERVICES**: Scope of Work and Services is referenced herein, attached hereto, and made a part hereof as Exhibit A.

**SB854 Requirements**: For any Public Works contracting performed having a value of $1,000.00 or more, the following applies:

- 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)].

- 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 [www.dir.ca.gov/dlse/dlsepublicworks.html](http://www.dir.ca.gov/dlse/dlsepublicworks.html) pursuant to Labor Code section 1725.5.

- This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. A PWC-100 shall be generated for each contractor or subcontractor on each project.

E. **TERM**: The term of this Contract shall extend from the date of its full execution through February 18, 2019, unless agreed to by both parties, reduced to writing, and amended to this Contract.

F. **PAYMENT, COMPENSATION, and INVOICING**: The Agency shall pay Consultant's properly executed invoices, subsequent to approval by the Deputy Manager, within thirty (30) calendar days following receipt of the invoice. Payment will be withheld for any service which does not meet the requirements of this Contract or has proven unacceptable until such service is revised, resubmitted, and accepted by the Project Manager. Consultant shall utilize Consulting Services Invoice Template Exhibit B,
attached hereto and made a part hereof, for the submittal of each invoice. Template in Excel format will be furnished.

As compensation for work performed under this Contract, Agency shall pay Consultant, on percent complete basis, up to the NOT-TO-EXCEED maximum of $1,500,000.00. Compensation shall be made in accordance with Consultant’s Fee Schedule, attached hereto, referenced herein, and made a part hereof as Exhibit C.

A separate invoice must be submitted every month for each project, and must reference the Contract Number 4600002051, Purchase Order Number, Project Number, and Project Name. All invoices shall be submitted electronically with all required back-up to apgroup@ieua.org.

G. CONTROL OF WORK: Consultant shall perform the Work in compliance with the Work Schedule established for each project. 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 Deputy Manager. If the nature of the Work is such that Consultant is unable to accelerate the Work, Consultant shall promptly notify the Deputy Manager of the delay, the causes of the delay, and submit a proposed revised Work Schedule.
H. **FITNESS FOR DUTY:**

1. **Fitness:** Consultant on the Jobsite:
   
   a. shall report for work in a manner fit to do their job;
   
   b. 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
   
   c. 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.

2. **Compliance:** Consultant shall advise all Consultant personnel and associated third parties of the requirements of the Contract ("Fitness for Duty Requirements"). Any employee determined to be in violation of these requirements shall be removed from the project. Consultant shall impose these requirements on its personnel and associated third parties. Agency may cancel the Contract if Consultant violates these Fitness for Duty Requirements.

I. **REQUIRED INSURANCE:** During the period of time from issuance of a contract to final acceptance of the work the Consultant shall maintain at the Consultant's sole expense, the following insurance.

1. **Minimum Scope of Insurance**

   a. General Liability: $1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. Coverage shall be at least as broad as Insurance Services Office form number GL 0001-87 covering Commercial General Liability. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location, or the general aggregate limit shall be $2,000,000.

   b. Automobile Liability: $1,000,000 combined single limit per accident for bodily injury and property damage. Coverage shall be at least as broad as Insurance Services Office Form number CA 00 01 01 87 covering Automobile Liability, including any auto.

   c. Workers' Compensation and Employers Liability: Workers' compensation limits as required by the Labor Code of the State of California and employers Liability limits of $1,000,000 per accident.
d. Professional Liability insurance in the amount of $3,000,000 per occurrence.

2. **Deductibles and Self-Insured Retention:** Any deductibles or self-insured retention must be declared to and approved by the Agency. At the option of the Agency, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the Agency, its officers, officials, employees and volunteers; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

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

   a. General Liability and Automobile Liability:

      (1) The Agency, its officers, officials, employees and volunteers are to be covered as insureds, endorsement GL 20 11 07 66, CG 20 10 11 85, and/or CA 20 01 (Ed. 01 78) as respects: liability arising out of activities performed by or on behalf of the Consultant, products and completed operations of the Consultant, premises owned, occupied or used by the Consultant, or automobiles owned, leased, hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the Agency, its officers, officials, employees or volunteers.

      (2) The Consultant's insurance coverage shall be primary insurance as respects the Agency, its officer, officials, employees and volunteers. Any insurance or self-insurance maintained by the Agency, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

      (3) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, its officers, officials, employees or volunteers.

      (4) 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.

      (5) 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.

   b. Workers' Compensation and Employers Liability Coverage: The insurer shall agree to waive all rights of subrogation against the Agency, its officers, officials, employees and volunteers for losses arising from work performed by the
c. 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 30 days' or 10 days' in the event of nonpayment, prior written notice has been given to the Agency.

4. Acceptability of Insurers: With the exception of Professional Liability Insurance, all insurance is to be placed with insurers with a Best's rating of no less than A:VII, and who are admitted insurers in the State of California. Professional Liability Insurance is to be placed with insurers with a Best's rating of no less than B:VII, and who are admitted insurers in the State of California.

5. Verification of Coverage: The Consultant shall furnish the Agency with certificates of insurance and with original endorsements effecting coverage required by the Agency for themselves and all subcontractor(s) prior to commencing work or allowing any subcontractor to commence work under any subcontract. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All insurance certificates and endorsements are to be approved by the Agency before work commences. The Agency reserves the right to require complete, certified copies of all required insurance policies, at any time.

6. Submittal of Certificates: The Consultant shall submit all required insurance certificates and endorsements to the following:

Inland Empire Utilities Agency
Attn. Ms. Angela Witte, Risk Specialist
P.O. Box 9020
Chino Hills, California 91709-0902

J. LEGAL RELATIONS AND RESPONSIBILITIES:

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

2. Status of Consultant: The Consultant is retained as an independent Consultant only, for the sole purpose of rendering work as described herein, and is not an employee of the Agency.

3. Observing Laws and Ordinances: The Consultant or any subcontractors 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 work 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 or any subcontractor 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.

4. **Subcontract Work**: Any subcontracts for the performance of any work under this Contract shall be subject to the written approval of the Project Manager.

5. **Hours of Labor**: The Consultant shall comply with all applicable provisions of California Labor Code Sections 1810 to 1815 relating to working hours. The Consultant shall, as a penalty to the Agency, forfeit $25.00 for each worker employed in the execution of the Contract by the Consultant or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of the Labor Code.

6. **Travel and Subsistence Pay**: The Consultant shall make payment to each worker for travel and subsistence payments which are needed to execute the work and/or service, as such travel and subsistence payments are defined in the applicable collective bargaining agreements with the worker.

7. **Liens**: The Consultant shall pay all sums of money that become due from any labor, services, materials or equipment furnished to Consultant on account of said Work to be furnished as a result of the Request for Proposal, and that may be secured by any lien against the Agency.

8. **Indemnification**: The Consultant shall indemnify Agency, its directors, employees, agents, and assigns, and shall defend and hold them harmless from all liability, demands, actions, claims, losses and expenses, including reasonable attorney’s fees, which arise out of or are related to the negligence, recklessness or willful misconduct of Consultant, its directors, employees, agents and assigns, in the performance of work under this Contract. Notwithstanding the foregoing, to the extent that this Contract includes design professional services under Civil Code Section 2782.8, as may be amended from time to time, such duties of Consultant to defend and to indemnify Agency shall only be to the full extent permitted by Civil Code Section 2782.8.

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

9. **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 work or tasks to be performed pursuant to this Contract, shall become directly or indirectly personally interested in this Contract.

10. **Equal Opportunity:** During the performance of this Contract, the Consultant and any subcontractor shall not unlawfully discriminate against any employee or applicant for employment because of race, color, religion, sex, age, marital status, national origin, or physical handicap.

11. **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.

12. **Disputes:**

   a. All disputes arising out of or in relation to this Agreement 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 Agreement, both parties are obligated, and hereby agree, to submit all disputes arising under or relating to the Agreement 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.

b. 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 Chief Executive Officer/General Manager (CEO/GM), 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 CEO/GM 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 CEO/GM, they may file a written request for arbitration with the Project Manager within seven (7) calendar days after receiving written notice of the CEO/GM's decision.

c. 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:

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

(2). In the event that none of the names submitted by Consultant are acceptable to the 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 the 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.

(3). 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.

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

13. **Prevailing Wage Requirements:** Applicable to the labor category of the Work performed against this Contract has been deemed a Prevailing Wage Project and is therefore subject to the requirements Section 1770 (and following) of the California Labor Code. Consultant shall not pay less than general prevailing wage rates, as determined by the Director of the State of California Department of Industrial Relations. The Consultant, and 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, non-discrimination, apprentices, maintenance, availability, and submittal of accurate payroll records, and any other matters required under all Federal, State, and local laws related to labor.

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

L. **PUBLIC RECORDS POLICY:** Information made available to the Agency may be subject to the California Public Records Act (Government Code Section 6250 et seq.) The Agency’s use and disclosure of its records are governed by this Act. The Agency shall use its best efforts to notify Consultant of any requests for disclosure of any documents pertaining to Consultant.

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

1. **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.

2. **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.

3. **Disposition:** Consultant shall dispose of items to which Agency has title as directed in writing by the Agreement Administrator and/or Agency.

N. **PROPRIETARY RIGHTS:**

1. **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:

   a. 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.

   b. 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.

   c. 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.

O. **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.

P. **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:**
Mr. Warren T. Green  
Manager of Contracts and Facilities Services  
Inland Empire Utilities Agency, a Municipal Water District  
P.O. Box 9020  
Chino Hills, California 91709-0902

**Consultant:**
Ms. Cathy Wallace, SPHR  
President  
Wallace & Associates Consulting, Inc.  
1655 E. 6th Street, Suite A-4a  
Corona, CA 92879

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.

Q. **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.

R. **RIGHT TO AUDIT:** The Agency reserves the right to review and/or audit all Consultant's records related to the Work. The option to review and/or audit may be exercised during the term of the Contract, upon termination, upon completion of the Contract, or at any time thereafter up to twelve (12) months after final payment has been made to Consultant. The Consultant shall make all records and related documentation available within three (3) working days after said records are requested by the Agency.

S. **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.

T. **GOVERNING LAW:** This Contract is to be governed by and constructed in accordance with the laws of the State of California.

U. **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 work up to the date of such termination.

V. **FORCE MAJEURE:** Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, acts of nature, etc.

W. **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.

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

**INLAND EMPIRE UTILITIES AGENCY:**

**WALLACE & ASSOCIATES CONSULTING, INC.:**

<table>
<thead>
<tr>
<th>P. Joseph Grindstaff</th>
<th>(Date)</th>
<th>Cathy Wallace</th>
<th>(Date)</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td></td>
<td>President</td>
<td></td>
</tr>
</tbody>
</table>

46000002051 (RW)
01/26/2016
Exhibit A
Exhibit A

SCOPE OF WORK
PROJECT MANAGEMENT, ENGINEERING AND CONSTRUCTION
STAFF AUGMENTATION SUPPORT SERVICES

The Agency seeks to identify and retain qualified Project Management, Engineering and Construction Staff Augmentation Support Services under an undetermined number of master agreements to supply the Agency with high-quality, cost-effective, professional staff. The master agreement holders will serve as the approved list for Agency professional technical staff requirements for the duration of the master agreement contract term. The Agency anticipates awarding the master agreements for an initial three-year term, with four additional consecutive one-year option terms for a potential maximum total of seven years. The four consecutive one-year option terms will then run 12-months each, and may only be exercised at the Agency’s sole discretion.

All services performed by the consultant or any sub-consultant shall be provided in a manner consistent with the level of care and skill exercised by members of the consultant's or the respective sub-consultant's profession in accordance with industry standards. Such services shall be performed under the direct supervision of qualified and experienced personnel. The specific types of services to be provided may include, but are not limited to, the services described herein. Services may be on-call and/or project specific task order based.

The Consultant will be responsible for working with appropriate technical staff, consultants, and other Agency Departments in overseeing, coordinating, administrating, and managing public works Capital Improvement Projects. Staff augmentation positions will report to the Deputy Manager of Engineering and/or Construction and may be required to work at Agency headquarters. Consultant staff providing staff augmentation services will be provided a work space and land line desk phone (when assigned to Headquarters) for their use on Agency business, except that the consultant shall provide a cellular phone, software (Microsoft Office Professional, XER Toolkit, and Adobe) and computers at no additional cost to the AGENCY. The Consultant shall provide necessary services to assist technical staff on capital improvement, O&M and emergency projects in various phases of design and construction.

Duties may consist of:

1. Compiling, administering, and monitoring public works contracts and projects; administering project budgets;
2. Coordinating and administering RFP’s, addendums and documents for bidding; performing vendor solicitations;
3. Organizing pre-bid conferences; evaluating bids, performing reference checks and preparing recommendations for contract award; organizing and participating in meetings including preparation and distribution of minutes;
4. Coordinating and scheduling required inspections, surveys and geotechnical tests;
Exhibit A

5. Monitoring and updating project schedules;
6. Obtaining necessary permits;
7. Tracking project progress ensuring compliance with project standards and specifications including California Construction law in labor compliance and DBE requirements; processing, transmitting and tracking plan checks, RFI’s, submittal reviews, progress payments, change orders, punch lists, warranty issues and contractor claims;
8. Coordinating project website development;
9. Researching and preparing final reports to support billings to County, State & Federal agencies to support a variety of funding obligations;
10. Maintaining detailed project files and preparing project status reports;
11. Reviewing and processing consultant, contractor, and vendor invoices for payment; processing journal entries; and reviewing project expenditures.
12. The Consultant will also assist in development of procedures, policies, record keeping and duties as required related to overall administration of Capital Improvement Projects.

On an as-needed basis, the services to be provided by the Consultant may include, but are not limited to, the following services:

1. General Engineering support for water, wastewater, pipeline design and construction
2. Attend staff and stakeholder meetings.
3. Review and comment on planning and engineering program controls.
4. Recommend regulations and ordinances pertaining to engineering matters and provide advice regarding public works activities.
5. Coordinate with other agencies, the public and utility companies on engineering matters.
6. Assist in the preparation and revision of the Agency’s project budgets.
7. Perform additional functions, including, but not limited to, the preparation of general correspondence and staff reports.
8. Provide additional engineering support services, as requested. These support services may include but are not limited to: CAD drafting, design support, preparation of exhibits, research for technical specifications, office engineering, engineering, construction management and inspection support during construction.
Exhibit A

The Agency reserves the right to require an oral interview of any and all candidates prior to the augmented staff selection. In the event an oral interview is requested, the candidates will be provided with a minimum advanced notice of one (1) week.

Staff Services may include but not limited to:
- Project Managers
- Senior Engineers
- Construction Managers
- Resident Engineers
- Associate Engineers
- Estimators
- Inspectors - Electrical, Building, Special
- Office Engineers
- Engineering Technicians
- Engineering Aides
- Project Coordinators
- Project Administrators
Exhibit B
# Inland Empire Utilities Agency Consulting Services Invoice

**Company:** ABC Company  
**Address:**  
**Phone No.:**

**Contract No.:** 45-xxxx  
**IUEA Project Manager:** J. Zugnoi  
**Invoice No.:** XXXXXX  
**Invoice Date:** 10/15/2015

## ORIGINAL CONTRACT:

<table>
<thead>
<tr>
<th>PO No.</th>
<th>SAP Line Item No.</th>
<th>WBS Element No.</th>
<th>Item Description</th>
<th>Original Contract Value</th>
<th>Total This Period From: 9/1/2015 To: 9/30/2015</th>
<th>Total to Date From: 9/9/2015 To: 9/30/2015</th>
<th>Progress to Date</th>
<th>Remaining Contract Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>45-xxxx</td>
<td>EN15xxx.00.F.DN90</td>
<td>65% Design Services</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>0%</td>
<td>$0.00</td>
</tr>
<tr>
<td>45-xxxx</td>
<td>EN15xxx.00.F.DN85</td>
<td>65% Design Services</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>0%</td>
<td>$0.00</td>
</tr>
<tr>
<td>45-xxxx</td>
<td>EN15xxx.00.F.DFLP</td>
<td>Final Design</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>0%</td>
<td>$0.00</td>
</tr>
<tr>
<td>45-xxxx</td>
<td>EN15xxx.00.G.CNSW.00.A3</td>
<td>Const Support Services</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>0%</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

Subtotal Original Contract: $0.00  
Remaining Contract Value: $0.00

## CONTRACT AMENDMENTS:

<table>
<thead>
<tr>
<th>PO No.</th>
<th>SAP Line Item No.</th>
<th>WBS Element No.</th>
<th>Amendment Description</th>
<th>Amended Contract Value</th>
<th>Total This Period From: 9/1/2015 To: 9/30/2015</th>
<th>Total to Date From: 9/9/2015 To: 9/30/2015</th>
<th>Progress to Date</th>
<th>Remaining Contract Value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Subtotal Contr. Amendm: $0.00  
Total Cont. with Amendm: $0.00

## PAYMENT SUMMARY FOR THIS PERIOD:

From: 9/1/2015  
To: 9/30/2015

<table>
<thead>
<tr>
<th>Amount Earned Original Contract</th>
<th>$0.00</th>
<th>Prior Payments</th>
<th>$0.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount Earned Amendments</td>
<td>$0.00</td>
<td>Back Charges</td>
<td>$0.00</td>
</tr>
<tr>
<td>Amount Due This Period</td>
<td>$0.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## TOTAL PAYMENT SUMMARY:

<table>
<thead>
<tr>
<th>Total Contract</th>
<th>$0.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Original Contract</td>
<td>$0.00</td>
</tr>
<tr>
<td>Total Contract Amendments</td>
<td>$0.00</td>
</tr>
<tr>
<td>Total Payments to Date</td>
<td>$0.00</td>
</tr>
<tr>
<td>Back Charges</td>
<td>$0.00</td>
</tr>
<tr>
<td>Payment this period</td>
<td>$0.00</td>
</tr>
<tr>
<td>Balance of Contract</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

## CONTRACT SCHEDULE SUMMARY:

- Contract Start Date: 10/9/2014  
- Contract Duration: 355 days  
- Contract Completion Date: 10/9/2015  
- Authorized Time Extension: 0 days

## PROJECT COMPLETION SUMMARY:

- Contract Time Expired: 102%  
- Contract Work Complete: #DIV/0!  
- Date: 12/8/2015

---

**Inland Empire Utilities Agency Approvals:**

- **Proj. Engineer:**  
  **Date:**       
  **Exec Mgr.: / Assistant GM:**  
  **Date:**       
- **Deputy Manager:**  
  **Date:**       
  **General Manager:**  
  **Date:**       
- **Dept. Manager:**  
  **Date:**
Exhibit C
Inland Empire Utilities Agency

<table>
<thead>
<tr>
<th>Fully Burdened Billing Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Position</strong></td>
</tr>
<tr>
<td>Principal-in-Charge/Project Manager</td>
</tr>
<tr>
<td>Carl Wallace, PE</td>
</tr>
<tr>
<td>Project/Construction Manager</td>
</tr>
<tr>
<td>Jeff Schippers</td>
</tr>
<tr>
<td>Joey Gutierrez, PE, PMP</td>
</tr>
<tr>
<td>Joe Arroyo, PE</td>
</tr>
<tr>
<td>Peter Ramsey, PE</td>
</tr>
<tr>
<td>Ruben Trigueros, PE, QSD</td>
</tr>
<tr>
<td>Yuri Bolotovsky, PMP, EE, CM/Scheduler</td>
</tr>
<tr>
<td>CM/Inspector</td>
</tr>
<tr>
<td>Doug Blois, PE, QSP, QSD</td>
</tr>
<tr>
<td>Ken Cope</td>
</tr>
<tr>
<td>John Rollinger, B-Licence</td>
</tr>
<tr>
<td>Barry Safa</td>
</tr>
<tr>
<td>Walt McCurry</td>
</tr>
<tr>
<td>Gordon Lewis, PE (ret)</td>
</tr>
<tr>
<td>Project Engineer</td>
</tr>
<tr>
<td>Buddy Jones</td>
</tr>
<tr>
<td>Chelsea Porche</td>
</tr>
<tr>
<td>Barry Safa, PE</td>
</tr>
<tr>
<td>Doug Blois, PE, QSD</td>
</tr>
<tr>
<td>Gordon Lewis, PE (ret)</td>
</tr>
<tr>
<td>Steve Rossales</td>
</tr>
<tr>
<td>Senior Construction Inspector (Prev Wage)</td>
</tr>
<tr>
<td>Phil Fikes</td>
</tr>
<tr>
<td>George Hartmann, PE</td>
</tr>
<tr>
<td>Bob Pitts</td>
</tr>
<tr>
<td>Cody Smith</td>
</tr>
<tr>
<td>Donald Rosensie</td>
</tr>
<tr>
<td>Raymond Gary</td>
</tr>
<tr>
<td>Ken Hauck</td>
</tr>
<tr>
<td>David Hatcher</td>
</tr>
<tr>
<td>Richard Scott</td>
</tr>
<tr>
<td>Dave Romero, QSP</td>
</tr>
<tr>
<td>Pete Ayala</td>
</tr>
<tr>
<td>Chuck Larson</td>
</tr>
<tr>
<td>Gray Moses</td>
</tr>
<tr>
<td>Bill Kibbey</td>
</tr>
<tr>
<td>Tom Mitchell</td>
</tr>
<tr>
<td>Ken Burril</td>
</tr>
<tr>
<td>Eric Mahler, QSP</td>
</tr>
<tr>
<td>Tom Hall</td>
</tr>
<tr>
<td>Bob Cartwright, ICC</td>
</tr>
<tr>
<td>Jack Mc Lean, ICC</td>
</tr>
<tr>
<td>Project Administrator/Labor Compliance</td>
</tr>
<tr>
<td>Kathy Keating</td>
</tr>
<tr>
<td>Heidi Hunter</td>
</tr>
<tr>
<td>Administrative Assistant</td>
</tr>
<tr>
<td>Kim Brown</td>
</tr>
</tbody>
</table>

**NOTES:**
Rates include miscellaneous related costs: professional liability insurance, overhead, vehicle, vehicle insurance, fuel, vehicle maintenance, laptop computer, heat gun, probe, smart level, cell phone and cabling plan, digital camera and standard tools and equipment. All other direct expenses will be billed at cost plus 10%.

Overtime for full-time inspection staff will be charged at 140% of the regular hourly rate. Double time for full-time staff will be charged at 180% of regular hourly rate. Saturdays will be charged at 140%, Sundays and holidays will be charged at 180% of the regular hourly rate. Part-time staff will be billed 150% of base rate for any Overtime and Saturday and 200% of base rate for any double time, holidays and Sundays.

Subconsultant rates will be marked up by 15%.
A shift that begins between 2:00am and 4:00am, during any twenty-four hour period is subject to a twelve and one-half percent (12.5%) differential increase.
MASTER SERVICES CONTRACT NUMBER 4600002054
FOR
CONSTRUCTION PROJECT MANAGEMENT SERVICES

This CONTRACT (the Contract), is made and entered into this _____ day of
__________, 2016, by and between the Inland Empire Utilities Agency, a
Municipal Water District, organized and existing in the County of San Bernardino
under and by virtue of the laws of the State of California (hereinafter referred to as
Agency), and EC & AM Associates, Inc., dba GK and Associates with offices in
Diamond Bar, California (hereinafter referred to as Consultant), for provision of
project management, engineering and construction staff augmentation support
services.

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

A. PROJECT MANAGER ASSIGNMENT: All technical direction related to this Contract
shall come from the designated Project Manager. Details of the Agency’s assignment
are as follows:

   Project Manager: Mr. David Mendez
                   Deputy Manager of Engineering
   Location: 6075 Kimball Avenue, Building B
             Chino, California 91708
   Telephone: (909) 993-1622
   E-mail: dmendez@ieua.org

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

   Consultants: Ghazala Khan, P.I.C. and Ryan A. Walker, P.E.
                Project Managers
   Address: 3333 Brea Canyon Rd., Suite 120
            Diamond Bar, CA 91765
   Telephone: (909) 595-1940
   E-mail: gkhan@gkandassociates.com
C. **ORDER OF PRECEDENCE:** The documents referenced below represent the Contract Documents. Where any conflicts exist between the general terms and conditions, addenda, attachment(s), or other contractual documents, the governing order of precedence shall be as follows:

1. Amendment(s) to Task Order(s) to Contract Number 4600002054
2. Task Order(s) to Contract Number 4600002054
3. Amendment(s) to Contract Number 4600002054
5. Request for Proposals No. RFP-RW-15-086 and all germane Addenda and correspondence.

D. **SCOPE OF WORK AND SERVICES:** Scope of Work and Services is referenced herein, attached hereto, and made a part hereof as Exhibit A.

**SB854 Requirements:** For any Public Works contracting performed having a value of $1,000.00 or more, the following applies:

- 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)].

- 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 [www.dir.ca.gov/dlse/disepublicworks.html](http://www.dir.ca.gov/dlse/disepublicworks.html) pursuant to Labor Code section 1725.5.

- This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. A PWC-100 shall be generated for each contractor or subcontractor on each project.

E. **TERM:** The term of this Contract shall extend from the date of its full execution through February 18, 2019, unless agreed to by both parties, reduced to writing, and amended to this Contract.

F. **PAYMENT, COMPENSATION, and INVOICING:** The Agency shall pay Consultant’s properly executed invoices, subsequent to approval by the Deputy Manager, within thirty (30) calendar days following receipt of the invoice. Payment will be withheld for any service which does not meet the requirements of this Contract or has proven unacceptable until such service is revised, resubmitted, and accepted by the Project.
Manager. Consultant shall utilize Consulting Services Invoice Template Exhibit B, attached hereto and made a part hereof, for the submittal of each invoice. Template in Excel format will be furnished.

As compensation for work performed under this Contract, Agency shall pay Consultant, on percent complete basis, up to the NOT-TO-EXCEED maximum of $1,500,000.00. Compensation shall be made in accordance with Consultant’s Fee Schedule, attached hereto, referenced herein, and made a part hereof as Exhibit C.

A separate invoice must be submitted every month for each project, and must reference the Contract Number 4600002054, Purchase Order Number, Project Number, and Project Name. All invoices shall be submitted electronically with all required back-up to apgroup@ieua.org.

G. CONTROL OF WORK: Consultant shall perform the Work in compliance with the Work Schedule established for each project. 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 Deputy Manager. If the nature of the Work is such that Consultant is unable to accelerate the Work, Consultant shall promptly notify the Deputy Manager of the delay, the causes of the delay, and submit a proposed revised Work Schedule.

H. FITNESS FOR DUTY:

1. Fitness: Consultant on the Jobsite:
   a. shall report for work in a manner fit to do their job;
   b. 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
   c. 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.

2. Compliance: Consultant shall advise all Consultant personnel and associated third parties of the requirements of the Contract (“Fitness for Duty Requirements’). Any employee determined to be in violation of these requirements shall be removed from the project. Consultant shall impose these requirements on its personnel and associated third parties. Agency may cancel the Contract if Consultant violates these Fitness for Duty Requirements.

I. REQUIRED INSURANCE: During the period of time from issuance of a contract to final acceptance of the work the Consultant shall maintain at the Consultant’s sole expense, the following insurance.
1. **Minimum Scope of Insurance**

   a. General Liability: $1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. Coverage shall be at least as broad as Insurance Services Office form number GL 0001-87 covering Commercial General Liability. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location, or the general aggregate limit shall be $2,000,000.

   b. Automobile Liability: $1,000,000 combined single limit per accident for bodily injury and property damage. Coverage shall be at least as broad as Insurance Services Office Form number CA 00 01 01 87 covering Automobile Liability, including any auto.

   c. Workers' Compensation and Employers Liability: Workers' compensation limits as required by the Labor Code of the State of California and employers Liability limits of $1,000,000 per accident.

   d. Professional Liability insurance in the amount of $3,000,000 per occurrence.

2. **Deductibles and Self-Insured Retention:** Any deductibles or self-insured retention must be declared to and approved by the Agency. At the option of the Agency, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the Agency, its officers, officials, employees and volunteers; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

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

   a. General Liability and Automobile Liability:

      (1) The Agency, its officers, officials, employees and volunteers are to be covered as insureds, endorsement GL 20 11 07 66, CG 20 10 11 85, and/or CA 20 01 (Ed. 01 78) as respects: liability arising out of activities performed by or on behalf of the Consultant, products and completed operations of the Consultant, premises owned, occupied or used by the Consultant, or automobiles owned, leased, hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the Agency, its officers, officials, employees or volunteers.

      (2) The Consultant's insurance coverage shall be primary insurance as respects the Agency, its officer, officials, employees and volunteers. Any
insurance or self-insurance maintained by the Agency, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

(3) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, its officers, officials, employees or volunteers.

(4) 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.

(5) 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.

b. Workers' Compensation and Employers Liability Coverage: The insurer shall agree to waive all rights of subrogation against the Agency, its officers, officials, employees and volunteers for losses arising from work performed by the Consultant for the Agency.

c. 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 30 days' or 10 days' in the event of nonpayment, prior written notice has been given to the Agency.

4. Acceptability of Insurers: With the exception of Professional Liability Insurance, all insurance is to be placed with insurers with a Best's rating of no less than A:VII, and who are admitted insurers in the State of California. Professional Liability Insurance is to be placed with insurers with a Best's rating of no less than B:VII, and who are admitted insurers in the State of California.

5. Verification of Coverage: The Consultant shall furnish the Agency with certificates of insurance and with original endorsements effecting coverage required by the Agency for themselves and all subcontractor(s) prior to commencing work or allowing any subcontractor to commence work under any subcontract. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All insurance certificates and endorsements are to be approved by the Agency before work commences. The Agency reserves the right to require complete, certified copies of all required insurance policies, at any time.

6. Submittal of Certificates: The Consultant shall submit all required insurance certificates and endorsements to the following:
J. **LEGAL RELATIONS AND RESPONSIBILITIES:**

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

2. **Status of Consultant:** The Consultant is retained as an independent Consultant only, for the sole purpose of rendering work as described herein, and is not an employee of the Agency.

3. **Observing Laws and Ordinances:** The Consultant or any subcontractors 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 work 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 or any subcontractor 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.

4. **Subcontract Work:** Any subcontracts for the performance of any work under this Contract shall be subject to the written approval of the Project Manager.

5. **Hours of Labor:** The Consultant shall comply with all applicable provisions of California Labor Code Sections 1810 to 1815 relating to working hours. The Consultant shall, as a penalty to the Agency, forfeit $25.00 for each worker employed in the execution of the Contract by the Consultant or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of the Labor Code.

6. **Travel and Subsistence Pay:** The Consultant shall make payment to each worker for travel and subsistence payments which are needed to execute the work and/or service, as such travel and subsistence payments are defined in the applicable collective bargaining agreements with the worker.
7. **Liens:** The Consultant shall pay all sums of money that become due from any labor, services, materials or equipment furnished to Consultant on account of said Work to be furnished as a result of the Request for Proposal, and that may be secured by any lien against the Agency.

8. **Indemnification:** The Consultant shall indemnify Agency, its directors, employees, agents, and assigns, and shall defend and hold them harmless from all liability, demands, actions, claims, losses and expenses, including reasonable attorney’s fees, which arise out of or are related to the negligence, recklessness or willful misconduct of Consultant, its directors, employees, agents and assigns, in the performance of work under this Contract. Notwithstanding the foregoing, to the extent that this Contract includes design professional services under Civil Code Section 2782.8, as may be amended from time to time, such duties of Consultant to defend and to indemnify Agency shall only be to the full extent permitted by Civil Code Section 2782.8.

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

9. **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 work or tasks to be performed pursuant to this Contract, shall become directly or indirectly personally interested in this Contract.

10. **Equal Opportunity:** During the performance of this Contract, the Consultant and any subcontractor shall not unlawfully discriminate against any employee or applicant for employment because of race, color, religion, sex, age, marital status, national origin, or physical handicap.

11. **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.

12. Disputes:

a. All disputes arising out of or in relation to this Agreement 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 Agreement, both parties are obligated, and hereby agree, to submit all disputes arising under or relating to the Agreement 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.

b. 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 Chief Executive Officer/General Manager (CEO/GM), 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 CEO/GM 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 CEO/GM, they may file a written request for arbitration with the Project Manager within seven (7) calendar days after receiving written notice of the CEO/GM's decision.

c. 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:

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

(2). In the event that none of the names submitted by Consultant are acceptable to the 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 the 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.

(3). 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.

d. Joinder in Mediation/Arbitration: The Agency may join the Consultant in mediation or arbitration commenced by a Consultant on the Project pursuant to Public Contracts Code Sections 20104 et seq. Such joinder shall be initiated by written notice from the Agency’s representative to the Consultant.

13. **Prevailing Wage Requirements:** Applicable to the labor category of the Work performed against this Contract has been deemed a Prevailing Wage Project and is therefore subject to the requirements Section 1770 (and following) of the California Labor Code. Consultant shall not pay less than general prevailing wage rates, as determined by the Director of the State of California Department of Industrial Relations. The Consultant, and 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, non-discrimination, apprentices, maintenance, availability, and submittal of accurate payroll records, and any other matters required under all Federal, State, and local laws related to labor.

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

L. **PUBLIC RECORDS POLICY:** Information made available to the Agency may be subject to the California Public Records Act (Government Code Section 6250 et seq.) The Agency’s use and disclosure of its records are governed by this Act. The Agency shall use its best efforts to notify Consultant of any requests for disclosure of any documents pertaining to Consultant.

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

M. **TITLE AND RISK OF LOSS:**

1. **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.

2. **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.

3. **Disposition:** Consultant shall dispose of items to which Agency has title as directed in writing by the Agreement Administrator and/or Agency.

N. **PROPRIETARY RIGHTS:**

1. **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:

   a. 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.

b. 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.

c. 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.

O. **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.

P. **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: Mr. Warren T. Green  
Manager of Contracts and Facilities Services  
Inland Empire Utilities Agency, a Municipal Water District  
P.O. Box 9020  
Chino Hills, California 91709-0902

Consultant: Ms. Ghazala Khan  
President  
EC & AM Associates, Inc., dba GK and Associates  
3333 Brea Canyon Rd., Suite 120  
Diamond Bar, CA 91765

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.

Q. **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.

R. **RIGHT TO AUDIT:** The Agency reserves the right to review and/or audit all Consultant's records related to the Work. The option to review and/or audit may be exercised during the term of the Contract, upon termination, upon completion of the Contract, or at any time thereafter up to twelve (12) months after final payment has been made to Consultant. The Consultant shall make all records and related documentation available within three (3) working days after said records are requested by the Agency.

S. **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.

T. **GOVERNING LAW:** This Contract is to be governed by and constructed in accordance with the laws of the State of California.

U. **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 work up to the date of such termination.

V. **FORCE MAJEURE:** Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, acts of nature, etc.

W. **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.

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

INLAND EMPIRE UTILITIES AGENCY: EC & AM ASSOCIATES, INC., DBA GK AND ASSOCIATES:

<table>
<thead>
<tr>
<th>P. Joseph Grindstaff</th>
<th>(Date)</th>
<th>Ghazala Khan</th>
<th>(Date)</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td></td>
<td>President</td>
<td></td>
</tr>
</tbody>
</table>

[ Balance Of This Page Intentionally Left Blank ]
Exhibit A
Exhibit A

SCOPE OF WORK
PROJECT MANAGEMENT, ENGINEERING AND CONSTRUCTION
STAFF AUGMENTATION SUPPORT SERVICES

The Agency seeks to identify and retain qualified Project Management, Engineering and Construction Staff Augmentation Support Services under an undetermined number of master agreements to supply the Agency with high-quality, cost-effective, professional staff. The master agreement holders will serve as the approved list for Agency professional technical staff requirements for the duration of the master agreement contract term. The Agency anticipates awarding the master agreements for an initial three-year term, with four additional consecutive one-year option terms for a potential maximum total of seven years. The four consecutive one-year option terms will then run 12-months each, and may only be exercised at the Agency’s sole discretion.

All services performed by the consultant or any sub-consultant shall be provided in a manner consistent with the level of care and skill exercised by members of the consultant’s or the respective sub-consultant’s profession in accordance with industry standards. Such services shall be performed under the direct supervision of qualified and experienced personnel. The specific types of services to be provided may include, but are not limited to, the services described herein. Services may be on-call and/or project specific task order based.

The Consultant will be responsible for working with appropriate technical staff, consultants, and other Agency Departments in overseeing, coordinating, administrating, and managing public works Capital Improvement Projects. Staff augmentation positions will report to the Deputy Manager of Engineering and/or Construction and may be required to work at Agency headquarters. Consultant staff providing staff augmentation services will be provided a work space and land line desk phone (when assigned to Headquarters) for their use on Agency business, except that the consultant shall provide a cellular phone, software (Microsoft Office Professional, XER Toolkit, and Adobe) and computers at no additional cost to the AGENCY. The Consultant shall provide necessary services to assist technical staff on capital improvement, O&M and emergency projects in various phases of design and construction.

Duties may consist of:

1. Compiling, administering, and monitoring public works contracts and projects; administering project budgets;
2. Coordinating and administrating RFP’s, addendums and documents for bidding; performing vendor solicitations;
3. Organizing pre-bid conferences; evaluating bids, performing reference checks and preparing recommendations for contract award; organizing and participating in meetings including preparation and distribution of minutes;
4. Coordinating and scheduling required inspections, surveys and geotechnical tests;
Exhibit A

5. Monitoring and updating project schedules;
6. Obtaining necessary permits;
7. Tracking project progress ensuring compliance with project standards and specifications including California Construction law in labor compliance and DBE requirements; processing, transmitting and tracking plan checks, RFI's, submittal reviews, progress payments, change orders, punch lists, warranty issues and contractor claims;
8. Coordinating project website development;
9. Researching and preparing final reports to support billings to County, State & Federal agencies to support a variety of funding obligations;
10. Maintaining detailed project files and preparing project status reports;
11. Reviewing and processing consultant, contractor, and vendor invoices for payment; processing journal entries; and reviewing project expenditures.
12. The Consultant will also assist in development of procedures, policies, record keeping and duties as required related to overall administration of Capital Improvement Projects.

On an as-needed basis, the services to be provided by the Consultant may include, but are not limited to, the following services:

1. General Engineering support for water, wastewater, pipeline design and construction
2. Attend staff and stakeholder meetings.
3. Review and comment on planning and engineering program controls.
4. Recommend regulations and ordinances pertaining to engineering matters and provide advice regarding public works activities.
5. Coordinate with other agencies, the public and utility companies on engineering matters.
6. Assist in the preparation and revision of the Agency’s project budgets.
7. Perform additional functions, including, but not limited to, the preparation of general correspondence and staff reports.
8. Provide additional engineering support services, as requested. These support services may include but are not limited to: CAD drafting, design support, preparation of exhibits, research for technical specifications, office engineering, engineering, construction management and inspection support during construction.
Exhibit A

The Agency reserves the right to require an oral interview of any and all candidates prior to the augmented staff selection. In the event an oral interview is requested, the candidates will be provided with a minimum advanced notice of one (1) week.

Staff Services may include but not limited to:

- Project Managers
- Senior Engineers
- Construction Managers
- Resident Engineers
- Associate Engineers
- Estimators
- Inspectors - Electrical, Building, Special
- Office Engineers
- Engineering Technicians
- Engineering Aides
- Project Coordinators
- Project Administrators

[ Balance Of This Page Intentionally Left Blank ]
Exhibit B
# Consulting Services Invoice

**Company:** ABC Company

**Pay Est. No.:**

**Contract No.:** 45-xxxx

**Renew Project Manager:**

**Contract Date:**

**Invoice Date:** 12/16/2015

**This Period:** From: 9/1/2015 To: 9/30/2015

**Area:**

**Invoice No.:**

**Contract No.:** EN10xxxx

## Original Contract:

<table>
<thead>
<tr>
<th>PO No.</th>
<th>SAP Line Item No.</th>
<th>WBS Element No.</th>
<th>Item Description</th>
<th>Original Contract Value</th>
<th>Total This Period From: 9/1/2015 To: 9/30/2015</th>
<th>Total to Date From: 9/1/2015 To: 9/30/2015</th>
<th>Progress to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>45-xxxx</td>
<td>EN15xxxx.00.F.DN50</td>
<td>50% Design Services</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>#DIV/0!</td>
<td>#DIV/0!</td>
<td>0%</td>
</tr>
<tr>
<td>2</td>
<td>EN15xxxx.00.F.DN85</td>
<td>85% Design Services</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>#DIV/0!</td>
<td>#DIV/0!</td>
<td>0%</td>
</tr>
<tr>
<td>3</td>
<td>EN15xxxx.00.F.DFLP</td>
<td>Final Design</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>#DIV/0!</td>
<td>#DIV/0!</td>
<td>0%</td>
</tr>
<tr>
<td>4</td>
<td>EN15xxxx.00.G.CNSW.00.A1</td>
<td>Constr Support Services</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>#DIV/0!</td>
<td>#DIV/0!</td>
<td>0%</td>
</tr>
</tbody>
</table>

**Subtotal Original Contract:** $0.00

## Contract Amendments:

<table>
<thead>
<tr>
<th>PO No.</th>
<th>SAP Line Item No.</th>
<th>WBS Element No.</th>
<th>Amendment Description</th>
<th>Amended Contract Value</th>
<th>Total This Period From: 9/1/2015 To: 9/30/2015</th>
<th>Total to Date From: 9/1/2015 To: 9/30/2015</th>
<th>Progress to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Subtotal Contr. Amendments:** $0.00

**Total Cont. with Amendments:** $0.00

## Payment Summary For This Period:

**From:** 9/1/2015

**To:** 9/30/2015

- **Amount Earned Original Contract:** $0.00
  - **Amount Earned Orig Contract:** $0.00
  - **Back Charges:** $0.00

**Amount Due This Period:** $0.00

## Total Payment Summary:

- **Total Original Contract:** $0.00
- **Total Contract Amendments:** $0.00
- **Total Payments to Date:** $0.00
- **Balance of Contract:** $0.00

**Consultant Approval:**

**Title:**

**Signature:**

**Date:**

---

**Inland Empire Utilities Agency Approvals:**

**Proj. Engineer:**

**Date:**

**Exec Mgr./Assistant GM:**

**Date:**

**Deputy Manager:**

**Date:**

**General Manager:**

**Date:**

---

**Inland Empire Utilities Agency Approvals:**

**Proj. Engineer:**

**Date:**

**Exec Mgr./Assistant GM:**

**Date:**

**Deputy Manager:**

**Date:**

**General Manager:**

**Date:**

---

12/8/2015
Exhibit C
# Fee Schedule

**GK & ASSOCIATES**  
**STANDARD HOURLY RATE SCHEDULE 2015**  
**EFFECTIVE FOR ONE YEAR FROM SIGNED CONTRACT DATE**

<table>
<thead>
<tr>
<th>Classification</th>
<th>Hourly Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal</td>
<td>$197</td>
</tr>
<tr>
<td>Project Director</td>
<td>$160</td>
</tr>
<tr>
<td>Project Manager</td>
<td>$149</td>
</tr>
<tr>
<td>Project Engineer</td>
<td>$138</td>
</tr>
<tr>
<td>Construction Manager</td>
<td>$138</td>
</tr>
<tr>
<td>Scheduler</td>
<td>$123</td>
</tr>
<tr>
<td>Designer</td>
<td>$112</td>
</tr>
<tr>
<td>Draftsperson (CADD)</td>
<td>$106</td>
</tr>
<tr>
<td>Inspector</td>
<td>$101</td>
</tr>
<tr>
<td>Engineering Aide/Administration</td>
<td>$90</td>
</tr>
<tr>
<td>Expert Witness</td>
<td>$99</td>
</tr>
<tr>
<td>Financial/Engineering Analyst</td>
<td>$91</td>
</tr>
<tr>
<td>Sr. Plan Check Engineer</td>
<td>$108</td>
</tr>
<tr>
<td>Jr. Plan Checker</td>
<td>$91</td>
</tr>
<tr>
<td>Building Plan Check Engineer</td>
<td>$106</td>
</tr>
<tr>
<td>Sr. Contract Administrator</td>
<td>$96</td>
</tr>
<tr>
<td>Administrative Assistant</td>
<td>$91</td>
</tr>
<tr>
<td>Word Processor</td>
<td>$80</td>
</tr>
<tr>
<td>Junior Construction Engineer</td>
<td>$76</td>
</tr>
<tr>
<td>Senior Building/Inspector - prevailing wage (1 year employment term)</td>
<td>$122</td>
</tr>
<tr>
<td>Construction Office Engineer (1 year employment term)</td>
<td>$80</td>
</tr>
<tr>
<td>Administrative Professional (1 year employment term)</td>
<td>$64</td>
</tr>
<tr>
<td>Building Inspector/Checker</td>
<td>$108</td>
</tr>
<tr>
<td>Permit Specialist</td>
<td>$85</td>
</tr>
<tr>
<td>Code Enforcement Officer</td>
<td>$75</td>
</tr>
<tr>
<td>Traffic Engineer</td>
<td>$144</td>
</tr>
<tr>
<td>Associate Traffic Engineer</td>
<td>$101</td>
</tr>
<tr>
<td>Geotechnical Engineer</td>
<td>$154</td>
</tr>
</tbody>
</table>
MASTER SERVICES CONTRACT NUMBER 4600002053
FOR
CONSTRUCTION PROJECT MANAGEMENT SERVICES

This CONTRACT (the Contract), is made and entered into this _____ day of
______________, 2016, by and between the Inland Empire Utilities Agency, a
Municipal Water District, organized and existing in the County of San Bernardino
under and by virtue of the laws of the State of California (hereinafter referred to as
Agency), and MWH Americas, Inc., dba MWH Constructors, Inc. with offices in
Pasadena, California and Broomfield, Colorado (hereinafter referred to as
Consultant), for provision of project management, engineering and construction
staff augmentation support services.

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

A. PROJECT MANAGER ASSIGNMENT: All technical direction related to this Contract
shall come from the designated Project Manager. Details of the Agency's assignment
are as follows:

Project Manager: Mr. David Mendez
Deputy Manager of Engineering
Location: 6075 Kimball Avenue, Building B
Chino, California 91708
Telephone: (909) 993-1622
E-mail: dmendez@ieua.org

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

Consultant: Ms. Luanne Bean, PE
Project Manager
Address: 300 North Lake Avenue, Suite 400
Pasadena, CA 91101
Telephone: (626) 568-6118
E-mail: luanne.bean@mwhglobal.com
C. **ORDER OF PRECEDENCE:** The documents referenced below represent the Contract Documents. Where any conflicts exist between the general terms and conditions, addenda, attachment(s), or other contractual documents, the governing order of precedence shall be as follows:

1. Amendment(s) to Task Order(s) to Contract Number 4600002053
2. Task Order(s) to Contract Number 4600002053
3. Amendment(s) to Contract Number 4600002053
5. Request for Proposals No. RFP-RW-15-086 and all germane Addenda and correspondence.

D. **SCOPE OF WORK AND SERVICES:** Scope of Work and Services is referenced herein, attached hereto, and made a part hereof as Exhibit A.

**SB854 Requirements:** For any Public Works contracting performed having a value of $1,000.00 or more, the following applies:

- 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)].

- 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 www.dir.ca.gov/dlse/dlsepublicworks.html pursuant to Labor Code section 1725.5.

- This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. A PWC-100 shall be generated for each contractor or subcontractor on each project.

E. **TERM:** The term of this Contract shall extend from the date of its full execution through February 18, 2019, unless agreed to by both parties, reduced to writing, and amended to this Contract.

F. **PAYMENT, COMPENSATION, and INVOICING:** The Agency shall pay Consultant's properly executed invoices, subsequent to approval by the Deputy Manager, within thirty (30) calendar days following receipt of the invoice. Payment will be withheld for any service which does not meet the requirements of this Contract or has proven unacceptable until such service is revised, resubmitted, and accepted by the Project Manager. Consultant shall utilize Consulting Services Invoice Template Exhibit B,
attached hereto and made a part hereof, for the submittal of each invoice. Template in Excel format will be furnished.

As compensation for work performed under this Contract, Agency shall pay Consultant, on percent complete basis, up to the NOT-TO-EXCEED maximum of $1,500,000.00. Compensation shall be made in accordance with Consultant’s Fee Schedule, attached hereto, referenced herein, and made a part hereof as Exhibit C.

A separate invoice must be submitted every month for each project, and must reference the Contract Number 4800002053, Purchase Order Number, Project Number, and Project Name. All invoices shall be submitted electronically with all required back-up to apgroup@leua.org.

G. **CONTROL OF WORK:** Consultant shall perform the Work in compliance with the Work Schedule established for each project. 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 Deputy Manager. If the nature of the Work is such that Consultant is unable to accelerate the Work, Consultant shall promptly notify the Deputy Manager of the delay, the causes of the delay, and submit a proposed revised Work Schedule.

H. **FITNESS FOR DUTY:**

1. **Fitness:** Consultant on the Jobsite:
   
   a. shall report for work in a manner fit to do their job;
   
   b. 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
   
   c. 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.

2. **Compliance:** Consultant shall advise all Consultant personnel and associated third parties of the requirements of the Contract ("Fitness for Duty Requirements"). Any employee determined to be in violation of these requirements shall be removed from the project. Consultant shall impose these requirements on its personnel and associated third parties. Agency may cancel the Contract if Consultant violates these Fitness for Duty Requirements.

I. **REQUIRED INSURANCE:** During the period of time from issuance of a contract to final acceptance of the work the Consultant shall maintain at the Consultant's sole expense, the following insurance.
1. **Minimum Scope of Insurance**

   a. General Liability: $1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. Coverage shall be at least as broad as Insurance Services Office form number GL 0001-87 covering Commercial General Liability. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location, or the general aggregate limit shall be $2,000,000.

   b. Automobile Liability: $1,000,000 combined single limit per accident for bodily injury and property damage. Coverage shall be at least as broad as Insurance Services Office Form number CA 00 01 01 87 covering Automobile Liability, including any auto.

   c. Workers' Compensation and Employers Liability: Workers' compensation limits as required by the Labor Code of the State of California and employers Liability limits of $1,000,000 per accident.

   d. Professional Liability insurance in the amount of $3,000,000 per occurrence.

2. **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, the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the Agency, its officers, officials, employees and volunteers; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

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

   a. General Liability and Automobile Liability:

   (1) The Agency, its officers, officials, employees and volunteers are to be covered as insureds, endorsement GL 20 11 07 66, CG 20 10 11 85, and/or CA 20 01 (Ed. 01 78) as respects: liability arising out of activities performed by or on behalf of the Consultant, products and completed operations of the Consultant, premises owned, occupied or used by the Consultant, or automobiles owned, leased, hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the Agency, its officers, officials, employees or volunteers.

   (2) The Consultant’s insurance coverage shall be primary insurance as respects the Agency, its officer, officials, employees and volunteers. Any insurance or self-insurance maintained by the Agency, its officers, officials,
employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

(3) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, its officers, officials, employees or volunteers.

(4) 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.

(5) 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.

b. Workers' Compensation and Employers Liability Coverage: The insurer shall agree to waive all rights of subrogation against the Agency, its officers, officials, employees and volunteers for losses arising from work performed by the Consultant for the Agency.

c. 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 30 days' or 10 days' in the event of nonpayment, prior written notice has been given to the Agency.

4. Acceptability of Insurers: With the exception of Professional Liability Insurance, all insurance is to be placed with insurers with a Best's rating of no less than A:VII, and who are admitted insurers in the State of California. Professional Liability Insurance is to be placed with insurers with a Best's rating of no less than B:VII, and who are admitted insurers in the State of California.

5. Verification of Coverage: The Consultant shall furnish the Agency with certificates of insurance and with original endorsements effecting coverage required by the Agency for themselves and all subcontractor(s) prior to commencing work or allowing any subcontractor to commence work under any subcontract. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All insurance certificates and endorsements are to be approved by the Agency before work commences. The Agency reserves the right to require complete, certified copies of all required insurance policies, at any time.

6. Submittal of Certificates: The Consultant shall submit all required insurance certificates and endorsements to the following:
Inland Empire Utilities Agency  
Attn. Ms. Angela Witte, Risk Specialist  
P.O. Box 9020  
Chino Hills, California 91709-0902

J. **LEGAL RELATIONS AND RESPONSIBILITIES:**

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

2. **Status of Consultant:** The Consultant is retained as an independent Consultant only, for the sole purpose of rendering work as described herein, and is not an employee of the Agency.

3. **Observing Laws and Ordinances:** The Consultant or any subcontractors 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 work 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 or any subcontractor 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.

4. **Subcontract Work:** Any subcontracts for the performance of any work under this Contract shall be subject to the written approval of the Project Manager.

5. **Hours of Labor:** The Consultant shall comply with all applicable provisions of California Labor Code Sections 1810 to 1815 relating to working hours. The Consultant shall, as a penalty to the Agency, forfeit $25.00 for each worker employed in the execution of the Contract by the Consultant or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of the Labor Code.

6. **Travel and Subsistence Pay:** The Consultant shall make payment to each worker for travel and subsistence payments which are needed to execute the work and/or service, as such travel and subsistence payments are defined in the applicable collective bargaining agreements with the worker.

7. **Liens:** The Consultant shall pay all sums of money that become due from any labor,
services, materials or equipment furnished to Consultant on account of said Work to be furnished as a result of the Request for Proposal, and that may be secured by any lien against the Agency.

8. **Indemnification:** The Consultant shall indemnify Agency, its directors, employees, agents, and assigns, and shall defend and hold them harmless from all liability, demands, actions, claims, losses and expenses, including reasonable attorney's fees, which arise out of or are related to the negligence, recklessness or willful misconduct of Consultant, its directors, employees, agents and assigns, in the performance of work under this Contract. Notwithstanding the foregoing, to the extent that this Contract includes design professional services under Civil Code Section 2782.8, as may be amended from time to time, such duties of Consultant to defend and to indemnify Agency shall only be to the full extent permitted by Civil Code Section 2782.8.

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

9. **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 work or tasks to be performed pursuant to this Contract, shall become directly or indirectly personally interested in this Contract.

10. **Equal Opportunity:** During the performance of this Contract, the Consultant and any subcontractor shall not unlawfully discriminate against any employee or applicant for employment because of race, color, religion, sex, age, marital status, national origin, or physical handicap.

11. **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.

12. Disputes:

a. All disputes arising out of or in relation to this Agreement 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 Agreement, both parties are obligated, and hereby agree, to submit all disputes arising under or relating to the Agreement 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.

b. 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 thirty (30) calendar days after receiving written notice of the Agency's decision. Failure by Consultant to file a written protest within thirty (30) 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 Chief Executive Officer/General Manager (CEO/GM), 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 CEO/GM 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 CEO/GM, they may file a written request for arbitration with the Project Manager within thirty (30) calendar days after receiving written notice of the CEO/GM's decision.

c. 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:

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

(2). In the event that none of the names submitted by Consultant are acceptable to the 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 the 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.

(3). 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.

d. Joinder in Mediation/Arbitration: The Agency may join the Consultant in mediation or arbitration commenced by a Consultant on the Project pursuant to Public Contracts Code Sections 20104 et seq. Such joinder shall be initiated by written notice from the Agency’s representative to the Consultant.

13. **Prevailing Wage Requirements**: Applicable to the labor category of the Work performed against this Contract has been deemed a Prevailing Wage Project and is therefore subject to the requirements Section 1770 (and following) of the California Labor Code. Consultant shall not pay less than general prevailing wage rates, as determined by the Director of the State of California Department of Industrial Relations. The Consultant, and 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, availability, and submittal of accurate payroll records, and any other matters required under all Federal, State, and local laws related to labor.

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

L. PUBLIC RECORDS POLICY: Information made available to the Agency may be subject to the California Public Records Act (Government Code Section 6250 et seq.) The Agency's use and disclosure of its records are governed by this Act. The Agency shall use its best efforts to notify Consultant of any requests for disclosure of any documents pertaining to Consultant.

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

M. TITLE AND RISK OF LOSS:

1. 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.

2. 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.

3. Disposition: Consultant shall dispose of items to which Agency has title as directed in writing by the Agreement Administrator and/or Agency.

N. PROPRIETARY RIGHTS:

1. 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:

   a. 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.

b. 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 sublicense to others with respect to the Work and Documentation.

c. 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 sublicense 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.

O. **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.

P. **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: Mr. Warren T. Green
Manager of Contracts and Facilities Services
Inland Empire Utilities Agency, a Municipal Water District
P.O. Box 9020
Chino Hills, California 91709-0902

Consultant: Mr. Jaime Burrola
Regional Director, Construction Management Services
MWH Americas, Inc., dba MWH Constructors, Inc.
300 North Lake Avenue, Suite 400
Pasadena, CA 91101

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.

Q. **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.

R. **RIGHT TO AUDIT:** The Agency reserves the right to review and/or audit all Consultant's records related to the Work. The option to review and/or audit may be exercised during the term of the Contract, upon termination, upon completion of the Contract, or at any time thereafter up to twelve (12) months after final payment has been made to Consultant. The Consultant shall make all records and related documentation available within three (3) working days after said records are requested by the Agency.

S. **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.

T. **GOVERNING LAW:** This Contract is to be governed by and constructed in accordance with the laws of the State of California.

U. **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 work up to the date of such termination.

V. **FORCE MAJEURE:** Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, acts of nature, etc.

W. **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.

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

**INLAND EMPIRE UTILITIES AGENCY:**

<table>
<thead>
<tr>
<th>P. Joseph Grindstaff</th>
<th>(Date)</th>
<th>Randy Lovan</th>
<th>(Date)</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td></td>
<td>Principal-In-Charge</td>
<td></td>
</tr>
</tbody>
</table>

WALLACE & ASSOCIATES CONSULTING, INC.:
Exhibit A
Exhibit A

SCOPE OF WORK
PROJECT MANAGEMENT, ENGINEERING AND CONSTRUCTION
STAFF AUGMENTATION SUPPORT SERVICES

The Agency seeks to identify and retain qualified Project Management, Engineering and Construction Staff Augmentation Support Services under an undetermined number of master agreements to supply the Agency with high-quality, cost-effective, professional staff. The master agreement holders will serve as the approved list for Agency professional technical staff requirements for the duration of the master agreement contract term. The Agency anticipates awarding the master agreements for an initial three-year term, with four additional consecutive one-year option terms for a potential maximum total of seven years. The four consecutive one-year option terms will then run 12-months each, and may only be exercised at the Agency’s sole discretion.

All services performed by the consultant or any sub-consultant shall be provided in a manner consistent with the level of care and skill exercised by members of the consultant’s or the respective sub-consultant’s profession in accordance with industry standards. Such services shall be performed under the direct supervision of qualified and experienced personnel. The specific types of services to be provided may include, but are not limited to, the services described herein. Services may be on-call and/or project specific task order based.

The Consultant will be responsible for working with appropriate technical staff, consultants, and other Agency Departments in overseeing, coordinating, administrating, and managing public works Capital Improvement Projects. Staff augmentation positions will report to the Deputy Manager of Engineering and/or Construction and may be required to work at Agency headquarters. Consultant staff providing staff augmentation services will be provided a work space and land line desk phone (when assigned to Headquarters) for their use on Agency business, except that the consultant shall provide a cellular phone, software (Microsoft Office Professional, XER Toolkit, and Adobe) and computers at no additional cost to the AGENCY. The Consultant shall provide necessary services to assist technical staff on capital improvement, O&M and emergency projects in various phases of design and construction.

Duties may consist of:

1. Compiling, administering, and monitoring public works contracts and projects; administering project budgets;
2. Coordinating and administrating RFP’s, addendums and documents for bidding; performing vendor solicitations;
3. Organizing pre-bid conferences; evaluating bids, performing reference checks and preparing recommendations for contract award; organizing and participating in meetings including preparation and distribution of minutes;
4. Coordinating and scheduling required inspections, surveys and geotechnical tests;
Exhibit A

5. Monitoring and updating project schedules;
6. Obtaining necessary permits;
7. Tracking project progress ensuring compliance with project standards and specifications including California Construction law in labor compliance and DBE requirements; processing, transmitting and tracking plan checks, RFI's, submittal reviews, progress payments, change orders, punch lists, warranty issues and contractor claims;
8. Coordinating project website development;
9. Researching and preparing final reports to support billings to County, State & Federal agencies to support a variety of funding obligations;
10. Maintaining detailed project files and preparing project status reports;
11. Reviewing and processing consultant, contractor, and vendor invoices for payment; processing journal entries; and reviewing project expenditures.
12. The Consultant will also assist in development of procedures, policies, record keeping and duties as required related to overall administration of Capital Improvement Projects.

On an as-needed basis, the services to be provided by the Consultant may include, but are not limited to, the following services:

1. General Engineering support for water, wastewater, pipeline design and construction
2. Attend staff and stakeholder meetings.
3. Review and comment on planning and engineering program controls.
4. Recommend regulations and ordinances pertaining to engineering matters and provide advice regarding public works activities.
5. Coordinate with other agencies, the public and utility companies on engineering matters.
6. Assist in the preparation and revision of the Agency's project budgets.
7. Perform additional functions, including, but not limited to, the preparation of general correspondence and staff reports.
8. Provide additional engineering support services, as requested. These support services may include but are not limited to: CAD drafting, design support, preparation of exhibits, research for technical specifications, office engineering, engineering, construction management and inspection support during construction.
Exhibit A

The Agency reserves the right to require an oral interview of any and all candidates prior to the augmented staff selection. In the event an oral interview is requested, the candidates will be provided with a minimum advanced notice of one (1) week.

Staff Services may include but not limited to:

- Project Managers
- Senior Engineers
- Construction Managers
- Resident Engineers
- Associate Engineers
- Estimators
- Inspectors - Electrical, Building, Special
- Office Engineers
- Engineering Technicians
- Engineering Aides
- Project Coordinators
- Project Administrators

[ Balance Of This Page Intentionally Left Blank ]
Exhibit B
## INLAND EMPIRE UTILITIES AGENCY
### CONSULTING SERVICES INVOICE

**Company:** ABC Company  
**Address:**  
**Phone No.:**  
**Contract No.:** 45-xxxx  
**Contractor:** IEUA Project Manager:  
**Phone No.:**  
**Invoice No.:**  

### ORIGINAL CONTRACT:

<table>
<thead>
<tr>
<th>PO No.</th>
<th>SAP Line Item No.</th>
<th>WBS Element No.</th>
<th>Item Description</th>
<th>Original Contr. Value</th>
<th>Total This Period From To: 9/1/2015 - 9/30/2015</th>
<th>Total to Date From To: 9/9/2015 - #DIV/0</th>
<th>Progress to Date</th>
<th>Remaining Contract Value Amount ($) % Complete</th>
</tr>
</thead>
<tbody>
<tr>
<td>45-xxxx</td>
<td>EN15xxx.00.F.DN50</td>
<td>50% Design Services</td>
<td>$0.00 $0.00</td>
<td>$0.00 $0.00</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>$0.00 $0.00</td>
<td>#DIV/0!</td>
</tr>
<tr>
<td>2</td>
<td>EN15xxx.00.F.DN85</td>
<td>85% Design Services</td>
<td>$0.00 $0.00</td>
<td>$0.00 $0.00</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>$0.00 $0.00</td>
<td>#DIV/0!</td>
</tr>
<tr>
<td>3</td>
<td>EN15xxx.00.F.DFLP</td>
<td>Final Design</td>
<td>$0.00 $0.00</td>
<td>$0.00 $0.00</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>$0.00 $0.00</td>
<td>#DIV/0!</td>
</tr>
<tr>
<td>4</td>
<td>EN15xxx.00.G.CNSW.00.00</td>
<td>Constr Support Services</td>
<td>$0.00 $0.00</td>
<td>$0.00 $0.00</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>$0.00 $0.00</td>
<td>#DIV/0!</td>
</tr>
</tbody>
</table>

Subtotal Original Contract: $0.00 $0.00 $0.00

### CONTRACT AMENDMENTS:

<table>
<thead>
<tr>
<th>PO No.</th>
<th>SAP Line Item No.</th>
<th>WBS Element No.</th>
<th>Amendment Description</th>
<th>Amended Contract Value</th>
<th>Total This Period From To: 9/1/2015 - 9/30/2015</th>
<th>Total to Date From To: 9/9/2015 - #DIV/0</th>
<th>Progress to Date</th>
<th>Remaining Contract Value Amount ($) % Complete</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Subtotal Contr. Amend: $0.00 $0.00 $0.00

Total Conf. with Amend: $0.00 $0.00 $0.00

### PAYMENT SUMMARY FOR THIS PERIOD:

- **Amount Earned Original Contract:** $0.00 $0.00
- **Amount Earned Amendments:** $0.00 $0.00
- **Back Charges:** $0.00 $0.00

**Amount Due This Period:** $0.00 $0.00

### TOTAL PAYMENT SUMMARY:

- **Total Contract:** $0.00 $0.00
- **Total Original Contract:** $0.00 $0.00
- **Total Contract Amendments:** $0.00 $0.00
- **Total Payments to Date:** $0.00 $0.00
- **Payment this period:** $0.00 $0.00
- **Balance of Contract:** $0.00 $0.00

### CONSULTANT APPROVALS:

**Title:**  
**Signature:**  
**Date:**

**Inland Empire Utilities Agency Approvals:**

**Proj. Engineer:**  
**Date:**  
**Exec Mgr. / Assistant GM:**  
**Date:**

**Deputy Manager:**  
**Date:**  
**General Manager:**  
**Date:**

---

12/8/2015
Exhibit C
December 8, 2015

Inland Empire Utilities Agency
6075 Kimbell Avenue, Building "A"
Chino, California 91708-9174
Attention: Mr. David Mendez, Deputy Manager of Construction Management


Dear Mr. Mendez:

The Inland Empire Utilities Agency (IEUA) will be selecting firms to provide Project Management, Engineering and Construction Staff Augmentation Support Services for an "as-needed" basis under a three-year Master Services Contract. We know you require a consultant to use skill and integrity to represent and protect IEUA's interests and to deliver projects as envisioned, MWH can and deliver on these requirements.

Please find included in the enclosed 'flash' drive the following attachments for the Section E – Fee Schedule:

  - Fee Schedule - Project Management and Engineering Rates
  - Fee Schedule – Construction Staff Augmentation Rates
  - Standard Clarification for Construction Management Services

We appreciate this opportunity to work with IEUA and look forward to your response. If you have any questions or require further information, please contact me at (949) 439-0423 or randy.lovan@mwhglobal.com.

Sincerely,

Jaime Vunrola
Vice President / Regional Director
Construction Management Services

Randy Lovan, Certified CM, QSP
Principle In Charge
Construction Management Services
### E. Fee Schedule

#### Project Management and Engineering rates

<table>
<thead>
<tr>
<th>Position</th>
<th>Rate</th>
<th>Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrator</td>
<td>$115.00</td>
<td>per hour</td>
</tr>
<tr>
<td>Project Engineer, Scientist, Architect III</td>
<td>$113.00</td>
<td>per hour</td>
</tr>
<tr>
<td>Associate Professional</td>
<td>$135.00</td>
<td>per hour</td>
</tr>
<tr>
<td>Computer Support Specialist</td>
<td>$136.00</td>
<td>per hour</td>
</tr>
<tr>
<td>Field Engineer</td>
<td>$150.00</td>
<td>per hour</td>
</tr>
<tr>
<td>Professional</td>
<td>$155.00</td>
<td>per hour</td>
</tr>
<tr>
<td>Staff Engineer</td>
<td>$155.00</td>
<td>per hour</td>
</tr>
<tr>
<td>Associate Professional Designer</td>
<td>$138.00</td>
<td>per hour</td>
</tr>
<tr>
<td>Senior CAD/REVIT Drafter</td>
<td>$158.00</td>
<td>per hour</td>
</tr>
<tr>
<td>Professional Designer</td>
<td>$155.00</td>
<td>per hour</td>
</tr>
<tr>
<td>Senior Professional</td>
<td>$175.00</td>
<td>per hour</td>
</tr>
<tr>
<td>Designer Technician</td>
<td>$155.00</td>
<td>per hour</td>
</tr>
<tr>
<td>Lead Engineer</td>
<td>$161.00</td>
<td>per hour</td>
</tr>
<tr>
<td>Senior Field Engineer</td>
<td>$175.00</td>
<td>per hour</td>
</tr>
<tr>
<td>Senior Designer</td>
<td>$168.00</td>
<td>per hour</td>
</tr>
<tr>
<td>Supervising Professional</td>
<td>$195.00</td>
<td>per hour</td>
</tr>
<tr>
<td>Supervising Designer</td>
<td>$178.00</td>
<td>per hour</td>
</tr>
<tr>
<td>Project Manager</td>
<td>$203.00</td>
<td>per hour</td>
</tr>
<tr>
<td>Senior Project Manager</td>
<td>$223.00</td>
<td>per hour</td>
</tr>
<tr>
<td>Principal Professional I – Engineer, Scientist, Architect</td>
<td>$223.00</td>
<td>per hour</td>
</tr>
<tr>
<td>Principal Professional II – Engineer, Scientist, Architect</td>
<td>$242.00</td>
<td>per hour</td>
</tr>
<tr>
<td>Principal Professional Designer</td>
<td>$226.00</td>
<td>per hour</td>
</tr>
<tr>
<td>CADD Technician</td>
<td>$85.00</td>
<td>per hour</td>
</tr>
</tbody>
</table>

#### Construction Staff Augmentation rates

<table>
<thead>
<tr>
<th>Position</th>
<th>Rate</th>
<th>Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>CMS Regional Director</td>
<td>$210</td>
<td>per hour</td>
</tr>
<tr>
<td>CMS Principal - Inland Empire Area Manager</td>
<td>$175</td>
<td>per hour</td>
</tr>
<tr>
<td>Project Manager</td>
<td>$168</td>
<td>per hour</td>
</tr>
<tr>
<td>Construction Manager</td>
<td>$145 - $165</td>
<td>per hour</td>
</tr>
<tr>
<td>Resident Engineer</td>
<td>$135 - $155</td>
<td>per hour</td>
</tr>
<tr>
<td>Office Engineer</td>
<td>$95 - $110</td>
<td>per hour</td>
</tr>
<tr>
<td>Construction Inspector, Specialty</td>
<td>$145 - $135</td>
<td>per hour</td>
</tr>
<tr>
<td>Construction Inspector</td>
<td>$135 - $110</td>
<td>per hour</td>
</tr>
<tr>
<td>Estimator / Scheduler</td>
<td>$120 - $140</td>
<td>per hour</td>
</tr>
<tr>
<td>Construction Administration</td>
<td>$75</td>
<td>per hour</td>
</tr>
</tbody>
</table>

**Construction Claims Analysis & Support**

- **Director Risk Management** $241 per hour
- **Manager Claims Analyst** $185 per hour
- **Commercial Claim Analyst** $165 per hour
Standard Clarification for Construction Management Services

General

Our proposal is based on the construction and professional scope provided in the Request for Proposal. Our final contract budget will be based on the project assignment and the attached Fee Proposal. Field staffing will be driven by project demands, confirmed by a baseline and approved by the District. All costs are subject to negotiation.

Prevailing Wage

All Prevailing Wage requirements will be followed by the team and its subconsultants. All team members are in conformance with the State of California Labor compliance requirements.

Rates for the Construction Management Team

Rates for the CM team include vehicle mileage, computers, computer software, digital cameras, digital video cameras, cell phones and cell phone service, mail, telephone charges, general office supplies, technical reference materials, training and personal protective equipment (PPE) including hard hats, safety boots, work gloves, safety glasses and other PPE as required.

Excluded from Rates

Items excluded from the rates are printers/copiers/scanners, paper for any and all reproduction, prints, plotting and record mapping copies, broadband service, broadband/high speed connections, delivery service, facsimile transmission, trailer rental costs, installation of utilities, cost of utilities, cost of sanitary services, janitorial, furniture, travel and per diem outside the service area for in-plant fabrication inspection. Travel costs outside the service area will be determined after receiving prior approval from the District.

Legal

All subconsultants will be bound to the final terms and conditions of the prime agreement.

Geotechnical Support and Inspection Material Testing

Geotechnical inspection, materials sampling and testing services of the subgrade & base layers are not included in the scope of services. The coordination of these services is included in our scope of services.

Material Testing and Specialty Inspection

Materials sampling, materials testing, specialty inspection and NDT services and fees are not included in the scope of services. The coordination of these services is included in our scope of services.

Survey Baseline Control

Survey services and fees are not included in the scope of services. The coordination of these services is included in our scope of services.

Field Office

Any administrative or field offices including furniture, copier printers, internet or other office equipment shall be provided by others.
MASTER SERVICES CONTRACT NUMBER 4600002052
FOR
CONSTRUCTION PROJECT MANAGEMENT SERVICES

This CONTRACT (the Contract), is made and entered into this _____ day of __________, 2016, by and between the Inland Empire Utilities Agency, a Municipal Water District, organized and existing in the County of San Bernardino under and by virtue of the laws of the State of California (hereinafter referred to as Agency), and Carollo Engineers, Inc., with offices in Walnut Creek, California (hereinafter referred to as Consultant), for provision of project management, engineering and construction staff augmentation support services.

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

A. PROJECT MANAGER ASSIGNMENT: All technical direction related to this Contract shall come from the designated Project Manager. Details of the Agency's assignment are as follows:

   Project Manager: David Mendez
                    Deputy Manager of Engineering
   Location: 6075 Kimball Avenue, Building B
             Chino, California 91708
   Telephone: (909) 993-1622
   E-mail: dmendez@ieua.org

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

   Consultant: Azhar Khan
              Project Manager
   Address: 7888 Mission Grove Parkway South, Suite 100
            Riverside, CA 92508
   Telephone: (951) 776-3655
   E-mail: akhan@carollo.com
C. ORDER OF PRECEDENCE: The documents referenced below represent the Contract Documents. Where any conflicts exist between the general terms and conditions, addenda, attachment(s), or other contractual documents, the governing order of precedence shall be as follows:

1. Amendment(s) to Task Order(s) to Contract Number 4600002052
2. Task Order(s) to Contract Number 4600002052
3. Amendment(s) to Contract Number 4600002052
5. Request for Proposals No. RFP-RW-15-086 and all germane Addenda and correspondence.

D. SCOPE OF WORK AND SERVICES: Scope of Work and Services is referenced herein, attached hereto, and made a part hereof as Exhibit A.

SB854 Requirements: For any Public Works contracting performed having a value of $1,000.00 or more, the following applies:

- 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)].

- 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 www.dir.ca.gov/dlse/dlsepublicworks.html pursuant to Labor Code section 1725.5.

- This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. A PWC-100 shall be generated for each contractor or subcontractor on each project.

E. TERM: The term of this Contract shall extend from the date of its full execution through February 18, 2019, unless agreed to by both parties, reduced to writing, and amended to this Contract.

F. PAYMENT, COMPENSATION, and INVOICING: The Agency shall pay Consultant’s properly executed invoices, subsequent to approval by the Deputy Manager, within thirty (30) calendar days following receipt of the invoice. Payment will be withheld for any service which does not meet the requirements of this Contract or has proven unacceptable until such service is revised, resubmitted, and accepted by the Project.
Manager. Consultant shall utilize Consulting Services Invoice Template Exhibit B, attached hereto and made a part hereof, for the submittal of each invoice. Template in Excel format will be furnished.

As compensation for work performed under this Contract, Agency shall pay Consultant, on percent complete basis, up to the NOT-TO-EXCEED maximum of $1,500,000.00. Compensation shall be made in accordance with Consultant’s Fee Schedule, attached hereto, referenced herein, and made a part hereof as Exhibit C.

A separate invoice must be submitted every month for each project, and must reference the Contract Number 4600002052, Purchase Order Number, Project Number, and Project Name. All invoices shall be submitted electronically with all required back-up to angroup@ieua.org.

G. **CONTROL OF WORK:** Consultant shall perform the Work in compliance with the Work Schedule established for each project. 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 Deputy Manager. If the nature of the Work is such that Consultant is unable to accelerate the Work, Consultant shall promptly notify the Deputy Manager of the delay, the causes of the delay, and submit a proposed revised Work Schedule.

H. **FITNESS FOR DUTY:**

1. **Fitness:** Consultant on the Jobsite:
   
   a. shall report for work in a manner fit to do their job;
   
   b. 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
   
   c. 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.

2. **Compliance:** Consultant shall advise all Consultant personnel and associated third parties of the requirements of the Contract ("Fitness for Duty Requirements"). Any employee determined to be in violation of these requirements shall be removed from the project. Consultant shall impose these requirements on its personnel and associated third parties. Agency may cancel the Contract if Consultant violates these Fitness for Duty Requirements.

I. **REQUIRED INSURANCE:** During the period of time from issuance of a contract to
final acceptance of the work the Consultant shall maintain at the Consultant’s sole expense, the following insurance.

1. Minimum Scope of Insurance

   a. General Liability: $1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. Coverage shall be at least as broad as Insurance Services Office form number GL 0001-87 covering Commercial General Liability. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location, or the general aggregate limit shall be $2,000,000.

   b. Automobile Liability: $1,000,000 combined single limit per accident for bodily injury and property damage. Coverage shall be at least as broad as Insurance Services Office Form number CA 00 01 01 87 covering Automobile Liability, including any auto.

   c. Workers’ Compensation and Employers Liability: Workers’ compensation limits as required by the Labor Code of the State of California and employers Liability limits of $1,000,000 per accident.

   d. Professional Liability insurance in the amount of $3,000,000 per occurrence.

2. Deductibles and Self-Insured Retention: Any deductibles or self-insured retention must be declared to and approved by the Agency. At the option of the Agency, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the Agency, its officers, officials, employees and volunteers; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

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

   a. General Liability and Automobile Liability:

      (1) The Agency, its officers, officials, employees and volunteers are to be covered as insureds, endorsement GL 20 11 07 66, CG 20 10 11 85, and/or CA 20 01 (Ed. 01 78) as respects: liability arising out of activities performed by or on behalf of the Consultant, products and completed operations of the Consultant, premises owned, occupied or used by the Consultant, or automobiles owned, leased, hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the Agency, its officers, officials, employees or volunteers.
(2) The Consultant's insurance coverage shall be primary insurance as respects the Agency, its officer, officials, employees and volunteers. Any insurance or self-insurance maintained by the Agency, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

(3) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, its officers, officials, employees or volunteers.

(4) 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.

(5) 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.

b. Workers' Compensation and Employers Liability Coverage: The insurer shall agree to waive all rights of subrogation against the Agency, its officers, officials, employees and volunteers for losses arising from work performed by the Consultant for the Agency.

c. 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 mail has been given to the Agency.

4. **Acceptability of Insurers:** With the exception of Professional Liability Insurance, all insurance is to be placed with insurers with a Best's rating of no less than A:VII, and who are admitted insurers in the State of California. Professional Liability Insurance is to be placed with insurers with a Best's rating of no less than B:VII, and who are admitted insurers in the State of California.

5. **Verification of Coverage:** The Consultant shall furnish the Agency with certificates of insurance and with original endorsements effecting coverage required by the Agency for themselves and all subcontractor(s) prior to commencing work or allowing any subcontractor to commence work under any subcontract. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All insurance certificates and endorsements are to be approved by the Agency before work commences. The Agency reserves the right to require complete, certified copies
of all required insurance policies, at any time.

6. **Submittal of Certificates:** The Consultant shall submit all required insurance certificates and endorsements to the following:

   Inland Empire Utilities Agency  
   Attn. Ms. Angela Witte, Risk Specialist  
   P.O. Box 9020  
   Chino Hills, California 91709-0902

**J. LEGAL RELATIONS AND RESPONSIBILITIES:**

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

2. **Status of Consultant:** The Consultant is retained as an independent Consultant only, for the sole purpose of rendering work as described herein, and is not an employee of the Agency.

3. **Observing Laws and Ordinances:** The Consultant or any subcontractors 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 work 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 or any subcontractor 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.

4. **Subcontract Work:** Any subcontracts for the performance of any work under this Contract shall be subject to the written approval of the Project Manager.

5. **Hours of Labor:** The Consultant shall comply with all applicable provisions of California Labor Code Sections 1810 to 1815 relating to working hours. The Consultant shall, as a penalty to the Agency, forfeit $25.00 for each worker employed in the execution of the Contract by the Consultant or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of the Labor Code.
6. **Travel and Subsistence Pay:** The Consultant shall make payment to each worker for travel and subsistence payments which are needed to execute the work and/or service, as such travel and subsistence payments are defined in the applicable collective bargaining agreements with the worker.

7. **Liens:** The Consultant shall pay all sums of money that become due from any labor, services, materials or equipment furnished to Consultant on account of said Work to be furnished as a result of the Request for Proposal, and that may be secured by any lien against the Agency.

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

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

9. **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 work or tasks to be performed pursuant to this Contract, shall become directly or indirectly personally interested in this Contract.

10. **Equal Opportunity:** During the performance of this Contract, the Consultant and any subcontractor shall not unlawfully discriminate against any employee or applicant for employment because of race, color, religion, sex, age, marital status, national origin, or physical handicap.

11. **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.

12. Disputes:

a. All disputes arising out of or in relation to this Agreement 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 Agreement, both parties are obligated, and hereby agree, to submit all disputes arising under or relating to the Agreement 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.

b. 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 Chief Executive Officer/General Manager (CEO/GM), 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 CEO/GM 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 CEO/GM, they may file a written request for arbitration with the Project Manager.
within seven (7) calendar days after receiving written notice of the CEO/GM's decision.

c. 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:

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

2. In the event that none of the names submitted by Consultant are acceptable to the 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 the 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.

3. 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.

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

13. **Prevailing Wage Requirements:** Applicable to the labor category of the Work performed against this Contract has been deemed a Prevailing Wage Project and is therefore subject to the requirements Section 1770 (and following) of the California Labor Code. Consultant shall not pay less than general prevailing wage rates, as determined by the Director of the State of California Department of Industrial Relations. The Consultant, and 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, non-discrimination, apprentices, maintenance, availability, and submittal of accurate payroll records, and any other matters required under all Federal,
K. **OWNERSHIP OF MATERIALS AND DOCUMENTS/CONFIDENTIALITY:** The Agency retains ownership of any and all partial or complete reports, drawings, plans, notes, computations, lists, and/or other materials, documents, information, or data prepared by the Consultant and/or the Consultant’s subcontractor(s) pertaining to this Contract. Said materials and documents are confidential and shall be available to the Agency from the moment of their preparation, and the Consultant shall deliver same to the Agency whenever requested to do so by the Project Manager and/or Agency. The Consultant agrees that same shall not be made available to any individual or organization, private or public, without the prior written consent of the Agency.

L. **PUBLIC RECORDS POLICY:** Information made available to the Agency may be subject to the California Public Records Act (Government Code Section 6250 et seq.) The Agency’s use and disclosure of its records are governed by this Act. The Agency shall use its best efforts to notify Consultant of any requests for disclosure of any documents pertaining to Consultant.

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

M. **TITLE AND RISK OF LOSS:**

1. **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.

2. **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.

3. **Disposition:** Consultant shall dispose of items to which Agency has title as directed in writing by the Agreement Administrator and/or Agency.
N. PROPRIETARY RIGHTS:

1. 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:

   a. 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.

   b. 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.

   c. 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.

O. 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.

P. **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: 
Mr. Warren T. Green  
Manager of Contracts and Facilities Services  
Inland Empire Utilities Agency, a Municipal Water District  
P.O. Box 9020  
Chino Hills, California 91709-0902

Consultant: 
Mr. Graham J.G. Juby, PhD, PE  
Vice President/Principal-In-Charge  
Carollo Engineers, Inc.  
2700 Ygnacio Valley Road  
Walnut Creek, CA 94598

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

Q. **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.

R. **RIGHT TO AUDIT:** The Agency reserves the right to review and/or audit all Consultant's records related to the Work. The option to review and/or audit may be exercised during the term of the Contract, upon termination, upon completion of the Contract, or at any time thereafter up to twelve (12) months after final payment has been made to Consultant. The Consultant shall make all records and related documentation available within three (3) working days after said records are requested.
S. **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.

T. **GOVERNING LAW:** This Contract is to be governed by and constructed in accordance with the laws of the State of California.

U. **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 work up to the date of such termination.

V. **FORCE MAJEURE:** Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, acts of nature, etc.

W. **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.

X. **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.

Y. **ESTIMATES AND PROJECTIONS:** Consultant has no control over the cost of labor, materials, equipment or services furnished by others, over the incoming water quality and/or quantity, or over the way the Agency's plant and/or associated processes are operated and/or maintained. Data and cost projections are based on Consultant's opinion based on experience and judgment. Consultant cannot and does not guarantee that actual base unit quantities realized and/or costs will not vary from the data and cost projections prepared by Consultant and Consultant does not and will be not liable to and/or indemnify the Agency and/or any third party related to any inconsistencies between Consultant's data and/or cost projections and actual base unit quantities and/or associated energy cost savings realized by the Agency and/or any third party in the future. However, nothing herein shall relieve Consultant from liability for its failure to perform the work to the
standard of skill and care expected of a consultant under the same or similar circumstances.

Z. THIRD PARTIES: The services to be performed by Consultant are intended solely for the benefit of the Agency. No person or entity not a signatory to this Agreement shall be entitled to rely on Consultant’s performance of its services hereunder, and no right to assert a claim against Consultant by assignment of indemnity rights or otherwise shall accrue to a third party as a result of this Agreement or the performance of Consultant’s services hereunder.

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

INLAND EMPIRE UTILITIES AGENCY: CAROLLO ENGINEERS, INC.:  

P. Joseph Grindstaff (Date) Dr. Graham Juby, P.E. (Date)
General Manager Vice President/Principal-In-Charge

[ Balance Of This Page Intentionally Left Blank ]
Exhibit A
Exhibit A

SCOPE OF WORK
PROJECT MANAGEMENT, ENGINEERING AND CONSTRUCTION
STAFF AUGMENTATION SUPPORT SERVICES

The Agency seeks to identify and retain qualified Project Management, Engineering and Construction Staff Augmentation Support Services under an undetermined number of master agreements to supply the Agency with high-quality, cost-effective, professional staff. The master agreement holders will serve as the approved list for Agency professional technical staff requirements for the duration of the master agreement contract term. The Agency anticipates awarding the master agreements for an initial three-year term, with four additional consecutive one-year option terms for a potential maximum total of seven years. The four consecutive one-year option terms will then run 12-months each, and may only be exercised at the Agency’s sole discretion.

All services performed by the consultant or any sub-consultant shall be provided in a manner consistent with the level of care and skill exercised by members of the consultant’s or the respective sub-consultant’s profession in accordance with industry standards. Such services shall be performed under the direct supervision of qualified and experienced personnel. The specific types of services to be provided may include, but are not limited to, the services described herein. Services may be on-call and/or project specific task order based.

The Consultant will be responsible for working with appropriate technical staff, consultants, and other Agency Departments in overseeing, coordinating, administering, and managing public works Capital Improvement Projects. Staff augmentation positions will report to the Deputy Manager of Engineering and/or Construction and may be required to work at Agency headquarters. Consultant staff providing staff augmentation services will be provided a work space and landline desk phone (when assigned to Headquarters) for their use on Agency business, except that the consultant shall provide a cellular phone, software (Microsoft Office Professional, XER Toolkit, and Adobe) and computers at no additional cost to the AGENCY. The Consultant shall provide necessary services to assist technical staff on capital improvement, O&M and emergency projects in various phases of design and construction.

Duties may consist of:

1. Compiling, administering, and monitoring public works contracts and projects; administering project budgets;
2. Coordinating and administering RFP’s, addendums and documents for bidding; performing vendor solicitations;
3. Organizing pre-bid conferences; evaluating bids, performing reference checks and preparing recommendations for contract award; organizing and participating in meetings including preparation and distribution of minutes;
4. Coordinating and scheduling required inspections, surveys and geotechnical tests;
Exhibit A

5. Monitoring and updating project schedules;
6. Obtaining necessary permits;
7. Tracking project progress ensuring compliance with project standards and specifications including California Construction law in labor compliance and DBE requirements; processing, transmitting and tracking plan checks, RFI's, submittal reviews, progress payments, change orders, punch lists, warranty issues and contractor claims;
8. Coordinating project website development;
9. Researching and preparing final reports to support billings to County, State & Federal agencies to support a variety of funding obligations;
10. Maintaining detailed project files and preparing project status reports;
11. Reviewing and processing consultant, contractor, and vendor invoices for payment; processing journal entries; and reviewing project expenditures.
12. The Consultant will also assist in development of procedures, policies, record keeping and duties as required related to overall administration of Capital Improvement Projects.

On an as-needed basis, the services to be provided by the Consultant may include, but are not limited to, the following services:

1. General Engineering support for water, wastewater, pipeline design and construction
2. Attend staff and stakeholder meetings.
3. Review and comment on planning and engineering program controls.
4. Recommend regulations and ordinances pertaining to engineering matters and provide advice regarding public works activities.
5. Coordinate with other agencies, the public and utility companies on engineering matters.
6. Assist in the preparation and revision of the Agency's project budgets.
7. Perform additional functions, including, but not limited to, the preparation of general correspondence and staff reports.
8. Provide additional engineering support services, as requested. These support services may include but are not limited to: CAD drafting, design support, preparation of exhibits, research for technical specifications, office engineering, engineering, construction management and inspection support during construction.
Exhibit A

The Agency reserves the right to require an oral interview of any and all candidates prior to the augmented staff selection. In the event an oral interview is requested, the candidates will be provided with a minimum advanced notice of one (1) week.

Staff Services may include but not limited to:

- Project Managers
- Senior Engineers
- Construction Managers
- Resident Engineers
- Associate Engineers
- Estimators
- Inspectors - Electrical, Building, Special
- Office Engineers
- Engineering Technicians
- Engineering Aides
- Project Coordinators
- Project Administrators

[ Balance Of This Page Intentionally Left Blank ]
Exhibit B
# INLAND EMPIRE UTILITIES AGENCY

## CONSULTING SERVICES INVOICE

**Company:** ABC Company  
**Pay Est. No.:**   
**Contract No.:** 46-xxxx  
**Contract Date:**   
**Invoice Date:** 10/10/2015  
**EUA Project Manager:** Jamal Zuguitti  
**Invoice No./Consult Req:** XXXXX

### ORIGINAL CONTRACT:

<table>
<thead>
<tr>
<th>PO No.</th>
<th>SAP Line Item No.</th>
<th>WBS Element No.</th>
<th>Item Description</th>
<th>Original Contr. Value</th>
<th>Total This Period From: 9/1/2015 To: 9/30/2015</th>
<th>Total to Date From: 9/30/2015</th>
<th>Progress to Date</th>
<th>Remaining Contract Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>45-xxxx</td>
<td>1</td>
<td>EN15xxxx.00.F.DN50</td>
<td>50% Design Services</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>$0.00</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>EN15xxxx.00.F.DN85</td>
<td>85% Design Services</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>$0.00</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>EN15xxxx.00.F.DFLP</td>
<td>Final Design</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>$0.00</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>EN15xxxx.00.G.CSSW.00.A01</td>
<td>Constr Support Services</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>$0.00</td>
<td>#DIV/0!</td>
<td>$0.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Subtotal Original Contract</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

### CONTRACT AMENDMENTS:

<table>
<thead>
<tr>
<th>PO No.</th>
<th>SAP Line Item No.</th>
<th>WBS Element No.</th>
<th>Amendment Description</th>
<th>Amended Contract Value</th>
<th>Total This Period From: To:</th>
<th>Total to Date From: To:</th>
<th>Progress to Date</th>
<th>Remaining Contract Value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Subtotal Contr. Amendme</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

### PAYMENT SUMMARY FOR THIS PERIOD:

<table>
<thead>
<tr>
<th>From: 9/1/2015 To: 9/30/2015</th>
<th>Amount Earned Original Contract</th>
<th>Amount Earned Amendments</th>
<th>Back Charges</th>
<th>Amount Due This Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

### TOTAL PAYMENT SUMMARY:

<table>
<thead>
<tr>
<th>Total Contract</th>
<th>Total Original Contract</th>
<th>Total Contract Amendments</th>
<th>Total Payments to Date</th>
<th>Back Charges</th>
<th>Payment this period</th>
<th>Balance of Contract</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

### PRIOR PAYMENT SUMMARY:

<table>
<thead>
<tr>
<th>From: 10/</th>
<th>Amount Earned Original Contract</th>
<th>Amount Earned Amendments</th>
<th>Back Charges</th>
<th>Prior Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

### CONTRACT SCHEDULE SUMMARY:

<table>
<thead>
<tr>
<th>Contract Start Date: 10/9/2014</th>
<th>Contract Duration: 365</th>
<th>Contract Completion Date: 10/9/2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorized Time Extension: 0</td>
<td>Revised Completion Date: 10/9/2015</td>
<td></td>
</tr>
</tbody>
</table>

### PROJECT COMPLETION SUMMARY:

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

---

**Consultant Approval:**  
**Title:**  
**Signature:**  
**Date:**

### Inland Empire Utilities Agency Approvals:

<table>
<thead>
<tr>
<th>Proj. Engineer:</th>
<th>Date:</th>
<th>Exec Mgr. / Assistant GM:</th>
<th>Date:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Deputy Manager:</th>
<th>Date:</th>
<th>General Manager:</th>
<th>Date:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Dept. Manager:</th>
<th>Date:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Exhibit C
## SECTION E
### Fee Schedule

CAROLLO ENGINEERS, INC.
FEE SCHEDULE

As of January 1, 2015
California

<table>
<thead>
<tr>
<th>Description</th>
<th>Hourly Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Engineers/Scientists</strong></td>
<td></td>
</tr>
<tr>
<td>Assistant Professional</td>
<td>$159.00</td>
</tr>
<tr>
<td>Professional</td>
<td>194.00</td>
</tr>
<tr>
<td>Project Professional</td>
<td>230.00</td>
</tr>
<tr>
<td>Lead Project Professional</td>
<td>252.00</td>
</tr>
<tr>
<td>Senior Professional</td>
<td>273.00</td>
</tr>
<tr>
<td><strong>Technicians</strong></td>
<td></td>
</tr>
<tr>
<td>Technicians</td>
<td>119.00</td>
</tr>
<tr>
<td>Senior Technicians</td>
<td>167.00</td>
</tr>
<tr>
<td><strong>Construction Management</strong></td>
<td></td>
</tr>
<tr>
<td>Senior Construction Manager</td>
<td>$228.00</td>
</tr>
<tr>
<td>Construction Manager</td>
<td>200.00</td>
</tr>
<tr>
<td>Senior Resident Engineer</td>
<td>180.00</td>
</tr>
<tr>
<td>Resident Engineer</td>
<td>160.00</td>
</tr>
<tr>
<td>Senior Inspector - Prevailing Wage Rate</td>
<td>145.00</td>
</tr>
<tr>
<td>Inspector - Prevailing Wage</td>
<td>130.00</td>
</tr>
<tr>
<td>Inspector - Non Prevailing Wage</td>
<td>105.00</td>
</tr>
<tr>
<td>Senior Scheduler</td>
<td>180.00</td>
</tr>
<tr>
<td>Scheduler</td>
<td>155.00</td>
</tr>
<tr>
<td>Document Tracking Specialist</td>
<td>125.00</td>
</tr>
<tr>
<td>Admin Support</td>
<td>106.00</td>
</tr>
<tr>
<td><strong>Project Equipment Communication Expense (PECE)</strong></td>
<td></td>
</tr>
<tr>
<td>Per DL Hour</td>
<td>11.70</td>
</tr>
<tr>
<td><strong>Other Direct Expenses</strong></td>
<td></td>
</tr>
<tr>
<td>Travel and Subsistence</td>
<td>at cost</td>
</tr>
<tr>
<td>Mileage at IRS Reimbursement Rate</td>
<td>$.575 per mile</td>
</tr>
<tr>
<td><strong>Effective January 1, 2015</strong></td>
<td></td>
</tr>
<tr>
<td>Subconsultant</td>
<td>cost + 10%</td>
</tr>
<tr>
<td>Other Direct Cost</td>
<td>cost + 10%</td>
</tr>
<tr>
<td>Expert Witness</td>
<td>Rate x 2.0</td>
</tr>
</tbody>
</table>

This fee schedule is subject to annual revisions due to labor adjustments.
Date: February 17, 2016

To: The Honorable Board of Directors

Through: Finance, Legal, and Administration Committee (2/10/16)

From: P. Joseph Grindstaff
       General Manager

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

              Jason Gu
              Grants Officer

Subject: Adoption of Resolution No. 2016-2-3 for the USBR WaterSMART: 2016
         Water and Energy Efficiency Program Grant Application

RECOMMENDATION

It is recommended that the Board of Directors:

1. Adopt Resolution No. 2016-2-3, authorizing the Agency to enter into a financial assistance
   agreement with the U.S. Department of Interior - Bureau of Reclamation (USBR) for a
   grant application submitted on January 20, 2016, for the recycled water laterals for the
   California Steel Industries and the Auto Club Speedway to Increase Local Water Supply
   and Energy Efficiency Project (Project);

2. Authorize the General Manager, Assistant General Managers, or his designees to execute
   the financial assistance agreement, any amendments, and any grant related documents
   thereto.

BACKGROUND

In November 2015, the USBR announced the Water and Energy Efficiency Grant Program of
2016. On January 20, 2016, IEUA submitted a grant application for the Project. The grant
application is seeking $300,000 in federal funding over two years, and has a total estimated project
cost of $5,800,000.

The Project will construct approximately 10,000 lineal feet of recycled water laterals in the City
of Fontana to connect the California Steel Industries and the Auto Club Speedway for industrial
processes and landscape irrigation. The increase in the use of recycled water will reduce the
reliance on the State Water Project water, and will, in turn, reduce energy used to transport the imported water to Southern California.

The proposed project will deliver 1,000 acre-feet of recycled water per year, and will result in an energy savings of 2.6 MWHs per year.

PRIOR BOARD ACTION

On September 16, 2015, this project was one of nine projects included in the 2015 Drought Relief Recycled Water Supply Optimization Program Phase 1 Project State Revolving Fund Loan/Grant Application approved by IEUA Board of Directors.

IMPACT ON BUDGET

There will be no impact on the current agency budget. The Project (WR15021) has a budget of $6,000,000 in the Ten-Year Capital Improvement Plan (TYCIP) previously approved by the Board of Directors. Upon award of funding by USBR, annual appropriations will be revised to reflect the grant funding source.

Attachment:
Resolution No. 2016-2-3
RESOLUTION NO. 2016-2-3


BE IT RESOLVED, that the Inland Empire Utilities Agency* is authorized to enter into a financial assistance agreement under the WaterSMART: Water and Energy Efficiency Grants for FY 2016 with the U.S. Department of Interior - Bureau of Reclamation for the Napa Lateral project and San Bernardino Avenue Lateral project;

BE IT RESOLVED, that the Inland Empire Utilities Agency* Board of Directors authorizes the General Manager, Assistance General Managers, or his designees to execute the financial assistance agreement, any amendments, and any grant related documents thereto;

BE IT RESOLVED, that the Inland Empire Utilities Agency has the capacity to provide the amount of funding and/or in-kind contributions specified in the funding plan;

BE IT RESOLVED, that the Inland Empire Utilities Agency will work with the Bureau of Reclamation to meet established deadlines for entering into a cooperative agreement, and;

BE IT FURTHER RESOLVED, that the Inland Empire Utilities Agency* Board of Directors hereby adopts Resolution No. 2016-2-3 on this 17th day of February, 2016.

Terry Catlin, President of the Inland Empire Utilities Agency* and of the Board of Directors thereof

ATTEST:

Steven J. Elie, Secretary/Treasurer of the Inland Empire Utilities Agency* and of the Board of Directors thereof

* A Municipal Water District
STATE OF CALIFORNIA )
COUNTY OF SAN BERNARDINO )

I, Steven J. Elie, Secretary/Treasurer of the Inland Empire Utilities Agency*, DO HEREBY CERTIFY that the foregoing Resolution No. 2016-2-3 was adopted at a regular meeting on February 17, 2016 of said Agency* by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

______________________________
Steven J. Elie, Secretary/Treasurer

(SEAL)

* A Municipal Water District
Date: February 17, 2016

To: The Honorable Board of Directors

From: R. Joseph Grindstaff
General Manager

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

Shaun J. Stone
Manager of Engineering

Subject: Adoption of Addendum No. 2 to the Facilities Master Plan Program Environmental Impact Report

RECOMMENDATION

It is recommended that the Board of Directors:

1. Adopt the Addendum No. 2 to the Facilities Master Plan Program Environmental Impact Report; and

2. Authorize the General Manager to file the Notice of Determination (NOD) with the San Bernardino County Clerk of the Board.

BACKGROUND

In 2002, Inland Empire Utilities Agency (IEUA) completed the Recycled Water System Feasibility Study (Feasibility Study), which was the Facilities Planning Report for IEUA’s recycled water system. The IEUA Board of Directors adopted the Mitigation, Monitoring and Reporting Program established in the Final Master Plan Program Environmental Impact Report (FMP PEIR) and the Resolution No. 2002-6-12 which certified the FMP PEIR as complete. Since then, IEUA updated the Feasibility Study with the Regional Recycled Water Implementation Plan (RWIP) in 2005, which provided an updated overview of the recycled water supplies, existing and estimated recycled water demands, and a recommended regional backbone system to distribute recycled water throughout its service area. In 2007, IEUA initiated the Three Year Business Plan (Business Plan) to accelerate the implementation of the RWIP, which identified projects throughout IEUA’s service area. In 2008, Addendum No. 1, to the 2002 FMP PEIR for the Northeast Recycled Water Capital Project Area, was adopted by the IEUA Board of Directors due to the change in specific alignments of the project areas. The Baseline Recycled Water Extension project was a component
Adoption of Addendum No. 2 to the Facilities Master Plan Program Environmental Impact Report
February 17, 2016
Page 2 of 2

of the Northeast Recycled Water Expansion Project as identified in the Business Plan for IEUA’s recycled water system.

In December 2015, IEUA submitted an application to the State Water Resource Control Board (SWRCB) Proposition 1 (Prop 1) Water Recycling Grant Program which will provide a 35% grant in addition to a 1% interest State Revolving Fund loan. The Baseline Recycled Water Extension project was included in the list of projects named in the application. The project’s scope of work is to design and construct facilities to convey recycled water from the 1630 pressure zone to the City of Fontana and Cucamonga Valley Water District. The alignment will be along Baseline Avenue from American Way to Cherry Avenue and along Heritage Circle, south of Baseline Avenue.

After the SWRCB’s review of the Prop 1 application in January 2016, they identified that an updated CEQA document for the Baseline Recycled Water Extension project is required. In response to SWRCB’s findings, Addendum No. 2, prepared by Tom Dodson and Associates, provides an update of the project alignment and the mitigation measures that are consistent with the 2002 FMP PEIR. Addendum No. 2 has been distributed for a 15-day environmental review.

The approval of the Addendum No. 2, to the 2002 FMP PEIR by the Board meets IEUA’s water reliability business goals by maximizing beneficial reuse of recycled water to enhance reliability and reduce dependence on imported water.

PRIOR BOARD ACTION

On September 16, 2015, the Board of Directors adopted Resolution No. 2015-9-2 authorizing the filing of the application and agreement with the State Water Resources Control Board for the Proposition 1 Water Recycling Grant Program.

On February 20, 2008, the Board of Directors approved and adopted the Addendum No. 1, to the Facilities Master Plan Program Environmental Impact Report.

On June 22, 2002, the Board of Directors approved and certified the Facilities Master Plan Program Environmental Impact Report for the Wastewater Facilities Master Plan, Recycled Water Master Plan, and Organics Management Plan.

IMPACT ON BUDGET

The cost associated with preparing Addendum No. 2 to the FMP PEIR in the amount of $6,630 is within the FY 2015/16 adopted Recycled Water (WC) fund Operation and Maintenance Project No. EN16017.
Adoption of Addendum No. 2 to the Facilities Master Plan for Baseline Recycled Water Extension Project

February 2016
- The adoption of the Addendum No. 2 to the Facilities Master Plan Program Environmental Impact Report
Project Background

Jun. 2002
IEUA adopted Res. 2002-6-12 certifying Final Facilities Master Plan Program Environmental Impact Report (FMP PEIR)

Feb. 2008
IEUA adopted Addendum No. 1 to the FMP PEIR

Dec. 2015
IEUA submitted the State Water Resources Control Board Proposition 1 grant application for the project

SWRCB required an updated CEQA document. Addendum No. 2 was drafted. Initiated 15-day Public Review period

Feb. 2016
Completed 15-day Public Review period
Project Scope

Baseline Recycled Water Extension:
- Extend existing 24" RWPL to Cherry Avenue

Project Benefits:
- Increase recycled water usage approx. 105 acre-feet per year
- Future expansion of recycled water laterals through Heritage of Village and City of Fontana
CEQA Recommendation

- Addendum No. 2 to the Facilities Master Plan Program Environmental Impact Report finds no significant adverse effect on the environment by the project.
- Public review of Addendum No. 2 completed on Feb. 10, 2016.
Recommendation

Staff recommends that the Board of Directors adopt Addendum No. 2 to the Facilities Master Plan Program Environmental Impact Report for the Baseline Recycled Water Extension Project and Authorize the General Manager to file the Notice of Determination (NOD) with the San Bernardino County Clerk of the Board.

The project meets IEUA's business goal by maximizing the beneficial reuse of recycled water to enhance reliability and reduce dependence on imported water.
ADDENDUM NO. 2 TO THE
FACILITY MASTER PLANS
PROGRAM ENVIRONMENTAL IMPACT REPORT
FOR THE
BASELINE PIPELINE EXTENSION PROJECT

Prepared for:

Inland Empire Utilities Agency
6075 Kimball Avenue
Chino, California 91708

Prepared by:

Tom Dodson & Associates
2150 North Arrowhead Avenue
San Bernardino, California 92405

January 2016
TABLE OF CONTENTS

I. INTRODUCTION .................................................................................................................. 1

II. PROJECT DESCRIPTION ................................................................................................. 1

III. ENVIRONMENTAL CIRCUMSTANCES ....................................................................... 1

IV. CEQA REQUIREMENTS FOR AN ADDENDUM .............................................................. 2

V. ENVIRONMENTAL ANALYSIS OF THE PROJECT MODIFICATIONS ..................... 3

VI. CONCLUSION ................................................................................................................ 7

VII. REVIEW AUTHORITY ................................................................................................ 8

VIII. CERTIFICATION .......................................................................................................... 8

IX. REFERENCES ............................................................................................................... 9

FIGURES

Figure 1 Regional Location
Figure 2 Specific Alignment

APPENDICES

Appendix 1 – Facility Master Plan (SCH#2002011116, July 2002)
Appendix 2 – Addendum to FMP (February 2008)
Appendix 3 – Biological Resources
Appendix 4 – Cultural Resources
Appendix 5 – Air Quality
ADDENDUM NO. 2 TO THE FACILITY MASTER PLANS
PROGRAM ENVIRONMENTAL IMPACT REPORT
FOR
THE BASELINE EXTENSION PROJECT

I. INTRODUCTION

The State Water Resources Control Board (State Board) Staff has directed that an Addendum previously adopted by the Inland Empire Utilities Agency (IEUA or Agency) in 2008 for the Northeast Recycled Water Expansion Projects must be updated due to being processed and adopted more than five years ago. The Baseline Pipeline Extension Project was one of the elements of the Northeast Recycled Water Expansion Projects. The Baseline project was fully addressed in the 2008 Addendum to the Facilities Master Plans Program Environmental Impact Report (FMP PEIR, SCH#2002011116, July 2002). It was one of the many recycled water facility projects considered in the FMP PEIR to implement IEUA’s Recycled Water Master Plan and the 2008 Addendum updated the environmental findings relative to the findings in the FMP PEIR.

Thus, this Addendum is being compiled to address three issues: (1) is the proposed Baseline Pipeline Extension Project consistent with the original environmental findings in the FMP PEIR; (2) is the Baseline Pipeline Extension Project consistent with the supplemental findings made in the 2008 Addendum; and (3) have any environmental circumstances (outlined in State CEQA Guidelines Section 15162) changed since 2008 that would require the preparation of a higher level of environmental documentation (such as a new Negative Declaration or Supplemental Environmental Impact Report (EIR)). A copy of the FMP PEIR and the 2008 Addendum to the FMP PEIR are included in this Addendum for reference (Appendix 1 and 2, respectively).

II. PROJECT DESCRIPTION

Figure 1 shows the regional location of the proposed Baseline Pipeline Extension Project, which is located in the west central portion of the City of Fontana, San Bernardino County. IEUA provides wastewater collection, treatment and recycled water to this northeastern portion of its service area. Figure 2 shows the specific alignment of this Project on an aerial photograph as submitted to the State Board for funding. The Baseline Pipeline Extension Project will deliver recycled water to several new customers along the approximate 10,000 feet of new pipeline. The pipeline will be between 16 and 24 inches in diameter and the whole alignment occurs within existing paved roadways (Baseline Avenue and Heritage Circle). Once funded, the pipeline will be constructed over a period of several months assumed to occur within a single calendar year, most likely 2017 or 2018.

III. ENVIRONMENTAL CIRCUMSTANCES

As indicated in the Project Description, the specific project being evaluated in this document consists of installing a recycled water pipeline (ranging from 16" to 24") within existing roadway alignments (Baseline Avenue and Heritage Circle). These paved roadways were installed prior to 2000 and the environmental circumstances within these road rights-of-way have not been altered since the roadways were installed. The pipeline will be installed in a trench within paved roadway sections. The environmental circumstances have not changed along the proposed
pipeline alignment shown in Figure 2 since the FMP PEIR was approved in 2002 and as reanalyzed in the 2008 Addendum. The only change relative to the 2008 Addendum is that the proposed Baseline Pipeline Extension Project considered in this Addendum consists of a subset (one component) of the overall Northeast Recycled Water Expansion Projects.

IV. CEQA REQUIREMENTS FOR AN ADDENDUM

This Addendum has been prepared in accordance with the current CEQA Statutes and Guidelines for implementing CEQA. CEQA Section 15164 includes the following procedures for the preparation and use of an Addendum:

- (a) The lead agency or responsibility agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR have occurred.

- (c) An addendum need not be circulated for public review, but can be included in or attached to the Final EIR or adopted negative declaration.

- (d) The decision-making body shall consider the addendum with the Final EIR or adopted negative declaration prior to making a decision on the project.

- (e) A brief explanation of the decision not to prepare a subsequent EIR pursuant to Section 15162 should be included in an addendum to an EIR, the lead agency’s required findings on the project, or elsewhere in the record. The explanation must be supported by substantial evidence.

If changes to a project or its circumstances occur or new information becomes available after certification of an EIR, the lead agency may: (1) prepare a subsequent EIR if the criteria of State CEQA Guidelines Section 15162(a) are met, (2) prepare a subsequent negative declaration, (3) prepare an addendum, or (4) prepare no further documentation. (State CEQA Guidelines Section 15162(b)) When only minor technical changes or additions to the approved EIR are necessary and none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR or negative declaration have occurred, CEQA allows the lead agency to prepare and adopt an addendum. (State CEQA Guidelines, Section 15164(b))

Under Section 15162, a subsequent EIR or negative declaration is required only when:

(1) Substantial changes are proposed in the project which will require major revisions of the previous negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;

(2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the negative declaration due to the involvement of any new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or

(3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the negative declaration was adopted, shows any of the following:
(A) The project will have one or more significant effects not discussed in the previous negative declaration;

(B) Significant effects previously examined will be substantially more severe than shown in the previous EIR;

(C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measures or alternative; or

(D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative."

Based on the lack of changes in the Baseline Pipeline Extension Project over the past 14 years, this proposed project constitutes a "minor technical change" to the originally approved IEUA Recycled Water Master Plan.

V. ENVIRONMENTAL ANALYSIS OF THE PROJECT MODIFICATIONS

Following the Agency’s commitment to provide recycled water to public landscaped grounds that presently rely upon potable water in the vicinity of Baseline Avenue in the City of Fontana, a decision was made to prepare an Addendum to provide an evaluation of potential project changes that could result from approving this project modification and to assess the related potential environmental impacts that would result from these project changes, in comparison to the impact forecast contained in the FMP PEIR. The following evaluation provides an analysis of potential environmental impacts in relation to the facts and findings contained in these documents. The following conclusions were developed regarding potential impacts from approval and implementation of the proposed project modifications.

a) POTENTIAL TO DEGRADE: Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory?

Less than Significant Impact/No Changes or No New Information Requiring Preparation of an additional environmental document. The location of Baseline pipeline alignment is within paved or manufactured dirt roadways in fully developed urban/suburban settings. As a result the installation of the Baseline Pipeline Extension Project will not degrade or substantially reduce natural habitats, eliminate natural communities, or eliminate important examples of California history or prehistory. Therefore, impacts related to this issue will be fully consistent with those identified in the FMP PEIR. Please refer to Appendix 3 and Appendix 4 that contain updated biology and cultural resource evaluations that verify this conclusion. IEUA will implement cultural resources mitigation measure 4.12-2 (management for accidentally exposed cultural resources) for this project. Relative to the biological and cultural resources impacts forecast in FMP PEIR for the approved project, no significant adverse change or effect is forecast to occur. Further, there have been no change in environmental circumstances within the project area of potential effect since the 2008 Addendum was compiled and approved.
b) **CUMULATIVE IMPACTS:** Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when reviewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future project.)

Less than Significant Impact/No Changes or No New Information Requiring Preparation of an EIR. Those environmental resources or issues subject to cumulative effects include the following: agricultural resources, air quality, hydrology/water quality, noise, public services, transportation/traffic, and utilities/service systems. The following data substantiate the finding that the proposed alignment will not significantly alter previous findings.

**Agricultural Resources:** There are no agricultural resource along the proposed Baseline Pipeline alignments. The FMP PEIR identified the potential to lose a few acres of agricultural land related to new facility siting activities. However, there are no agricultural resources located within the Baseline Pipeline area of potential effect. Further, there have been no change in environmental circumstances within the project area of potential effect since the 2008 Addendum was compiled and approved. Thus, no change in impact conclusions relative to the original FMP PEIR conclusions result from implementing the proposed Baseline Pipeline Extension Project recycled water facilities.

**Air Quality:** The project short-term construction emissions were concluded to be potentially significant in the FMP PEIR based on concurrent construction of several facility projects. The proposed project will construction activities are consistent with the pipeline emission calculations forecast in the FMP PEIR. The daily emission rates for construction will be reduced relative to the original forecast in 2002 and the second forecast in 2008 because cleaner equipment is now available to install the pipeline. There will be no increase in operational emissions from implementing the Baseline Pipeline Extension Project. Further, there have been no change in environmental circumstances within the project area of potential effect since the 2008 Addendum was compiled and approved, except that background air pollution concentrations have been reduced. New emission calculations are provided in Appendix 5.

One new air quality issue that has arisen since the 2002 FMP PEIR certification is the emission of greenhouse gases. The construction activities will consume energy (petroleum fuels, natural gas and electricity) over the short term. The data in Appendix 5 demonstrates that construction GHG emissions will not exceed area thresholds. Further, the recycled water offsets the need to pump groundwater for irrigation and import potable water from both the State Water Project and Colorado River. The Agency Board finds that the energy used to import water to the Chino Basin from northern California and the Colorado River, plus the energy used to pump water from the Chino Basin aquifer, particularly in the northeast portion of the Agency’s service area, fully offsets the generation of greenhouse gases from short-term construction activities in support of the proposed project.

**Hydrology/Water Quality:** The project short-term construction water quality impacts were concluded to be nonsignificant with implementation of mitigation measures, including a Storm Water Pollution Prevention Plan (SWPPP). The long-term operational runoff from the site will remain about the same as it currently is because the area will be returned to its existing impervious condition after construction is completed. This project modification has no potential to significantly increase the construction activity discharges described in the FMP PEIR. The FEMA FIRM Panel for this area verifies that the site is not subject to significant flood hazards. Further, there have been no change in hydrology or water quality environmental circumstances.
within the project area of potential effect since the 2008 Addendum was compiled and approved.

**Public Services:** Public service impacts were determined to be less than significant in the FMP PEIR. The proposed project does not make any substantial demand on any public services. During construction a potential exists for accidents, trespass and theft of equipment and material. However, normal access controls for construction staging areas and safety requirements for contractors was concluded to be sufficient to control this potential impact. Demand for emergency services may occur but this is a random requirement and does not rise to level of significant impact. No mitigation was required, and the impact is directly comparable under both the approved project and the proposed project. No additional adverse direct or cumulative demand for public services will result from implementing the proposed project. Further, there have been no change in public service environmental circumstances within the project area of potential effect since the 2008 Addendum was compiled and approved.

**Transportation/Traffic:** The approved project did not have any identified significant traffic or circulation system impacts. The proposed pipeline alignments will occur on specific roadways as identified in the project description above, but the mitigation requirement to provide traffic management controls to ensure adequate access and safety during construction will remain the same for this project as defined in the FMP PEIR. These impacts were concluded to be nonsignificant with implementation of mitigation measures and the impacts will remain the same with conduct of the proposed lateral pipelines project. Further, there have been no substantial change in the local circulation system environmental circumstances within the project area of potential effect since the 2008 Addendum was compiled and approved.

**Utilities/Service Systems:** The proposed project does not make any substantial demand on any utilities or service systems. During construction no potential exists for any demand on any public utility, other than small quantities of water which the local water district will supply to control fugitive dust. Solid waste generated during construction will be less than significant as the alignment is paved. No mitigation was required other than IEUA programs to generate energy from its own sources of fuel (biomass, solar, wind and gases generated by wastewater treatment). The impact is directly comparable under both the adopted project and the proposed project. No additional adverse direct or cumulative demand for utilities or service systems will result from implementing the proposed project. Further, there have been no change in utility environmental circumstances within the project area of potential effect since the 2008 Addendum was compiled and approved.

**Noise:** Noise will be generated by construction activities. The noise levels will be the same as that identified for the original project, but they will occur along the identified pipeline alignments. No long-term noise emissions will result from project implementation. Thus, even though construction noise will be generated, it is not forecast to cause a significant cumulative noise impact based on standard construction noise mitigation. No significant adverse direct or cumulative noise impact will result from implementing the proposed project. Further, there have been no change in noise environmental circumstances within the project area of potential effect since the 2008 Addendum was compiled and approved.

**Population, Land Use and Planning:** The proposed project change has no potential to cause physical changes in population, land use and planning since no new population will be generated and land uses will remain exactly the same after either the approved or proposed project is implemented. Further, there have been no change in land use environmental
circumstances within the project area of potential effect since the 2008 Addendum was compiled and approved.

Based on the above analysis, the implementation of the Baseline Pipeline Extension Project is not forecast to cause any significant new direct or cumulatively considerable environmental impacts. The project may make a cumulative contribution to several unavoidable significant adverse direct or indirect impacts, but these issues have been fully described in the previously certified EIR and the adopted 2008 Addendum.

c) ADVERSE IMPACTS ON HUMANS: Does the project have environmental effects on human beings, either directly or indirectly?

Less than Significant Impact/No Changes or No New Information Requiring Preparation of an EIR. The FMP PEIR identified those issues which may potentially impact human beings. These issues include: geology/soils, air quality, hydrology, noise, hazards and aesthetics. While the proposed project will result in the installation of approximately 10,000 lineal feet of recycled water pipelines to deliver recycled water for irrigation purposes to major users in the project area, implementation of the proposed project is not forecast to create or result in significant direct environmental impacts on humans, beyond that identified and addressed in the FMP PEIR. This conclusion is based on the following substantiation:

Geology and Soils: Major geology and soil constraints were identified within the Chino Basin; however, mitigation was identified to control seismic hazards, subsidence hazards and liquefaction hazards. Based on the lack of any habitable structures being installed as part of this project, the potential for real geotechnical hazards to affect the proposed project is very low regardless of the mitigation. The impact is directly comparable under the proposed project to that forecast in the FMP PEIR. No additional adverse direct geology/soil effects on humans will result from implementing the proposed project. Further, there have been no change in geology or soil environmental circumstances within the project area of potential effect since the 2008 Addendum was compiled and approved.

Air Quality: The project short-term construction emissions were concluded to be potentially significant even with implementation of mitigation measures because the emissions were forecast to exceed thresholds on a regional basis. The daily impact from construction air emissions will be less than significant under the findings in Appendix 5 of this document. No additional significant adverse direct or cumulative air quality effects will result from implementing the proposed project. Further, there have been no adverse change in air quality environmental circumstances within the project area of potential effect since the 2008 Addendum was compiled and approved.

Noise: Noise will be generated by construction activities. The construction will generate noise, but the small construction area and the implementation of noise mitigation measures results in these additional noise impacts being controlled to a less than significant impact level to humans. Thus, the implementation of this proposed project has no potential to cause a significant increase in either construction or operational noise levels that would harm humans. Further, there have been no change in noise environmental circumstances within the project area of potential effect since the 2008 Addendum was compiled and approved.

Hazards and Hazardous Materials: The only hazards associated with the adopted project in the FMP PEIR is a potential to accidentally spill hazardous materials during construction. The same hazard applies to the proposed project. Mitigation has been incorporated into the
SWPPP to control any accidentally released hazardous substances during construction and the potential health hazards such substances could pose when released into the environment will be effectively controlled. No additional significant adverse direct hazard effects on humans will result from implementing the proposed project. Further, there have been no change in hazard environmental circumstances within the project area of potential effect since the 2008 Addendum was compiled and approved.

Hydrology/Water Quality: The project area is not subject to significant flood hazards and once the pipelines are installed, they will not be subject to significant hazards from flooding. This project modification has no potential to significantly increase the construction activity discharges described in the FMP PEIR. The FEMA FIRM Panel for this area verifies that the site is not subject to significant flood hazards. Further, there have been no change in hydrology environmental circumstances within the project area of potential effect since the 2008 Addendum was compiled and approved.

Recreation: The project would not adversely affect the use of neighborhood or regional parks or recreation facilities. It will support such recreation facilities by providing an alternative, local source of irrigation. By providing an alternative source of irrigation, the proposed project should benefit existing recreational facilities over the long-term. Further, there have been no change in recreation environmental circumstances within the project area of potential effect since the 2008 Addendum was compiled and approved.

Aesthetics: The project alignment will be disturbed for the short-term, but over the long-term no visual changes will affect the existing visual setting along the proposed pipeline alignment. The visual setting of the existing roadways will not be noticeably altered from implementation of the proposed project, which will be returned to their role in support of handling local traffic after the pipeline is installed. Thus, the proposed project aesthetic impacts will be nonsignificant without mitigation. No additional adverse aesthetic effects to humans will result from implementing the proposed project. Further, there have been no change in aesthetic environmental circumstances within the project area of potential effect since the 2008 Addendum was compiled and approved.

Based on the above analysis, the implementation of the modified project is not forecast to cause significant unavoidable direct and indirect impacts on humans, which is less impact than the findings in the FMP PEIR.

VI. CONCLUSION

The earlier analyses from the FMP PEIR were used as a basis for compiling this Addendum, updated with information contained in the 2008 Addendum and with current information from sources cited and referenced. It is the conclusion of this Addendum that the potential adverse environmental impacts from implementation of the proposed project, Baseline Pipeline Extension Project, will not be significantly greater than those identified for the approved Recycled Water Master Plan projects as portrayed in the Final FMP PEIR. There are no new significant impacts that result from the proposed project that were not previously disclosed and no new circumstances occur along the proposed pipeline alignments that would change previous conclusions in the FMP PEIR or the 2008 Addendum regarding adverse environmental impacts. This Addendum provides an update of the project alignment and the mitigation measures required in the FMP PEIR.
This Addendum provides the Agency with the information substantiating the conclusion that the installation of the Baseline Pipeline Extension Project facilities along the proposed alignments or the new locations will not cause substantial physical changes in the environment which would require preparation and processing of a new negative declaration or an environmental impact report. Such documentation would only be required due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects on the original project. This determination allows for the use of an Addendum in accordance with Section 15164(a) of the State CEQA Guidelines.

Pursuant to CEQA Section 15164, the Final FMP PEIR and 2008 Addendum, as updated with this Addendum, can be relied upon for documentation of the effects of the modified project on the environment encompassed by the Baseline Pipeline Extension Project. Because the changes in the proposed project do not exceed the thresholds outlined in Sections 15162 and 15164 of the State CEQA Guidelines, no further analysis of the environmental impacts of the project is required in a follow-on Negative Declaration or Supplemental/Subsequent EIR. Based on all of the data presented above, it is recommended that the proposed project be processed as an Addendum to the certified FMP PEIR. Implementation of the proposed second-tier project does not alter the conclusions contained in the FMP PEIR document. The analysis presented above of the changes and additions to the adopted project in the FMP PEIR justify the issuance of an Addendum to the PEIR.

This Addendum to the FMP PEIR includes the changes or additions necessary to make the adopted FMP PEIR adequate under CEQA for the proposed project modifications. This Addendum incorporates the adopted FMP PEIR, the 2008 Addendum, this document and all staff reports and information submitted to the decision-makers regarding environmental issues affected by the proposed installation of the Baseline Pipeline Extension Project. This Addendum is intended as an additional information document to provide decision-makers and others, as appropriate, with an objective assessment of potential environmental impacts associated with the revisions to the approved project.

VII. REVIEW AUTHORITY

The IEUA serves as the CEQA lead agency for this project. It is recommended that an Addendum be adopted as the appropriate CEQA environmental determination for the Baseline Pipeline Extension Project in the proposed pipeline alignments and facility locations.

VIII. CERTIFICATION

[Signature]
Chris Berch, Assistant General Manager
Inland Empire Utilities Agency
IX. REFERENCES

CRM TECH. 2015 Drought Relief Prop 1 Funding Project (Native American Consultation). November 2015.


NOTICE OF DETERMINATION

To: Office of Planning and Research
1400 Tenth Street, Room 121
Sacramento, CA 95814

and
San Bernardino County
Clerk of the Board of Supervisors
385 N. Arrowhead Avenue, 2nd Floor
San Bernardino, CA 92416

From: Inland Empire Utilities Agency
6075 Kimball Avenue
Chino, CA 91708

Subject: Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.

Addendum No. 2 to the Facility Master Plan PEIR for the Baseline Pipeline Extension Project

Project Title

#2002011116  Liza Munoz, P.E.  (909) 993-1522
State Clearinghouse Number  Lead Agency Contact Person  Area Code/Telephone/Extension

Project Location / Description:
The regional location of the proposed Baseline Pipeline Extension Project is in the west central portion of the City of Fontana, San Bernardino County. IEUA provides wastewater collection, treatment and recycled water to this northeastern portion of its service area. The Baseline Pipeline Extension Project will deliver recycled water to several new customers along the approximate 10,000 feet of new pipeline. The pipeline will be between 16 and 24 inches in diameter and the whole alignment occurs within existing paved roadways (Baseline Avenue and Heritage Circle). Once funded, the pipeline will be constructed over a period of several months assumed to occur within a single calendar year, most likely 2017 or 2018.

This is to advise that the Inland Empire Utilities Agency has approved the above described project on _______________ and has made the following determination regarding the project:

☐ Lead Agency  ☐ Responsible Agency

1. The project [☐ will  ■ will not] have a significant effect on the environment.
2. ■ An Addendum to the previously adopted Facility Master Plans Program Environmental Impact Report (SCH#2002011116) was prepared for this project pursuant to the provisions of CEQA.
3. Mitigation measures from the original PEIR will be implemented in accordance with the approval of the project.
4. A Statement of Overriding Considerations [☐ was  ■ was not] adopted for this project.

This is to certify that the Mitigated Negative Declaration/Initial Study and record of project approval is available to the general public at:

Inland Empire Utilities Agency located at 6075 Kimball Avenue, Chino, CA 91708

Signature: P. Joseph Grindstaff

General Manager
February 17, 2016

Title
Date
Date: February 17, 2016
To: The Honorable Board of Directors
Through: Engineering, Operations, and Biosolids Management Committee (2/10/16)
Finance, Legal, and Administration Committee (2/10/16)
From: P. Joseph Grindstaff
General Manager
Submitted by: Chris Berch
Executive Manager of Engineering/Assistant General Manager
Shaun J. Stone
Manager of Engineering
Subject: 1630 East and West Recycled Water Pump Station Surge Protection
Construction Contract Award

RECOMMENDATION

It is recommended that the Board of Directors:

1. Approve the construction contract for the 1630 East and West Recycled Water Pump Station Surge Protection, Project No. EN15055, to J. R. Filanc Construction Company for $729,000; and

2. Authorize the General Manager to execute the contract.

BACKGROUND

The 1630 West Recycled Water Pump Station (RWPS) is located at Vineyard Park along 6th Street within the City of Ontario. The pump station boosts recycled water from the 1299 pressure zone to the 1630 west pressure zone and reservoir. Since start-up, the west end of 1630 recycled water system has been experiencing surges on the suction side of the pump station, which cause pumps to shutdown. Additionally, high-pressure surges have caused damage to the end users' irrigation systems in the 1299 pressure zone. In September 2014, the Agency retained Stantec Consulting to perform an analysis of the RW system to determine the cause of the system surges. Stantec recommended remedying the surge situation in the 1299 pressure zone by installing a 1,000 cubic foot surge tank on the suction side of the 1630 West RWPS.
The 1630 East RWPS is located at a Cucamonga Valley Water District Reservoir site on East Avenue in the City of Rancho Cucamonga. The 1630 East pipeline and pump station are equipped with a pressurized surge protection system. Since the facility startup in December 2011, staff has been experiencing operational difficulties with the existing surge protection system. Currently, the air compressors are located inside a sound proof enclosure, if these compressors run longer than 30 minutes they trip a hi-temperature switch. After review by Agency staff and Stantec, it was decided to install new air compressors inside the pump room and upgrade the control system of the surge protection system.

On November 18, 2015, a request for bids was advertised to the pre-qualified list of contractors for projects under $2,000,000. Six (6) contractors participated in the job walk. On January 14, 2016, the following bids were received:

<table>
<thead>
<tr>
<th>Bidder's Name</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>J. R. Filanc Construction Company, Inc.</td>
<td>$729,000</td>
</tr>
<tr>
<td>Humphrey Constructors</td>
<td>$928,000</td>
</tr>
<tr>
<td>J. F. Shea Construction, Inc.</td>
<td>$999,100</td>
</tr>
<tr>
<td>Norstar Pluming and Engineering, Inc.</td>
<td>$1,145,000</td>
</tr>
<tr>
<td><strong>Engineer's Estimate</strong></td>
<td><strong>$903,000</strong></td>
</tr>
</tbody>
</table>

J. R. Filanc Construction Company is the lowest responsive and responsible bidder with a bid of $729,000. Due to the $200,000 cost differential between J. R. Filanc and the next responsive bidder, staff contacted and received confirmation from J. R. Filanc of their bid price of $729,000.

The following is the projected project cost:

<table>
<thead>
<tr>
<th>Description</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design (Consultant, IEUA, and Labor Augmentation)</td>
<td>$193,000</td>
</tr>
<tr>
<td>Construction</td>
<td>$729,000</td>
</tr>
<tr>
<td>Construction Management (Consultant, IEUA and Labor Augmentation)</td>
<td>$146,000</td>
</tr>
<tr>
<td>Construction Contingency (~15%)</td>
<td>$132,000</td>
</tr>
<tr>
<td><strong>Total Project Cost</strong></td>
<td><strong>$1,200,000</strong></td>
</tr>
<tr>
<td><strong>Total Project Budget</strong></td>
<td><strong>$1,590,000</strong></td>
</tr>
</tbody>
</table>

The following is the project schedule:

<table>
<thead>
<tr>
<th>Project Milestone</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Contract Award</td>
<td>February 2016</td>
</tr>
<tr>
<td>Construction Completion</td>
<td>September 2016</td>
</tr>
</tbody>
</table>
The 1630 East and West Recycled Water Pump Station Surge Protection project is part of the Agency’s Water Reliability Business Goal to support maximizing beneficial reuse of recycled water to enhance reliability and reduce dependence on Imported Water.

PRIOR BOARD ACTION

On April 15, 2015, the IEUA Board of Directors approved the design services contract with Stantec Consulting for the 1630 East and West Recycled Water Pump Station Surge Protection project.

IMPACT ON BUDGET

The award of the construction contract for the 1630 East and West Recycled Water Pump Station Surge Protection, Project No. EN15055, for the not-to-exceed amount of $729,000 is within the total project budget of $1,590,000 in the Recycled Water (WC) Fund.

PJG:CB:SS:nm
Project Background

- 1630 W. RW Surge Protection System
  - Experiencing low and high suction pressures
  - Irrigation facilities of customers at risk of sustained damage

- 1630 E. RW Surge Protection System
  - Temperature builds-up within the air compressors enclosure
  - Additional surge control/programming is required
Project Scope

- 1630 W. RW Pump Station:
  - Install 1000 ft$^3$ surge tank for 1299 Pressure Zone
  - Install a new air compressor

- 1630 E. RW Pump Station:
  - Install new air compressors
  - Improve control system
Bid Summary

Four (4) bids received on January 14, 2016:

<table>
<thead>
<tr>
<th>Bidder Name</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>J. R. Filanc Construction Company, Inc.</td>
<td>$729,000</td>
</tr>
<tr>
<td>Humphrey Constructors</td>
<td>$928,000</td>
</tr>
<tr>
<td>J.F. Shea Construction, Inc.</td>
<td>$999,100</td>
</tr>
<tr>
<td>Norstar Pluming and Engineering, Inc.</td>
<td>$1,145,000</td>
</tr>
<tr>
<td><strong>Engineer’s Estimate</strong></td>
<td><strong>$903,000</strong></td>
</tr>
<tr>
<td>Description</td>
<td>Estimated Cost</td>
</tr>
<tr>
<td>-------------</td>
<td>----------------</td>
</tr>
<tr>
<td>Design (Consultant, IEUA and Labor Augmentation)</td>
<td>$193,000</td>
</tr>
<tr>
<td>Construction</td>
<td>$729,000</td>
</tr>
<tr>
<td></td>
<td>$146,000</td>
</tr>
</tbody>
</table>
Recommendation

Staff recommends that the Board of Directors approve the construction contract award to J. R. Filanc Construction for the 1630 RW Surge Protection, Project No. EN15055 for the not-to-exceed amount of $729,000 and authorize the General Manager to execute the contract.

This project is part of the Agency’s Water Reliability Business Goals to support maximizing beneficial reuse of recycled water to enhance reliability and reduce dependence on Imported Water.
SECTION D - CONTRACT AND RELEVANT DOCUMENTS

1.0 CONTRACT

THIS CONTRACT, made and entered into this ___ day of __________, 2016, by and between J. R. Filanc Construction Company, Inc., hereinafter referred to as "Contractor," and The Inland Empire Utilities Agency, a Municipal Water District, located in San Bernardino County, California, hereinafter referred to as "Agency".

WITNESSETH:

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

1. Contractor agrees to perform and complete in a workmanlike manner, all work required under the bidding schedule of said Agency's specifications entitled SPECIFICATIONS FOR 1630 East and West Recycled Water Pump Stations Surge Protection System Improvements, Project No. EN15055, 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: $729,000

Seven Hundred Twenty-Nine Thousand Dollars.

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

4. The Agency hereby employs the Contractor to perform the work according to the terms of this Contract for the above-mentioned price(s), and agrees to pay the same at the time, in the manner, and upon the conditions stipulated in the said specifications; and the said parties for themselves, their heirs, executors, administrators, successors, and assigns, do hereby agree to the full performance of the covenants herein contained.

5. The Notice Inviting Bids, Instructions to Bidders, Bid Forms, Information Required of Bidder, Performance Bond, Payment Bond, Contractors License Declaration, Specifications, Drawings, all General Conditions and all Special Conditions, and all addenda issued by the Agency with respect to the foregoing prior to the opening of bids, are hereby incorporated in and made part of this Contract, as if fully set forth.

6. The Contractor agrees to commence work under this Contract on or before the date to be specified in a written "Notice To Proceed" and to complete said work to the satisfaction of the Agency two hundred and forty (240) 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. Liquidated Damages will be assessed against the CONTRACTOR for the CONTRACTOR's failure to meet schedule mandatory milestones. The Liquidated Damages shall be assessed for shop drawings and submittals for the surge tank and air compressors that are not approved by the Agency within sixty (60) days after the award of the Contract at a daily amount of SEVEN HUNDRED AND FIFTY ($750) dollars for each day of delay.
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 hereeto, each in duplicate, the day and year first above written.

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

By ____________________________
    General Manager

By ____________________________
    Title Vice President
Date: February 17, 2016

To: The Honorable Board of Directors

Through: Engineering, Operations, and Biosolids Management Committee (2/10/16) Finance, Legal, and Administration Committee (2/10/16)

From: P. Joseph Grindstaff General Manager

Submitted by: Kenneth Tuliau Manager of Maintenance

Subject: RP-4 Aeration Basin Membrane Diffuser Service

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the single source procurement of new aeration basin membrane diffusers and the membrane diffuser reskinning services for Regional Water Recycling Plant No. 4 (RP-4) from OVIVO USA, LLC for a not-to-exceed amount of $1,032,000; and

2. Authorize the General Manager, or his designee, to execute the purchase.

BACKGROUND

Aeration basins are a critical component of a wastewater treatment process. The purpose of an aeration basin is to create biological conditions to further consume waste from the influent stream and convert influent ammonia to nitrate, through nitrification process. A fine bubble aeration system is installed within the aeration basin to provide an environment to support the biology for these reactions to take place.

RP-4, located in Rancho Cucamonga, CA, is equipped with a fine bubble aeration system, consisting of Aerostrip® T3.5-18 membrane diffusers. Four hundred sixty diffusers blanket the floor of a single aeration basin train. There are a total of six aeration basin trains at RP-4. The membrane diffusers are over ten years old and have reached the end of their useful lives. The life expectancy for a membrane diffuser ranges from three to ten years. Previously, in FY 2014/15 there were purchases of OVIVO membranes for the facility to address those that were in full failure
through the various trains. With recent changes in critical performance, management has determined the need to perform repairs to all membranes across the six trains.

On November 16, 2015, staff requested pricing from OVIVO USA, LLC. OVIVO USA, LLC offered the pricing and terms, for a total not-to-exceed amount of $1,032,000. OVIVO is the exclusive agent of Aerostrip® technology in the United States. The proposed price from OVIVO for all six aeration trains includes a 23% discount, saving the Agency a total of $213,713. Of the total contract cost, the Agency will be invoiced half of the total contract cost for FY 2015/16, and the remaining half will be paid in FY 2016/17, upon receipt of all project deliverables from OVIVO.

Completing the aeration basin membrane diffuser service is in line with the IEUA Business Goal of Wastewater Management to maintain capacity within systems and facilities to meet essential service demands.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

The cost of the RP-4 aeration basin membrane diffuser service, for the not-to-exceed amount of $1,032,000 is within the Regional Wastewater Operations and Maintenance Fund, Project budget of $600,000 is budgeted under PA15006 for Fiscal Year 2015/16 and $600,000 will be budgeted under PA17006 for Fiscal Year 2016/17.
RP-4 Aeration Basins

- 6 aeration basin trains
- 460 diffusers per train
Recommendation

Staff recommends that the Board of Directors approve the single source procurement of new aeration basin membrane diffusers and the reskimming services from OVIVO USA, LLC for a not-to-exceed of $1,032,000 and authorize the General Manager to execute the purchase.

This service is part of the Agency's Business Goal of Wastewater Management to maintain capacity within systems and facilities to meet essential service demands.