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

WEDNESDAY, AUGUST 10, 2016
10:00 A.M.

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

CALL TO ORDER

PUBLIC COMMENT

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

ADDITIONS TO THE AGENDA

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

1. ACTION ITEMS

   A. MINUTES
      The Committee will be asked to approve the Engineering, Operations, and Biosolids Management Committee meeting minutes from the July 13, 2016 meeting.
B. CONTRACT AWARD FOR ELECTRICAL PARTS AND SUPPLIES

It is recommended that the Committee/Board:

1. Approve Contract No. 4600002168 for a five-year contract (two year
   firm-fixed price with three, one-year options to extend), for the not-
   to-exceed amount of $750,000 to Royal Wholesale Electric for the
   purchase of electrical parts and supplies; and

2. Authorize the General Manager to execute the contract.

C. AGENCY-WIDE PUMPS EFFICIENCY IMPROVEMENTS
   CONSTRUCTION CONTRACT AWARDS

It is recommended that the Committee/Board:

1. Approve the construction contract for the Agency-wide Sewage
   Pump Efficiency Improvements Project No. EN16070, to PAMCO
   Industries, for a not-to-exceed amount of $142,060;

2. Approve the construction contract for the Agency-wide Recycled
   Water Pump Efficiency Improvements Project No. EN17053, to
   PAMCO Industries, for a not-to-exceed amount of $466,319;

3. Approve a budget amendment for $625,000 from Project No.
   EN16070 in the Regional Wastewater O&M (RO) Fund, to Project
   No. EN17053 in the Recycled Water (WC) Fund;

4. Approve a budget transfer from capital to non-capital (O&M) within
   Project Nos. EN16070 and EN17053 for $25,000 each, to support
   non-capital expenses; and

5. Authorize the General Manager to execute the contracts and the
   budget amendments.

D. HEADQUARTERS BACKUP GENERATOR CONSTRUCTION
   CONTRACT AWARD

It is recommended that the Committee/Board:

1. Award the construction contract award for the Headquarters Building
   Backup Generator Project No. EN16055, to Davis Electric, Inc., in
   the amount of $178,777; and

2. Authorize the General Manager to execute the construction contract.
E. **RP-1 UTILITY WATER FLOW METER CONSTRUCTION CONTRACT AWARD**
   It is recommended that the Committee/Board:

   1. Approve the construction contract award for the RP-1 Utility Flow Meter Project No. EN16051, to Ferreira Construction Co., Inc. for $127,584; and

   2. Authorize the General Manager to execute the construction contract.

F. **MAGNOLIA SPILLWAY REPAIR CONSTRUCTION CONTRACT AWARD**
   It is recommended that the Committee/Board:

   1. Approve the construction contract award for the Magnolia Spillway Repair Project No. EN16132, to Genesis Construction Co. Inc., in the amount of $280,891; and

   2. Authorize the General Manager to execute the construction contract.

G. **RP-2 DRYING BED REHABILITATION CONSTRUCTION CONTRACT AWARD**
   It is recommended that the Committee/Board:

   1. Approve the construction contract for the RP-2 Drying Bed Rehabilitation Project No. EN14012, to Ferreira Construction Co., Inc. in the amount of $193,961; and

   2. Authorize the General Manager to execute the construction contract.

2. **INFORMATION ITEM**

A. **RP-1/RP-5 EXPANSION PRELIMINARY DESIGN REPORT (PDR) UPDATE (WRITTEN/POWERPOINT)**

B. **LABORATORY SEMI-ANNUAL UPDATE (POWERPOINT)**
   
   RECEIVE AND FILE INFORMATION ITEMS

C. **ENGINEERING AND CONSTRUCTION MANAGEMENT MONTHLY UPDATE (POWERPOINT)**

3. **GENERAL MANAGER’S COMMENTS**

4. **COMMITTEE MEMBER COMMENTS**

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

*A Municipal Water District*

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

Proofed by: [Signature]

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**DECLARATION OF POSTING**

I, April Woodruff, Board Secretary of the Inland Empire Utilities Agency, a Municipal Water District, hereby certify that a copy of the agenda has been posted by 6:30 p.m. in the foyer at the Agency's main office, 6975 Kimbell Ave., Building A, Chino, CA on Thursday, August 4, 2016.

April Woodruff
ACTION
ITEM
1A
MINUTES

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

WEDNESDAY, JULY 13, 2016
10:00 A.M.

COMMITTEE MEMBERS PRESENT
Michael Camacho, Chair
Terry Catlin

STAFF PRESENT
Jasmin A. Hall, Director
P. Joseph Grindstaff, General Manager
Chris Berch, Executive Manager of Engineering/AGM
Christina Valencia, Chief Financial Officer/AGM
Randy Lee, Executive Manager of Operations/AGM
Ernest Yeboah, Executive Manager of Operations/AGM
Francis Concemino, Deputy Manager of Maintenance
Sally Lee, Administrative Assistant I
Steve Smith, Acting Groundwater Recharge Coordinator
Shaun Stone, Manager of Engineering
Teresa Velarde, Manager of Internal Audit
David Malm, Deputy Manager of Integrated Systems Services
April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT
Tom Dodson, Tom Dodson & Associates

The meeting was called to order at 9:50 a.m. There were no public comments received or additions to the agenda.

ACTION ITEMS
The Committee:

- Approved the Engineering, Operations, and Biosolids Management Committee meeting minutes of June 8, 2016.

- Recommended that the Board:
  1. Approve Contract No. 4600002119 with Jeremy Harris Construction for the Victoria Basin Infiltration Restoration operation and maintenance activities or a not-to-exceed amount of $103,612; and
  2. Authorize the General Manager to execute the contract;
Engineering, Operations, and Biosolids Management Committee
June 8, 2016
Page 2

as a Consent Calendar Item on the July 20, 2016 Board meeting agenda.

 Experienced that the Board:

1. Approve Contract No. 4600002162 to GP Strategies Corporation to provide on-site staff training services for the not-to-exceed amount of $138,418; and

2. Authorize the General Manager to execute the contract;

as a Consent Calendar Item on the July 20, 2016 Board meeting agenda.

 Experienced that the Board:

1. Approve Contract No. 4600002120 to award Schneider Electric a four-year support contract for Foxboro software and hardware; and

2. Authorize the General Manager to execute the contract;

as a Consent Item on the July 20, 2016 Board meeting agenda.

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

 Experienced Engineering and Construction Management Monthly Update

GENERAL MANAGER’S COMMENTS
General Manager Joseph Grindstaff had no additional comments.

COMMITTEE MEMBER COMMENTS
There were no Committee Member comments.

COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS
There were no Committee Member requests for future agenda items.

With no further business, Director Camacho adjourned the meeting at 10:11 a.m.
Respectfully submitted,

April Woodruff
Board Secretary/Office Manager

*A Municipal Water District

APPROVED: AUGUST 10, 2016
ACTION
ITEM
1B
Date: August 17, 2016
To: The Honorable Board of Directors
Through: Engineering, Operations, and Biosolids Management Committee (8/10/16)
From: P. Joseph Grindstaff
General Manager
Submitted by: Randy Lee
Executive Manager of Operations/Assistant General Manager
Subject: Contract Award for Electrical Parts and Supplies

RECOMMENDATION

It is recommended that the Board of Directors:

1. Approve Contract No. 4600002168 for a five-year contract (two year firm-fixed price with three, one-year options to extend) for the not-to-exceed amount of $750,000 to Royal Wholesale Electric for the purchase of electrical parts and supplies; and

2. Authorize the General Manager to execute the contract.

BACKGROUND

Miscellaneous electrical products and supplies, such as breakers and relays, are used throughout the Agency for the repair and maintenance of Agency’s equipment. Agency staff reviewed the utilization of the previous contract with Royal Wholesale Electric and determined to re-bid the contract to solicit potential competitive pricing. On June 22, 2016, Agency staff issued a request for proposal for as-needed electrical parts and supplies on Planet Bids. The Agency received only one proposal from Royal Wholesale Electric. Evaluation of the proposal showed no price increase from current pricing, except for applicable CPI adjustments. Staff recommends a new multi-year contract with Royal Wholesale Electric for the supply of as-needed electrical parts and supplies.

By entering into a two-year contract with three, one-year options to extend, the Agency is assured of firm-fixed pricing for a period of two full years. The Agency is also assured the availability of key and critical items with undue delay.
Since 1993, Royal Wholesale Electric has been the Agency’s primary supplier for electrical parts and supplies, providing consistently good service. They specialize in maintenance, repair, operating (MRO) and original equipment manufacturer (OEM) items. Additionally, Royal Wholesale Electric is a master distributor for several types of critical equipment used Agency-wide.

PRIOR BOARD ACTION

On August 20, 2014, the Board of Directors approved the two-year contract extension award to Royal Wholesale Electric.

On June 17, 2009, the board of Directors approved the five-year contract (two-year with three, one-year options to extend) award to Royal Whole Electric.

IMPACT ON BUDGET

If approved, the not-to-exceed amount of $300,000 for the initial two years will be funded from the O&M Materials and Supplies budget included in the FY2016/17 and FY 2017/18 budget of the Regional Operations and Maintenance, Administrative Service, Recycled Water, Recharge Water, and Non-Reclaimable Wastewater (RO, GG, WC, RW, and NC) funds.
CONTRACT NUMBER 4600002168

FOR

ELECTRICAL PARTS AND SUPPLIES

THIS CONTRACT (the "Contract"), is made and entered into this 1st day of Sept 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 Royal Wholesale Electric of Rancho Cucamonga, CA California (hereinafter referred to as "Supplier"), to provide electrical parts and supplies.

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

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

   Project Manager: Albert VanBreukelen
   
   Inland Empire Utilities Agency
   
   Address: 2662 E. Walnut Avenue
   Ontario, California 91761
   
   Telephone: 909-993-1628
   Facsimile: 909-947-1847
   E-mail: avanbreukelen@ieua.org

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

   Supplier Contact: Gary Yost
   
   Royal Wholesale Electric
   10096 6th Street, Unit D
   Address: Rancho Cucamonga, California 91730
3. ORDER OF PRECEDENCE: The documents referenced below represent the Contract Documents. Where any conflicts exist between the General Terms and Conditions, or addenda attached, then the governing order of precedence shall be as follows:
   A. Amendments to Contract Number 4600002168
   B. Contract Number 4600002168 General Terms and Conditions
   C. Agency Request for Proposal Number RFP-SM-16-006
   D. Supplier Proposal dated June 22, 2016

4. SUPPLY OF PRODUCTS/SPECIFICATIONS: Supplier Services and responsibilities shall include and be in accordance with the following:
   A. ELECTRICAL PARTS AND SUPPLIES: Provide miscellaneous electrical parts and supplies to the Agency on an as needed basis.
   B. DELIVERY REQUIREMENTS: Supplier to provide miscellaneous electrical parts and supplies as required. Agency staff may elect to will-call items at Suppliers local facility, or if delivery is required, Supplier will deliver to the following location:

      Inland Empire Utilities Agency
      Warehouse
      2662 E. Walnut
      Ontario, California 91761

   Each delivery will include a packing slip with the Supplier name, requestor's name, Contract number, date of purchase, quantity, unit price and extension for each item. All deliveries are to be same day whenever possible, but no later 24 hours from time of order. There will be no charge for delivery, all orders will be shipped FOB Destination, and no fuel charge, or any other additional charges will apply.

5. TERM: The term of this Contract shall extend from the date of the Notice to Proceed, and terminate on 06/30/2018, unless agreed to by both parties, reduced to writing, and amended to this Contract. The Supplier shall agree to allow the Agency, at the Agency's sole discretion, to extend the Contract term, in twelve-month increments, for an additional period not-to-exceed of thirty six months, for a total contract term of five years. In the event the Agency desires to exercise any or all of the contract extension options provided for hits in this section, the agency shall provide at least 30 calendar day's written notice to the Supplier, prior to the expiration of the original Contract term or any extension thereof.

6. PAYMENT, INVOICING AND COMPENSATION: The Supplier shall submit one invoice upon the delivery of the equipment. Agency shall pay Supplier's properly executed invoice,
approved by the Project Manager, within thirty (30) days following receipt of the invoice. Payment will be withheld for any supplies or equipment which does not meet the requirements of this Contract, until such is replaced, the invoice resubmitted and accepted by the Project Manager.

All invoices shall be formulated consistent with the rates proposed within the Supplier’s accepted proposal, dated June 22, 2016 and reference Contract Number 4600002168.

Supplier’s invoice shall be submitted electronically via: APGroup@ieua.org

As compensation for the equipment supplied under this Contract, Agency shall pay Supplier, based on the attached pricing form for all equipment, sales tax, delivery charge, provided hereunder.

7. **PRICE ADJUSTMENT:** In the event the Agency exercises any of the Contract extensions provided for in Section E above, the pricing for said extension shall be calculated as follows:

Commencing on July 1, 2018 and continuing on each July 1 thereafter, those prices provided for in the Proposed Price Schedule of this Request for Proposal shall be adjusted plus or minus by a sum equal to the percentage change in the Consumer Price Index (CPI) for All Urban Consumers, in the Los Angeles-Anaheim-Riverside, California index area as provided for in this section. The bases for computing the adjustment to those prices provided for in the Proposed Price Schedule of this Request for Proposal shall be the percentage change for the twelve month period from July to July, starting with the period of July 2017 to July 2018, and continuing every twelve months thereafter. Despite any changes in the CPI for any given twelve month adjustment period, adjustments to those prices as provided for in the Proposed Price Schedule of this Request for Proposal shall increase or decrease more than 5 percent during any single twelve month adjustment period.

In the event the CPI is changed so that the base period differs from 1982-84=100, then the index applied as provided for above shall be corrected in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics, or their successor. If the CPI is discontinued or revised, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same results as would have obtained if the CPI had not been discontinued or revised.

8. **LEGAL RELATIONS AND RESPONSIBILITIES:**

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

B. **Status of Supplier:** The Supplier is retained as an independent Supplier only, for the sole purpose of rendering the services described herein, and is not an employee of the Agency.
C. **Observing Laws and Ordinances:** The Supplier shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and regulations which in any manner affect the conduct of any services or tasks performed under this Contract, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. The Supplier 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 Supplier or its employees.

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

E. **Equal Opportunity:** During the performance of this Contract, the Supplier shall not unlawfully discriminate against any employee or employment applicant because of race, color, religion, sex, age, marital status, ancestry, physical or mental disability, sexual orientation, veteran status or national origin.

F. **Warranty:** Supplier represents and warrants that the equipment shall be adequate to serve the purposes described in the Contract. For a period of two years per the submitted Request for Proposal warranty form, Supplier shall, at no additional cost to the Agency, correct any and all errors in and shortcomings of the equipment, regardless of whether any such errors or shortcomings is brought to the attention of Supplier by Agency, or any other person or entity. Supplier shall within three calendar days, correct any error or shortcoming that renders the equipment dysfunctional or unusable and shall correct other errors with thirty (30) calendar days after Supplier receipt of notice of the error. Upon request of Agency, Supplier shall correct any such error deemed important by Agency in its sole discretion to Agency’s continued use of the equipment within seven calendar days after Supplier receipt of notice of the error. If the Project Manager rejects all or any part of the equipment as unacceptable and agreement to correct such equipment cannot be reached without modification the Contract. Supplier shall notify the Project Manager, in writing, detailing the dispute and reason for the Supplier position. Any dispute that cannot be resolved between the Project Manager and Supplier shall be resolved in accordance with the provisions of this Contract.

G. **Disputes:**

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

2) Any and all disputes during the dispute period shall be subject to resolution by the Agency Project Manager and the Supplier shall comply, pursuant to the Agency Project Manager instructions. If the Supplier 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 Supplier 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 Supplier written protests to the General Manager, together with a copy of the Agency Project Manager's written decision, for his or her consideration within seven (7) calendar days after receipt of said protest(s). The General Manager shall make his or her determination with respect to each protest filed with the Agency Project Manager within ten (10) calendar days after receipt of said protest(s). If Supplier is not satisfied with any such resolution by the General Manager, they may file a written request for arbitration with the Project Manager within seven (7) calendar days after receiving written notice of the General Manager's decision.

3) In the event of arbitration, the parties hereto agree that there shall be a single neutral Arbitrator who shall be selected in the following manner:

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

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

4) Joinder in Mediation/Arbitration: The Agency may join the Supplier in mediation or arbitration commenced by a Supplier 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 Supplier.

9. **NO ADDITIONAL COMPENSATION:** Nothing set forth in this Contract shall be deemed to require payment by Agency to Supplier of any compensation specifically for the assignments and assurances required hereby, other than the payment of expenses as
may be actually incurred by Supplier in complying with this Contract.

10. **INFRINGEMENT**: Supplier represents and warrants that the Training 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.

Supplier shall defend, indemnify and hold harmless, the 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 Training or Documentation infringes upon any trade secret, trade mark, trade name, copyright, patent, or other Proprietary Rights.

Supplier 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 Training and Documentation, to replace or modify the Training 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 Training and Documentation.

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

**Agency:**
Warren T. Green  
Manager of Contracts and Facilities Services  
Inland Empire Utilities Agency  
P.O. Box 9020  
Chino Hills, California 91709

**Supplier Contact:**
Gary Yost  
Account Manager  
Royal Wholesale Electric  
10056 6th Street  
Rancho Cucamonga, California 91730

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.

12. **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 Supplier, and their respective successors and assigns. Notwithstanding the foregoing, no assignment of the duties or benefits of the Supplier 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.
13. **RIGHT TO AUDIT:** The Agency reserves the right to review and/or audit all Supplier’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 Supplier. The Supplier shall make all records and related documentation available within three (3) working days after said records are requested by the Agency.

14. **INTEGRATION:** The Contract Documents represent the entire Contract of the Agency and the Supplier 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 Supplier.

15. **GOVERNING LAW:** This Contract is to be governed by and constructed in accordance with the laws of the State of California and the jurisdiction of the Superior Court located in the County of San Bernardino.

16. **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 Supplier. In the event of such termination, the Agency shall pay Supplier for all authorized and Supplier-invoiced services up to the date of such termination.

17. **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 God, etcetera.

18. **INSURANCE:** During the term of this Contract, the Contractor shall maintain at Contractor’s sole expense, the following insurance:

   - Automobile Liability: ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, covering hired, (Code 6) and non-owned autos (Code 9), with limit no less than $1,000,000 per accident for bodily injury and property damage.

19. **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 Supplier.

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

INLAND EMPIRE UTILITIES AGENCY: ROYAL WHOLESALE ELECTRIC:

JOE GRINDSTAFF GARY YOST
General Manager Account Manager

(Date) (Date)

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ATTACHMENT B

PRICE SCHEDULE

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Date: August 17, 2016

To: The Honorable Board of Directors

Through: Engineering, Operations, and Biosolids Management Committee (8/10/16)
         Finance, Legal, and Administration Committee (8/10/16)

From: P. Joseph Grindstaff
       General Manager

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

Shaun J. Stone
Manager of Engineering

Subject: Agency-wide Pump Efficiency Improvements Construction Contract Awards

RECOMMENDATION

It is recommended that the Board of Directors:

1. Approve the construction contract for the Agency-wide Sewage Pump Efficiency Improvements Project No. EN16070, to PAMCO Industries, for a not-to-exceed amount of $142,060;

2. Approve the construction contract for the Agency-wide Recycled Water Pump Efficiency Improvements Project No. EN17053, to PAMCO Industries, for a not-to-exceed amount of $466,319;

3. Approve a budget amendment for $625,000 from Project No. EN16070 in the Regional Wastewater O&M (RO) Fund, to Project No. EN17053 in the Recycled Water (WC) Fund;

4. Approve a budget transfer from capital to non-capital (O&M) within Project Nos. EN16070 and EN17053 for $25,000 each, to support non-capital expenses; and

5. Authorize the General Manager to execute the contracts and the budget amendments.
BACKGROUND

As part of the Agency-wide Energy Efficiency Study Project, IEUA staff has been working with The Energy Network (TEN) and the Water Infrastructure and System Efficiency (WISE) Program to identify opportunities to reduce total electricity usage and costs. Pumping facilities are one of the main elements that consume a substantial amount of power during operations. In 2015, Agency staff worked with Southern California Edison (SCE) to conduct Agency-wide pump performance tests. The tests found that a total of ten pumps; three wastewater and seven recycled water are in need of repairs or replacement.

The table below identifies the pumps and shows the estimated annual energy savings if the overall pump efficiencies are increased. The table also shows potential SCE incentives towards improving pump performance.

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<th>Pump Name</th>
<th>Estimated Savings (kWh/yr)</th>
<th>Approved Incentives</th>
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<td>Philadelphia Pump No. 2</td>
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<td></td>
<td>RP-1 Intermediate Sewage Pump</td>
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</tbody>
</table>

On June 15, 2016, the Board rejected the April 12, 2016, proposals due to irregularities in the proposals. In order to promote more competition and to allow more contractors to provide proposals, the initial proposal was divided in two; one for the wastewater pumps and one for the recycled water pumps. On June 16, 2016, the Agency solicited cost proposals from eight pre-qualified contractors to provide overhaul services and/or replacement of the above-referenced pumps.

The requests for cost proposals included two pricing schedules with award of the contract based on the combination of the two price schedules. Price Schedule I was the pricing for selected line items typically found in the scope of overhauling the pumps and motors. These items were selected to provide a baseline cost for comparison to the forthcoming assessment recommendations. Price Schedule II was line items for the replacement in kind of all pumps (worst case scenario).
The scope of work includes pulling each of the pumps and motors to perform factory inspection. The contractor will then provide the Agency with findings and recommendations on the steps needed to perform the overhaul services deemed necessary. The not-to-exceed contract amount is based on the full replacement cost (Price Schedule II). Staff believes that most of the pumps are repairable and full replacement will not be required.

On July 12, 2016, the Agency received cost proposals from the following prequalified contractors:

**Wastewater Pumps’ Replacement and Overhaul Services, Project No. EN16070;**

<table>
<thead>
<tr>
<th>Bidder’s Name</th>
<th>Price Schedule I</th>
<th>Price Schedule II</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vaughan’s Industrial Repair Co.</td>
<td>$31,569</td>
<td>$197,637</td>
<td>$229,206</td>
</tr>
<tr>
<td>PAMCO Industries</td>
<td>$17,613</td>
<td>$142,060</td>
<td>$159,673</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$37,000</td>
<td>$233,000</td>
<td>$270,000</td>
</tr>
</tbody>
</table>

**Recycled water Pumps’ Replacement and Overhaul Services, Project No. EN17053;**

<table>
<thead>
<tr>
<th>Bidder’s Name</th>
<th>Price Schedule I</th>
<th>Price Schedule II</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vaughan’s Industrial Repair Co.</td>
<td>$54,505</td>
<td>$503,424</td>
<td>$557,929</td>
</tr>
<tr>
<td>PAMCO Industries</td>
<td>$74,970</td>
<td>$466,319</td>
<td>$541,289</td>
</tr>
<tr>
<td>Legend Pump &amp; Well Industrial</td>
<td>Withdrawn</td>
<td>Withdrawn</td>
<td>Withdrawn</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$49,000</td>
<td>$540,000</td>
<td>$589,000</td>
</tr>
</tbody>
</table>

Legend Pump and Well Industrial formally withdrew their bid, per Section 5103 of the Public Contract Code (See attachment 1). Staff reviewed the request and concurs with allowing the withdrawal of the bid.

Accordingly, PAMCO Industries was deemed as the lowest responsive and responsible bidder for both cost proposals with a bid of $142,060 and $466,319, respectively. PAMCO industries is appropriately licensed, bonded, and insured. They have successfully completed several pumps and motors repairs for the Agency as well as other agencies in the region in the past.

Based on the anticipated energy savings and the estimated total project costs (including SCE approved incentives), the project’s payback period will be approximately four (4) years.
The following are the estimated costs for both projects:

<table>
<thead>
<tr>
<th>Project</th>
<th>Description</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wastewater EN16070</td>
<td>Project Evaluation</td>
<td>$10,000</td>
</tr>
<tr>
<td></td>
<td>Construction (Price Schedule II)</td>
<td>$142,060</td>
</tr>
<tr>
<td></td>
<td>Construction Services (~15%)</td>
<td>$21,000</td>
</tr>
<tr>
<td></td>
<td>Contingency (~15%)</td>
<td>$21,000</td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal Project Cost</strong></td>
<td><strong>$194,060</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Apportioned Project Budget</strong></td>
<td><strong>$625,000</strong></td>
</tr>
<tr>
<td>Recycled Water EN17053</td>
<td>Project Evaluation</td>
<td>$10,000</td>
</tr>
<tr>
<td></td>
<td>Construction (Price Schedule II)</td>
<td>$466,319</td>
</tr>
<tr>
<td></td>
<td>Construction Services (~15%)</td>
<td>$70,000</td>
</tr>
<tr>
<td></td>
<td>Contingency (~15%)</td>
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</tr>
<tr>
<td></td>
<td><strong>Subtotal Project Cost</strong></td>
<td><strong>$616,319</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Apportioned Project Budget</strong></td>
<td><strong>$650,000</strong></td>
</tr>
<tr>
<td>Total</td>
<td><strong>Total Project Cost</strong></td>
<td><strong>$810,379</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Total Project Budget</strong></td>
<td><strong>$1,275,000</strong></td>
</tr>
<tr>
<td></td>
<td>SCE Incentives</td>
<td>($132,759)</td>
</tr>
</tbody>
</table>

The following is the anticipated schedule for both projects:

<table>
<thead>
<tr>
<th>Project Milestone</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Contract Award</td>
<td>August 2016</td>
</tr>
<tr>
<td>Construction Completion</td>
<td>April 2017</td>
</tr>
</tbody>
</table>

The Agency-wide Pump Efficiency Improvements Project is consistent with the Agency's Business Goal of Energy Management to optimize facility energy use and effectively manage renewable resources to achieve peak power independence, contain future energy costs, and achieve statewide renewable energy, distributed generation, and greenhouse gas.

**PRIOR BOARD ACTION**

On June 15, 2016, the Board rejected the April 12, 2016, proposals for the construction of the Agency-wide Pump Efficiency Improvements.
IMPACT ON BUDGET

If approved, the not-to-exceed contract award of $142,060 for Project No. EN16070 in the Regional Wastewater O&M (RO) fund is supported by the FY 2016/17 project budget of $625,000, and the not-to-exceed contract award of $466,319 for Project No. EN17053 in the Recycled Water (WC) fund is supported by the FY 2016/17 project budget of $650,000.

Attachment 1: Legend Pump & Well Industrial Withdrawal Letter

PJG:CB:SS:aa
Pump Efficiency Improvements
Contract Award
Projects No. EN16070 and EN17053
August 2016
Project Background

- Agency Staff has been working on identifying opportunities to improve energy efficiency
- Southern California Edison (SCE) conducted pump performance tests agency-wide
- Ten pumps were deemed inefficient:
  - Seven recycled water
  - Three sewage pumps
- Scope includes overhauling or replacement to improve the overall energy efficiencies

RP-1 Intermediate Pump Station Pump No. 1 (57% Efficient)

RP-1 1050 Pressure Zone Pumps 3 and 2 (61% and 63% Efficient respectively)
Project Benefits

- Potential 1.6 million KW-hr ($175,000/yr.) annual energy savings
- Capture over $132,000 in utility incentives from SCE
- No interruption to the plant operation by phasing the work
Bid Results

Two bids received on July 12, 2016 towards the Sewage Pumps:

<table>
<thead>
<tr>
<th>Bidder's Name</th>
<th>Price Schedule I</th>
<th>Price Schedule II</th>
<th>Total Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vaughan's Industrial Repair Co.</td>
<td>$31,569</td>
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<td><strong>$17,613</strong></td>
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<td><strong>Engineer's Estimate</strong></td>
<td><strong>$37,000</strong></td>
<td><strong>$233,000</strong></td>
<td><strong>$270,000</strong></td>
</tr>
</tbody>
</table>

Three bids received on July 12, 2016 towards the Recycled Water Pumps:

<table>
<thead>
<tr>
<th>Bidder's Name</th>
<th>Price Schedule I</th>
<th>Price Schedule II</th>
<th>Total Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vaughan's Industrial Repair Co.</td>
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<td><strong>$589,000</strong></td>
</tr>
</tbody>
</table>
## Sewage Pumps Project Cost and Schedule

<table>
<thead>
<tr>
<th>Description</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Evaluation</td>
<td>$10,000</td>
</tr>
<tr>
<td>Construction Services (~15%)</td>
<td>$21,000</td>
</tr>
<tr>
<td>Construction (Price Schedule II)</td>
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</tr>
<tr>
<td>Contingency (~15%)</td>
<td>$21,000</td>
</tr>
<tr>
<td><strong>Total Project Cost</strong></td>
<td><strong>$194,060</strong></td>
</tr>
<tr>
<td><strong>Total Project Budget (If Amended)</strong></td>
<td><strong>$625,000</strong></td>
</tr>
<tr>
<td>SCE Incentives</td>
<td>($17,374)</td>
</tr>
</tbody>
</table>

### Project Milestone

<table>
<thead>
<tr>
<th>Milestone</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Contract Award</td>
<td>August 17, 2016</td>
</tr>
<tr>
<td>Construction Completion</td>
<td>April 2017</td>
</tr>
</tbody>
</table>
## Recycled Water Pumps Cost and Schedule

<table>
<thead>
<tr>
<th>Description</th>
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</tr>
<tr>
<td><strong>Total Project Budget (If Amended)</strong></td>
<td><strong>$650,000</strong></td>
</tr>
<tr>
<td>SCE Incentives</td>
<td>($115,385.05)</td>
</tr>
</tbody>
</table>

### Project Milestone

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<thead>
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<th>Project Milestone</th>
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<tr>
<td>Construction Completion</td>
<td>April 2017</td>
</tr>
</tbody>
</table>
Recommendation

Staff Recommends the Board Approves:

- The award of the construction contract for the Agency-Wide Sewage Pump Efficiency Improvements, Project No. EN16070, to PAMCO Industries, for a not-to-exceed amount of $142,060;

- The award of construction contract for the Agency-Wide Recycled Water Pump Efficiency Improvements, Project No. EN17053, to PAMCO Industries, for a not-to-exceed amount of $466,319;

- A budget amendment for $625,000 from Project No. EN16070 in the Regional Wastewater O&M (RO) fund to Project No. EN17053 in the Recycled Water (WC) fund.

- A budget transfer from capital to non-capital (O&M) within Project Nos. EN16070 and EN17053 for $25,000 each to support non-capital expenses.

The Agency-Wide Pump Efficiency Improvements Project is consistent with the Agency's Business Goal of Energy Management to optimize facility energy use and effectively manage renewable resources to achieve peak power independence, contain future energy costs, and achieve statewide renewable energy, distributed generation, and greenhouse gas.
INLAND EMPIRES UTILITIES ASSOCIATION
6075 KIMBALL AVE
CHINO, CA. 91708
Attention: Mr. Adham Almari

July 21, 2016

Gentlemen
In reference to your RFQ-RW-16-016, Project # EN 17053, Legend Pump and Well Service would clarify and request the following.

Our understanding of Proposal Schedule II pricing was that pricing was an extension of repaired cost estimates not the new replacement of equipment with new. Upon reviewing cost estimates supplied by the pump manufacture for new materials, we would request that our quotation be withdrawn from consideration

We apologize for any misunderstanding and look forward to working with you in the future.

Should you have any questions please feel free to contact our offices.

Sincerely Yours

Larry Gomez

Larry Gomez
CONTRACT NUMBER: 4600002183

FOR

AGENCY-WIDE SEWAGE PUMP EFFICIENCY

IMPROVEMENTS, PROJECT NO. EN16070

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 interchangeably referred to as "IEUA" and "Agency") and Pamco Machine Works, Inc., With Offices Located In Rancho Cucamonga, California (hereinafter referred to as "Contractor"), for the Agency-Wide Sewage Pump Efficiency Improvements, Project No. EN16070.00.

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

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

   Project Manager: Mr. Adham Almasri, P.E., Senior Engineer
   Address: 6075 Kimball Avenue, Building "B"
   Chino, CA 91708
   Telephone: (909) 993-1462
   Email: aalmasri@ieua.org

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

   Contractor: Pamco Machine Works, Inc.
   Mr. José Carlos, Project Manager
   Address: 9359 Feron Boulevard
   Rancho Cucamonga, CA 91736
   Telephone: (909) 941-7260
   Email: jose@pamcomachine.com
3. **ORDER OF PRECEDENCE:** The documents referenced below represent the Contract Documents. Where any conflicts exist between the General Terms and Conditions, or addenda attached, then the governing order of precedence shall be as follows:

1. Amendments to Contract number 4600002183.
2. Contract number 4600002183 General Terms and Conditions.
3. Agency's Request for Proposals (RFP) number RFP-RW-16-015 (Exhibit A) and all germane addenda, incorporated by this reference.
4. Contractor's cost proposal dated July 12, 2016 (Exhibit B).

4. **SCOPE OF WORK AND SERVICES:** Contractor services and responsibilities shall include and be in accordance with the Agency's Request for Proposals (RFP) RFP-RW-16-015, attached hereto, referenced herein, and made a part hereof as Exhibit A.

5. **TERM:** The term of this Contract shall extend from the date of the Notice to Proceed, and terminate on April 30, 2017, unless agreed to by both parties, reduced to writing, and amended to this Contract.

6. **PAYMENT, INVOICING AND COMPENSATION:** The Contractor shall submit once-monthly invoicing, basis materials and labor completed to-date. IEUA shall pay the Contractor's invoice within thirty (30) days following receipt of the approved invoice. Payment will be withheld for any service which does not meet the requirements of this Contract, until such service is revised, the invoice resubmitted and accepted by the Project Manager.

   All invoices shall be submitted electronically with all required back-up to apgroup@ieua.org.

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

   **Effective January 1, 2015:** The call for bids and contract documents must include the following information:

   A. 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)].

   B. No contractor or subcontractor may be awarded a contract for public work on a public works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5.
C. This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

As compensation for the work performed under this Contract, Agency shall pay Contractor, on a firm-fixed not-to-exceed maximum of $142,060.00 for all work satisfactorily provided hereunder in accordance with Exhibit B, referenced herein, attached hereto, and made a part hereof.

Note: All payments made shall be in accordance with the payment terms outlined in Request for Proposals (RFP) number RFP-RW-16-015.

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

A. **Minimum Scope of Insurance:**

1. **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 Comprehensive 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 twice the required occurrence limit.

   a. The insurance shall include coverage for each of the following hazards:

   Premises – Operations
   Owners and Contractors Damage
   Broad Form Property Damage
   Contractual for Specific Contract
   Severability of Interests or Cross-Liability
   XCU [Explosion, Collapse and Underground] Hazards
   Personal Injury – with the "Employee" Exclusion Deleted

2. **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 87, covering Automobile Liability, including "any auto."

3. **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.

4. **Builders Risk** completed value (course of construction) is not required for this project.
5. Payment, Labor & Material, Performance Bonds and Waiver: Bonding is required, per Public Contract Code Article 121, Section 21565, for public works projects. All construction-related labor for this project is designated as the public works portion of this project and therefore subject to prevailing wage. Contractor shall furnish bonding and waiver with the use of forms attached hereto and referenced as Exhibit C.

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

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

1. General Liability and Automobile Liability Coverage

   a. The Agency, its officers, officials, employees, volunteers, property owners and any engineers under contract to the Agency are to be covered as insureds, endorsement CG2010 1185, as respects: liability arising out of activities performed by or on behalf of the Contractor, products and completed operations of the Contractor, premises owned, occupied or used by the Contractor, or automobiles owned, leased, hired or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract to the Agency.

   b. The Contractor's insurance coverage shall be primary insurance as respects the Agency, its officer, officials, employees, volunteers, property owners or engineers under contract to the Agency. Any insurance or self-insurance maintained by the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract to the Agency shall be excess of the Contractor's insurance and shall not contribute with it.

   c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract to the Agency.
d. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

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

2. Workers' Compensation and Employers Liability Coverage

The insurer shall agree to waive all rights of subrogation against the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract to the Agency for losses arising from work performed by the Contractor for the Agency.

3. Builders Risk Insurance (Course of Construction) is not required for this project.

The Agency is to be named as the loss payee.

4. All Coverages

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

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

E. Verification of Coverage: Contractor shall furnish the Agency with certificates of insurance and with original endorsements effecting coverage required by the Agency for themselves and all subcontractors 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 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.
F. **Submittal of Certificates:** Contractor shall submit all required 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

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

9. **LEGAL RELATIONS AND RESPONSIBILITIES**

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

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

C. **Observing Laws and Ordinances:** The Contractor shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and regulations which in any manner affect the conduct of any services or tasks performed under this contract, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. The Contractor shall at all times observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and shall protect and indemnify, as required herein, the Agency, its officers, employees and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by the Contractor or its employees.

Effective July 1, 2014, all Contractors must be registered with the California Dept. of Industrial Relations as required by law SB-854 for public works construction projects:


D. **Confined Space Work:**

I. Precautions and Programs:
a. The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the work or the activities of subcontractors, suppliers, and others at the work site.

b. The Contractors and subcontractors shall comply with the provisions of the Safety and Health Regulations for Construction, promulgated by the Secretary of Labor under Section 107 of the "Contract Work Hours and Safety Standards Act," as set forth in Title 29 C.F.R. If the Agency is notified of an alleged violation of the Occupational Safety and Health Standards referred to in this Section and it is established that there is a violation, the Contractor shall be subject to liquidated damages as provided in the Contract.

c. The Contractor and all subcontractors shall comply with the provisions of the Occupational Safety and Health Standards, promulgated by the United States Secretary of Labor under the "Occupational Safety and Health Act of 1970," as set forth in Title 29, C.F.R. Where an individual State act on occupational safety and health standards has been approved by federal authority, then the provisions of said state act shall control.

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

1) All employees on the work or work site and other persons and organizations who may be affected thereby;

2) All the work and materials and equipment to be incorporated therein, whether in storage or on or off the work site; and

3) All other property at the site.

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

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

2) A written plan that includes identification of confined spaces within the construction site, alternate procedures where appropriate, contractor provisions, specific procedures for permit-required and non-permit required spaces, and a rescue plan.
f. The Contractor must also submit a copy of their Safety Program or IIPP prior to the start of the project for approval by the Safety & Risk Department.

E. Subcontract Services: Any subcontracts for the performance of any services under this Contract shall be subject to the written approval of the Project Manager.

F. Hours of Labor: The Contractor shall comply with all applicable provisions of California Labor Code Sections 1810 to 1817 relating to working hours. The Contractor shall, as a penalty to the Agency, forfeit $25.00 for each worker employed in the execution of the Contract by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of the Labor Code.

G. Travel and Subsistence Pay: The Contractor 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.

H. Liens: Contractor shall pay all sums of money that become due from any labor, services, materials or equipment furnished to Contractor on account of said services to be rendered or said materials to be furnished under this Contract and that may be secured by any lien against the Agency. Contractor shall fully discharge each such lien at the time performance of the obligation secured matures and becomes due.

I. Indemnification: Contractor shall indemnify IEUA, 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 Contractor, its directors, employees, agents and assigns, in the performance of work under this contract.

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

K. Equal Opportunity: During the performance of this Contract, the Contractor shall not unlawfully discriminate against any employee or employment applicant because of race, color, religion, sex, age, marital status, ancestry, physical or mental disability, sexual orientation, veteran status or national origin.
L. **Disputes:**

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

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

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

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

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

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

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

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

O. Prevailing Wage Requirements: Pursuant to Section 1770 and following, of the
California Labor Code, the Contractor shall not pay less that the general
prevailing wage rates, as determined by the Director of the State of California
Department of Industrial Relations for the locality in which the work is to be
performed and for each craft or type of worker needed to execute the work
contemplated under the Contract. The Contractor or any subcontractor
performing part of said work shall strictly adhere to all provisions of the
Labor Code, including, but not limited to, minimum wages, work
days, nondiscrimination, apprentices, maintenance and availability of accurate
payroll records and any other matters required under all Federal,
State and local laws related to labor [ http://www.dir.ca.gov/PublicWorks/PublicWorks.html ].

10. FITNESS FOR DUTY:

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

1. shall report for work in a manner fit to do their job;
2. shall not be under the influence of or in possession of any alcoholic beverages or of any controlled substance (except a controlled substance as prescribed by a physician so long as the performance or safety of the Work is not affected thereby); and

3. shall not have been convicted of any serious criminal offense which, by its nature, may have a discernible adverse impact on the business or reputation of Agency.

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

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

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

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

13. NON-CONFORMING WORK AND WARRANTY: Contractor represents and warrants that the Work shall be in conformance with the specifications provided herein and shall serve the purposes described. For a period of not less than one (1) year after acceptance of the completed Work, Contractor shall, at no additional cost to Agency, correct any and
all errors or shortcomings of the Work, regardless of whether any such errors or shortcomings is brought to the attention of the Contractor by Agency, or any other person or entity.

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

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

   **Contractor:** Pamco Machine Works, Inc.  
   Attn: Mr. James Wilkinson  
   President  
   9359 Feron Boulevard  
   Rancho Cucamonga, CA 91730

   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.

15. **SUCCESSORS AND ASSIGNS:** All of the terms, conditions and provisions of this Contract shall inure to the benefit of and be binding upon the Agency, the Contractor, and their respective successors and assigns. Notwithstanding the foregoing, no assignment of the duties or benefits of the Contractor under this Contract may be assigned, transferred or otherwise disposed of without the prior written consent of the Agency; and any such purported or attempted assignment, transfer or disposal without the prior written consent of the Agency shall be null, void and of no legal effect whatsoever.

16. **INTEGRATION:** The Contract Documents represent the entire Contract of the Agency and the Contractor as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered by the Contract Documents. This Contract may not be modified, altered or amended except by written mutual agreement by the Agency and the Contractor.

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

18. **TERMINATION FOR CONVENIENCE:** The Agency reserves and has the right to immediately suspend, cancel or terminate this Contract at any time upon written notice to the Contractor. In the event of such termination, the Agency shall pay Contractor for all authorized and Contractor-invoiced services up to the date of such termination.
19. **RIGHT TO AUDIT:** The Agency reserves the right to review and/or audit all Contractor’s records related to the Work. The option to review and/or audit may be exercised during the term of the Contract, upon termination, upon completion of the Contract, or at any time thereafter up to twelve (12) months after final payment has been made to Contractor. The Contractor shall make all records and related documentation available within three (3) working days after said records are requested by the Agency.

20. **FORCE MAJEURE:** Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, natural disasters, etcetera.

21. **LIQUIDATED DAMAGES:** Liquidated Damages are not applicable to this Contract.

22. **CHANGES:** The Agency may, at any time, make changes to this Contract’s Scope of Work; including additions, reductions and other alterations to any or all of the work. However, such changes shall only be made via written amendment to this Contract. The Contract Price and Work Schedule shall be equitably adjusted, if required, to account for such changes and shall be set forth within the Contract Amendment.

23. **NOTICE TO PROCEED:** No services shall be performed or furnished under this Contract unless and until this document has been properly signed by all responsible parties and a Notice to Proceed order has been issued to the Contractor.

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

---

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

**PAMCO MACHINE WORKS, INC.:**

P. Joseph Grindstaff  
General Manager

(Date)

James Wilkinson  
President

(Date)

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Exhibit A
REQUEST FOR PROPOSALS

FOR

THE AGENCY-WIDE SEWAGE PUMPS' OVERHAUL SERVICES

Project No. EN16070

RFP No. RFP-RW-16-015

June 15, 2016

Proposals Due: July 12, 2016
This Request for Proposal package includes the sections and subsections listed below. If any of these items are missing from your Request for Proposal package, please contact the individual identified on Page 1, Item C.

SECTION 1 – SUBMISSION INFORMATION
A. INTRODUCTION
B. SUBMITTAL CLOSING DATE AND TIME
C. INQUIRIES
E. PRE-PROPOSAL JOB SITE INSPECTION

SECTION 2 – GENERAL INFORMATION
A. WAITING PERIOD
B. PREVAILING WAGE
C. INSURANCE
D. PROPOSAL PREPARATION COSTS
E. PROPOSAL INCLUSIONS
F. WITHDRAWAL OF PROPOSAL BEFORE CLOSING
G. MISTAKE IN PROPOSAL
H. PROPOSAL ACCEPTANCE
I. INTERPRETATION OF DOCUMENTS
J. OFFEROR REFERENCES
K. CONTRACT EXECUTION
L. ACCEPTANCE AND PAYMENT
M. LIENS
N. FEDERAL, STATE, AND LOCAL LAWS
O. PUBLIC RECORD
P. BACKGROUND
Q. AWARD/SELECTION CRITERIA

SECTION 3 – TECHNICAL PROVISIONS
A. FACILITIES
B. PROJECT BACKGROUND
C. SCOPE OF WORK AND SERVICES

SECTION 4 – FORMS
A. PRICE SCHEDULE
B. OFFEROR IDENTIFICATION FORM
C. SUBCONTRACTORS/REFERENCES
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E. NON-COLLUSION STATEMENT ....................................................................................................... 16
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G. WAIVER/RELEASE OF LIABILITY ................................................................................................. 18
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SECTION 1 – SUBMISSION INFORMATION

A. INTRODUCTION: The Inland Empire Utilities Agency is requesting submittal of sealed proposals at the Agency’s Main Office, located at 6075 Kimball Avenue, Building “A,” Chino, California 91708, for provision of the Agency-wide Sewage Pumps’ Overhaul Services. The successful CONTRACTOR(S) shall furnish all labor, material, transportation, tools, supplies, equipment and appurtenances for the satisfactory completion of the pumps replacement or overhaul services assigned on a pump-by-pump basis.

B. SUBMITTAL, CLOSING DATE AND TIME: Proposals will not be accepted after the closing date and time indicated below:

PROPOSAL DUE DATE AND TIME: July 12, 2016 at 2:00 p.m.

C. INQUIRIES: Inquiries regarding this solicitation should be directed in writing to:

Mr. Adham Almasri, Project Manager
E-mail: aalmasri@ieua.org
Cut-off date for submitting questions is July 5, 2016 2:00 P.M. Questions will be answered and uploaded to PlanetBids as an Addendum to all registered participants.

D. PROPOSAL LABELING:
The proposal shall be submitted in a sealed envelope with all the original pages intact. Proposal envelopes must be plainly marked and submitted as follows:

1. If mailing via the United States Postal Service (USPS), proposal envelopes shall be labeled as follows:

INLAND EMPIRE UTILITIES AGENCY
P.O. BOX 9020
CHINO HILLS, CALIFORNIA 91709

RE: PROPOSAL FOR THE AGENCY-WIDE SEWAGE PUMPS’ OVERHAUL SERVICES
REQUEST FOR PROPOSALS No. RFP-RW-16-015

2. Proposal envelopes submitted via an express courier or personal delivery shall be labeled as follows:

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

RE: PROPOSAL FOR THE AGENCY-WIDE SEWAGE PUMPS’ OVERHAUL SERVICES –
REQUEST FOR PROPOSALS No. RFP-RW-16-015

Submission for proposals can be made either electronically on PlanetBids or hard copies to the mailing address listed above.

REQUEST FOR PROPOSAL No. RFP-RW-16-015 | Page 1
E. PRE-PROPOSAL JOB SITE INSPECTION

A pre-bid job site inspection will be conducted by the project manager to acquaint the Contractors with the facilities and the location of the proposed work. The inspection will be held on June 29, 2016. All interested Offerors shall meet at 2662 E. Walnut, Ontario, CA 91761 at 10:00 a.m. prior to the start of the tour. The job site inspection will be in an area requiring the use of hard hats, which will not be furnished, consequently any Contractor or representative without a personal hard hat will not be allowed to attend.

NOTE: IT IS THE OFFEROR'S RESPONSIBILITY TO EXAMINE THIS REQUEST FOR PROPOSAL IN ITS ENTIRETY PRIOR TO SUBMITTING A PROPOSAL
SECTION 2 – GENERAL INFORMATION

A. WAITING PERIOD: Proposals shall be firm offers, subject to acceptance or rejection for a period of up to ninety (90) calendar days from the date of the proposal opening until proceedings are completed and an award is made. Offeror shall assume full responsibility for the effect of the waiting period on all proposal fees and terms.

B. PREVAILING WAGE:

Pursuant to Section 1770 and following, of the California Labor Code, the successful bidder shall not pay its employees less than the general prevailing wage rates, as determined by the Director of the State of California Department of Industrial Relations for the locality in which the work is to be performed and for each craft or type of worker needed to execute the work contemplated under the Contract. In accordance with the Labor Code, the Agency has on file a schedule of prevailing wage rates for the types of work to be done under the specifications.

The Contractor or any subcontractor performing part of said work shall strictly adhere to all provisions of the Labor Code, including, but not limited to, minimum wages, work days, nondiscrimination, apprentices, maintenance and availability of accurate payroll records and any other matters required under all Federal, State and local laws related to labor. The Contractor must be registered with the State of California. See Instruction to Bidders, Section B, 20. Contractor Registration Requirements.

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 pursuant to Labor Code section 1725.5. This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

Contractors can go to: http://www.dir.ca.gov/DAS/DASForm140.pdf to obtain a DAS-140 form. Contractors can go to: http://www.dir.ca.gov/das/DASForm142.pdf to obtain a DAS142 form.

C. INSURANCE: Offeror’s attention is directed to the insurance requirements set forth in the Sample Contract in Attachment A; and the requirement to provide with their proposal, certificates of insurance verifying the required levels of coverage, or alternatively, a letter from the Offeror’s insurance agent or corporate Risk Management Department acknowledging that the Offeror will be able to comply with all stated insurance requirements. It is highly recommended that Offerors confer with their respective insurance carriers or brokers to determine, in advance of proposal submission, the availability of insurance certificates and endorsements as prescribed herein. If a leading Offeror fails to strictly comply with the insurance requirements, that Offeror may be disqualified from receiving the award.

D. PROPOSAL PREPARATION COSTS: The Agency shall not be liable for any costs incurred by Offeror in the preparation, submission, or presentation of their proposals.

E. PROPOSAL INCLUSIONS: The Request for Proposal documents shall be returned in their entirety, with all applicable portions fully completed by the Offeror. All Offerors are encouraged to review and confirm that their proposal includes and specifically addresses each of the following proposal requirements prior to submitting a proposal.

- Price Schedule (See Section 4)
- Certificate(s) of Insurance or Letter of Compliance (To be provided by Offeror’s Insurance Carrier)
F. **WITHDRAWAL OF PROPOSAL BEFORE CLOSING:** Any Offeror may request withdrawal of their submitted proposal, either in person, by telephone, fax or written request, at any time prior to the scheduled proposal due date and time. Upon receiving the request to withdraw any proposal, the Agency will consider the Offeror's proposal null and void, and return the proposal to the Offeror unopened. Withdrawal of the Offeror's proposal will not prejudice Offeror's resubmittal for this or any future proposal(s).

G. **MISTAKE IN PROPOSAL:** Any Offeror may withdraw their proposal after the proposal due date only if the Offeror can establish to the Agency's satisfaction, that a mistake was made in preparing the proposal.

1. A Offeror declaring a mistake must provide a written notice to the Agency within five (5) calendar days after the proposal due date, specifying in detail, how the mistake occurred, and how the mistake made the proposal different than it was intended.

2. Withdrawal of the proposal will only be permitted for mistakes made in the completion of the proposal and will not be permitted for mistakes resulting from errors in judgment or carelessness in interpreting the scope of work. An Offeror who claims a mistake shall be PROHIBITED from participating in further bidding on the proposal which the mistake was claimed. (Public Contract Code 5105).

H. **PROPOSAL ACCEPTANCE:** The Agency reserves the right to accept or reject any or all proposals, or waive any informalities in any proposal, if such action is deemed to be in the best interest of the Agency.

I. **INTERPRETATION OF DOCUMENTS:** Should an Offeror find discrepancies or omissions in the specifications or the Request for Proposal, or should the Offeror be in doubt as to their interpretation, the Offeror shall notify the Contract Administrator identified in Section 1C. Should it be found necessary, a written addendum will be sent to all known prospective bidders. Any addenda issued prior to the proposal due date shall form a part of this solicitation and shall become a part of the submitted proposal.

J. **OFFEROR REFERENCES:** Using the References form included in Section 4, each Offeror shall provide a list of at least three references for which similar work has been performed. Include the reference names, contact persons, telephone numbers, physical addresses, e-mail addresses, and a brief description of services provided.

K. **CONTRACT EXECUTION:** The selected Offeror shall execute a contract of similar content and form as the example contract that appears as Attachment A at the end of this document.

L. **ACCEPTANCE AND PAYMENT:** Offeror's invoice(s) shall include reference to the Contract number issued for the services, and be accompanied by detailed supporting documentation, to include information on services rendered. The Agency shall pay the Offeror's properly executed invoice, subject to approval by the Project Manager, within thirty (30) calendar days following receipt of the invoice. Payment will be withheld for any services which do not meet Agency Contract requirements or have proven unacceptable until such services are replaced, resubmitted, and accepted by the Project Manager.

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

N. FEDERAL, STATE, AND LOCAL LAWS: The Offeror and all subcontractors shall comply with all applicable federal, state, local laws, rules, and regulations.

O. PUBLIC RECORD: Be advised that all information contained in proposals submitted in response to this solicitation shall be subject to the California Public Records Act (Government Code Section 6250 et seq.), and information's use and disclosure are governed by this Act.

Those elements in each Proposal which the Bidder considers to be trade secrets, as that term is defined in Civil Code Section 3426.1(d), or otherwise exempt by law from disclosure, should be prominently marked as "TRADE SECRET," "CONFIDENTIAL," OR "PROPRIETARY," by the Bidder. The Agency will use its best efforts to inform the Offeror of any request for disclosure of any such document. The Agency shall not in any way, be liable or responsible for the disclosure of any such records, including, without limitation; those so marked if disclosure is deemed to be required by law or by an order of the Court.

In the event of litigation concerning disclosure of information, the Bidder considers exempt from disclosure, the Agency will act as a stakeholder only, holding the information until otherwise ordered by a court or other legal process. If the Agency is required to defend an action arising out of a Public Records Act request, for any of the contents of a Bidder’s proposal marked “TRADE SECRET,” “CONFIDENTIAL,” or “PROPRIETARY,” Bidder shall defend and indemnify Agency from any and all liability, damages, costs, and expense, including attorneys’ fees, in any action or proceeding arising under the Public Records Act.

To insure confidentiality, Offerors are instructed to enclose all “TRADE SECRET,” “CONFIDENTIAL,” or “PROPRIETARY,” data in separate sealed envelopes, which are then included with Proposal documents. Because the Proposal documents are available for review by any person following the Proposal opening, and during the Proposal review period, and after an award of a contract resulting from a Request for Proposal, the Agency shall not in any way be held responsible for disclosure of any "TRADE SECRET," "CONFIDENTIAL," or "PROPRIETARY," documents that are not contained in labeled and sealed envelopes.

P. BACKGROUND: The Agency is a regional wastewater treatment agency that provides sewage treatment to the southwest end of San Bernardino County. Additionally, the Agency serves as a supplemental source of potable water and reclaimed water to the same geographic area. The Agency was incorporated in June 1950, under the Municipal Water District Act of 1911, as a municipal corporation. The Agency’s service area encompasses approximately 242 square miles, including the Cities of Chino, Chino Hills, Fontana, Montclair, Ontario, Rancho Cucamonga and Upland. Also included are miscellaneous unincorporated areas of western San Bernardino County, including remnants of the San Bernardino Agricultural Preserve, a large industrial corridor between the cities of Fontana and Rancho Cucamonga and the State of California’s correctional facilities at the California Institute for Men and Women. Currently, the Agency provides wastewater collection and treatment service and recycled water distribution to seven contract customers.

The Agency currently owns and operates five wastewater reclamation treatment plants. These plants include Regional Water Recycling Plant No. 1 (RP-1), located in the City of Ontario; Regional Water Recycling Plant No. 2 (RP-2), located in the City of Chino; Regional Water Recycling Plant No. 4 (RP-4), located in the City of Rancho Cucamonga; Carbon Canyon Water Reclamation Facility (CCWRF), which is also located in the City of Chino; and Regional Water Recycling Plant No. 5 (RP-5), which is also located in the City of Chino.

Q. AWARD/SELECTION CRITERIA: The following criteria will be used in the rating process for selection of an Offeror to provide the required services.

- Proposed prices under Section 4.

REQUEST FOR PROPOSAL No. RFP–RW–16–015
• Capability, resources, key personnel and qualifications for handling all aspects of the work, including but not limited to, Offeror’s availability, resources, and ability to meet and complete services.
• Office location of personnel providing the services.
• Ability to commence work immediately upon execution of the contract and complete the required work within the allocated project schedule.
• Thoroughness of the Offeror’s proposal.

Experience of the firm, past record of performance in providing same or similar services including the factors of timely response and assistance. Reference at least three public agencies in the past three years where these similar services have been provided.

**TERM OF CONTRACT:** The Agency is hereby soliciting the services of an Offeror to perform testing and then provide overhaul services and/or replacement of three (3) sewage pumps and their associated motors during the period from August 17, 2016 through April 30, 2017. Overhauling the pump(s) and motors shall be conducted under multiple task orders after the Agency accepts an offered price and terms by the offeror post the completion of the pump(s) and motor(s) inspection and condition assessment.
SECTION 3 – TECHNICAL PROVISIONS

A. FACILITIES

Regional Water Recycling Plant #1

Regional Water Recycling Plant No.1 (RP-1) is located in the city of Ontario and has been in operation since 1948. The plant has undergone several expansions to increase the design hydraulic domestic sewage (wastewater) treatment capacity to 44 million gallons per day. The plant serves areas of Chino, Fontana, Montclair, Ontario, Rancho Cucamonga, Upland, and solids removed from RP-4, located in Rancho Cucamonga. The plant treats an average influent wastewater flow of approximately 28 million gallons per day. The plant is broken into two separate treatment sections: liquids and solids.

The liquid treatment section consists of preliminary screening and grit removal, primary clarification, secondary treatment by aeration basins and clarification, tertiary treatment by filtration and disinfection, and dechlorination. Wastewater liquid is treated to California Department of Public Health Title 22 Code of Regulations standards for disinfected tertiary recycled water. The solids treatment section begins with thickening the solids removed from the primary and secondary clarification processes. The thickened solids are pumped to anaerobic digestion and then to the centrifuges for dewatering. Wastewater solids are digested to a minimum Class B biosolids standard, as defined by the United States Environmental Protection Agency Code of Federal Regulations. After dewatering, the biosolids are hauled to the Inland Empire Regional Composting Facility (IERCF) in the City of Rancho Cucamonga for further treatment to produce Class A compost.

Philadelphia Lift Station

The Philadelphia lift station is located in the city of Ontario which conveys non-reclaimable wastewater (NRW) that is collected from the northern half of the Agency service area to Los Angeles County. The lift station includes three pumps: two which are variable speed and one that is constant speed. Flows are conveyed through two parallel force mains that are about 2.6 mile long, with a total head increase of about 110 feet.

The scope of work under this proposal shall include a comprehensive factory inspection of three (3) existing sewage pumps and motors and provide a written report relative to the findings and recommendations of either overhauling the pump(s) and motor(s) to restore them to the OEM specifications or replacing them in kind to achieve 72% pump efficiency. Refer to Item C under Section 3 for a detailed scope of work. Upon the approval of an offered price by the offeror based on their recommendations, the offeror shall provide the overhaul and/or replacement services.

The sewage pumps below were previously tested by Southern California Edison (SCE) and it was determined that their operational efficiencies are below the expected levels.

<table>
<thead>
<tr>
<th>Pump Type</th>
<th>Pump Location</th>
<th>Model</th>
<th>Pump HP</th>
<th>Motor HP</th>
<th>Motor Type</th>
<th>Pump Serial Number</th>
<th>Pump Material</th>
<th>Test Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>RP-1 Intermediate Pump Station (IFP) Pump No. 1</td>
<td>2450 E Philadelphia St, Ontario, Ca</td>
<td>TB</td>
<td>75</td>
<td></td>
<td></td>
<td>78-2320-2</td>
<td></td>
<td>06/23/2015</td>
</tr>
<tr>
<td>Philadelphia Lift Pump No. 1 (wastewater)</td>
<td>1818 E Philadelphia St, Ontario, Ca</td>
<td>CB</td>
<td>100</td>
<td></td>
<td></td>
<td>1-37807-1-1</td>
<td></td>
<td>10/07/2015</td>
</tr>
<tr>
<td>Philadelphia Lift Pump No. 2 (wastewater)</td>
<td>1818 E Philadelphia St, Ontario, Ca</td>
<td>CB</td>
<td>100</td>
<td></td>
<td></td>
<td>N/A</td>
<td></td>
<td>10/07/2015</td>
</tr>
</tbody>
</table>

Refer to Attachment B, C and E for the pumps’ vicinity map, pump curves and pumps pictures. In addition, please refer to Attachment D for the results of the past efficiency test conducted on the subject pumps.
B. PROJECT BACKGROUND

IEUA Staff has been working with The Energy Network (TEN) and the Water Infrastructure and System Efficiency (WISE) Program to aid the agency in energy efficiency projects since early 2015. The Energy Network program is implemented by The Energy Coalition, administered by the Los Angeles County and funded by California utility rate payers. TEN is under the auspices of the California Public Utilities Commission (CPUC) to help eligible (in Southern California Edison and Southern California Gas territory) public agencies to reach energy savings. The WISE Program, which is implemented by Lincus, Inc. and administered by Southern California Edison (SCE), is also rate payer funded which provides water-energy solutions for all major areas of water (e.g., pumping, water treatment, water distribution, and waste water treatment) throughout SCE's territory.

An audit was completed to identify energy efficiency opportunities that have the potential to reduce total electricity usage and costs annually. The project to overhaul the three (3) sewage pumps and/or their motors was qualified to reduce electricity usage.

The request for proposal is hereby being advertised to select a pre-qualified offeror to perform testing and then overhauling or replacement of specific low-efficiency sewage pumps and/or motors to meet the goal of improving the overall pumps’ efficiencies.

C. SCOPE OF WORK AND SERVICES: The Offeror services and responsibilities shall be in accordance with the following:

All required work and services shall be documented through the Agency’s web based document tracking system named Capital Improvement Program Office (CIPO); no services shall be provided by the Offeror prior to receiving an executed task order from the Agency authorizing the Offeror to proceed with performing the respective work/services indicated in this Request.

To assure that contemporaneous document control is maintained via CIPO all documents and records of construction inspection, materials and testing correspondence will be sent through CIPO. To access CIPO, the Consultant will be required at their expense to have:

- A workstation supporting a web browser which must be one of: (A) Microsoft Internet Explorer (9) or later, (B) Mozilla Firefox@ 3.0, (C) Google Chrome 2.0 or (D) Apple Safari 3.0 or later.
- A broadband internet connection with sufficient bandwidth and quality to allow trouble-free browsing and data uploading and downloading.
- A workstation based, commercially available and proven anti-virus program.

The successful Offeror will be selected based on their qualification, price schedule and full compliance with all the requirements outlined in this RFP. The successful proposer once contracted directly with IEUA shall provide the followings:

1) Conduct a field inspection of the all three pumps and their associated motors.
2) Pull, inspect and re-install all three pumps and motors. Before re-installing each pump and motor, the recommended overhaul and/or replacement services must be authorized by IEUA and completed by the Offeror. After re-installing each pump, the contractor is required to verify the functionality of each re-installed pump and motor after inspection.
3) Provide a written report of the inspections findings. The report shall outline the components of the pumps to be overhauled and their corresponding pricing including material, tools, equipment, labor, transportation, disposal fees and mark-ups. If overhauling services are recommended and authorized, the overhaul must be performed so that the pump operation is restored to the Original Equipment Manufacturer (OEM) specifications.
4) If the findings are to replace the pump(s) and/or the motor(s) in kind or with the most current model by the same manufacturer the offeror shall provide a pricing proposal to provide
materials, tools, equipment, labor, transportation, disposal fees and mark-ups to remove existing pump(s), install new pump(s), and start-up the new pump(s). The new pump(s) and motor(s) shall have a documented operational efficiency of no less than 72%.

5) For all work (overhaul or replacement), the offeror shall provide a written one-year warranty on material and equipment.

6) In case any of the pumps need to be replaced, a factory witness test shall be conducted with the presence of one IEUA personnel. All cost associated with the factory witness test shall be borne by the offeror.

7) The offeror shall provide at least a two-week notice to the Agency prior to removing any of the pumps.

8) No work on overhauling or replacing the pumps or motors may start, until a notice to proceed and a task order is issued (for each pump separately) by IEUA. The Agency reserves the right to not pursue the work if the offered price to overhaul or replace any of the pumps is not merited. In addition, the Agency may ask the offeror for a best and final offer prior to executing a task order corresponding to the work associated with each pump and motor. The Offeror shall submit all invoices within five (5) business days after the completion award.

The Agency-wide Sewage Pumps’ Overhaul Services will be broken down into two (2) phases to prevent interference with plant operations. Table 2 below indicates the order in which the pumps will be evaluated and then overhauled.

Table 2: Project Phasing

<table>
<thead>
<tr>
<th>PHASE 1</th>
<th>Pump Name</th>
<th>Pump Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Philadelphia Lift Station Pump No. 1 (wastewater)</td>
<td>1818 E PHILADELPHIA ST ONTARIO CA</td>
<td></td>
</tr>
<tr>
<td>RP-1 Intermediate Pump Station (IPS) Pump No. 1</td>
<td>2450 E PHILADELPHIA ST ONTARIO CA</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PHASE 2</th>
<th>Pump Name</th>
<th>Pump Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Philadelphia Lift Station Pump No. 2 (wastewater)</td>
<td>1818 E PHILADELPHIA ST ONTARIO CA</td>
<td></td>
</tr>
</tbody>
</table>
SECTION 4 – FORMS

A. PRICE SCHEDULE

Offerors shall fully complete this Proposal Price Schedule and return it with their submittal. All proposed prices and fees shall be held firm-fixed throughout the anticipated (August 17, 2016 through April 30, 2017) contract performance period, and shall include costs associated with all labor, equipment, materials, transportation, overhead, travel, profit, insurance, sales and other taxes, licenses, incidentals, and all other related costs necessary to provide the required pumps replacement or overhaul services:

| DESCRIPTION PROPOSED UNIT RATE |

PROPOSER must follow the format shown below when submitting their Proposal.
1. **Cost Proposal Schedule I – Overhaul Services**

Bid Extension price shall include all labor, materials, and equipment and all mark-ups to replace the following pumps and install a new replacement in kind or the most current model by the same manufacturer. The Bid Extension price shall also include removal and disposal of existing pumps. In addition, the price for pump testing and start up.

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Description</th>
<th>Qty</th>
<th>Unit</th>
<th>Unit Price</th>
<th>Bid Extension</th>
</tr>
</thead>
<tbody>
<tr>
<td>101</td>
<td>Mobilize/Demobilize</td>
<td>1</td>
<td>L.S.</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pull, inspect, and reinstall Allis-Chalmers 6x6x17 NSWV Model 250 Vertical Pump and provide a written report with the findings.</td>
<td></td>
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</tr>
<tr>
<td>102</td>
<td>Furnish and install one (1) ASTM A536 GR65-45-12 Ductile Iron 2 Vane Impeller and Casing</td>
<td>1</td>
<td>L.S.</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>103</td>
<td>Furnish and install one (1) 410SS Impeller Wear Ring</td>
<td>1</td>
<td>L.S.</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>104</td>
<td>Furnish and install one (1) 410SS Suction Cover Wear Plate</td>
<td>1</td>
<td>L.S.</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>105</td>
<td>Pull, inspect a 100hp, 1800rpm, 3/60Hz/460V, TEFC, Premium Efficient, Vertical Solid Shaft Motor</td>
<td>1</td>
<td>L.S.</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>106</td>
<td>Clean up, dip and bake 100hp, 1800rpm, 3/60Hz/460V, TEFC, Premium Efficient, Vertical Solid Shaft Motor</td>
<td>1</td>
<td>L.S.</td>
<td>$</td>
<td></td>
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</table>

**Total Proposal Schedule I**

$________________________________________

\(^1\) Quantities are estimated and are included for bid comparison purposes only. Unit Prices shall include all labor, material, equipment, all mark-ups, and a one year full warranty. Bid surety is not required.
2. **Cost Proposal Schedule II – Pumps’ Replacement**

Bid Extension price shall include all labor, materials, and equipment and all mark-ups to replace the following pumps and install a new replacement in kind or the most current model by the same manufacturer. The Bid Extension price shall also include removal and disposal of existing pumps. In addition, the price for pump testing and start up.

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Description</th>
<th>Qty</th>
<th>Unit</th>
<th>Unit Price</th>
<th>Bid Extension</th>
</tr>
</thead>
<tbody>
<tr>
<td>201</td>
<td>RP-1 Intermediate Pump Station (IPS) Pump No. 1</td>
<td>1</td>
<td>L.S.</td>
<td>$_________</td>
<td>$_________</td>
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<tr>
<td>202</td>
<td>Philadelphia Lift Pump No. 1</td>
<td>1</td>
<td>L.S.</td>
<td>$_________</td>
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<tr>
<td>203</td>
<td>Philadelphia Lift Pump No. 2</td>
<td>1</td>
<td>L.S.</td>
<td>$_________</td>
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Total Proposal Schedule II

$__________________________

\(^1\)Quantities are estimated and are included for bid comparison purposes only.

Unit Prices shall include all labor, material, equipment, all mark-ups, and a one year full warranty **Bid surety is not required.**
**PROPOSAL SIGNATURE:** THE UNDERSIGNED AGREES, IF THIS PROPOSAL IS ACCEPTED BY THE AGENCY WITHIN 90 CALENDAR DAYS AFTER THE DATE OF PROPOSAL OPENING, TO PROVIDE THE SERVICES AS SPECIFIED IN STRICT ACCORDANCE WITH THE REQUEST FOR PROPOSAL SPECIFICATIONS.

<table>
<thead>
<tr>
<th>Offeror’s Signature</th>
<th>Company Name</th>
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<tr>
<td>Printed Name</td>
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<tr>
<td>Title</td>
<td>Date</td>
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**B. OFFEROR IDENTIFICATION FORM**

1. Legal name of Offeror:

2. Offeror's Street Address:

3. Offeror’s Mailing Address:

4. Offeror’s Business Telephone:

5. Type of Offeror:
   - □ Sole Proprietor
   - □ Partnership
   - □ Corporation
   - □ Other
   If corporation, indicate State where incorporated:

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

7. Offeror Federal Tax Identification Number:

8. Offeror's Project Manager:

9. E-mail Address for Offeror’s Project Manager:
C. SUBCONTRACTORS/REFERENCES

**SUBCONTRACTORS**

List any subcontractors who may perform any services on this project.

<table>
<thead>
<tr>
<th>COMPANY</th>
<th>ADDRESS</th>
<th>BUSINESS LICENSE NO.</th>
<th>AREA OF EXPERTISE</th>
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**REFERENCES (A Minimum of Three References)**

<table>
<thead>
<tr>
<th>COMPANY</th>
<th>ADDRESS</th>
<th>TELEPHONE NO.</th>
<th>CONTACT</th>
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REQUEST FOR PROPOSAL No. RFP–RW–16–015
D. SUBCONTRACTORS/REFERENCES

WORKERS' COMPENSATION CERTIFICATE

The Offeror shall execute the following form as required by the California Labor Code, Sections 1860 and 1861:

I am aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and on behalf of my firm, I will comply with such provisions before supplying any material to the Agency.

Offeror's Signature

Company Name

Printed Name

Business License Number

Title

Date
E. NON-COLLUSION STATEMENT

NON-COLLUSION STATEMENT TO BE EXECUTED
BY OFFEROR AND SUBMITTED WITH PROPOSAL

__________________________________________________________________________

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

Offeror's Signature

Company Name

Printed Name

Business License Number

Title

Date
F. EXCEPTION FORM

EXCEPTION FORM

Should your firm take exception to ANY of the terms and conditions or other contents provided in this Request for Proposal, list the exceptions below. THIS COMPLETED FORM MUST BE SUBMITTED WITH YOUR PROPOSAL.

NOTE: If no exception(s) are taken, enter "None" after item number one. (Make additional copies of this form as necessary)

1. Page Number: ___________ Section Title: __________________________
   Paragraph Number: Exception Taken: __________________________
   __________________________
   __________________________
   __________________________
   __________________________

2. Page Number: ___________ Section Title: __________________________
   Paragraph Number: Exception Taken: __________________________
   __________________________
   __________________________
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3. Page Number: ___________ Section Title: __________________________
   Paragraph Number: Exception Taken: __________________________
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4. Page Number: ___________ Section Title: __________________________
   Paragraph Number: Exception Taken: __________________________
   __________________________
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   __________________________

5. Page Number: ___________ Section Title: __________________________
   Paragraph Number: Exception Taken: __________________________
   __________________________
   __________________________
   __________________________
   __________________________
G. WAIVER/RELEASE OF LIABILITY

WAIVER / RELEASE OF LIABILITY

I, the undersigned, on behalf of _______________________________ (hereinafter referred to as Offeror), fully understand that the storage or leaving of any and all Offeror owned equipment, materials, and supplies at the Agency’s facilities during the term of the contract, exposes Offeror to the risk of, but not limited to, theft, fire damage, vandalism, water damage, wind damage, and possible personal injury to Offeror’s employees. For the privilege of storing/leaving any and all Contract owned equipment, materials, and supplies at the Agency’s facilities, Offeror agrees to assume any and all such risks.

In consideration of being able to store/leave said equipment, materials, and supplies at the Agency’s facilities, Offeror hereby releases, agrees not to sue, or bring any action against, the Inland Empire Utilities Agency, its officers, employees, agents, representatives, and volunteers for any and all liability, claims, or actions for injury or death to Offeror’s employees, or damage or theft of said property arising out of or in connection with the storage or leaving of said item(s) for whatever cause, including the active or passive negligence of the Inland Empire Utilities Agency, its officers, employees, agents, representatives, and volunteers.

I have carefully read this Waiver/Release of Liability and covenant not to sue, and fully understand its contents, and the possible exposures that Offeror is agreeing to assume. I am aware that this Waiver/Release of Liability is a full release of any and all liability. I am signing such as the authorized agent of Offeror, and of my own free will.

By:

Representative’s signature

Date

Print Name

Title
ATTACHMENTS

✓ Attachment A – Sample Contract
✓ Attachment B – Project Site Maps
✓ Attachment C – Pump Curves
✓ Attachment D – SCE Pump Hydraulic Test Results
✓ Attachment E – Pump Pictures
Attachment “A” – Sample Contract
SAMPLE CONTRACT No. XXXXXXXXXX
For Performance of
XXXXXXXXXXXXXXXX Project

THIS CONTRACT (the "Contract") is made and entered into this day of __________, 2014, 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 (COMPANY NAME), of (CITY), (STATE) (hereinafter referred to as "Contractor") for completion of an XXXXXXXXXX project at the Agency's XXXXXXXXXXXX facility.

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

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

   Project Manager: Adham Almasri
   Address: 6075 Kmball Ave
   Chino, CA 91708
   Telephone: (909) 993-1462
   E-mail: aalmasri@ieua.org

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

   Contractor: (NAME)
   Address: (ADDRESS)
   (CITY, STATE, ZIP)
   Telephone: (AREA CODE) (NUMBER), Extension (NO.)
   E-mail: (E-mail Address)

3. ORDER OF PRECEDENCE: The documents referenced below represent the Contract Documents; each of which is hereby incorporated as an integral part of this Contract. Where any conflicts exist between the General Terms and Conditions, or addenda attached, then the governing order of precedence shall be as follows:

   1. Amendments to Contract number (No.)
   2. Contract Number (No.) including Exhibit A - Statement of Work
   3. Agency Request for Proposal No. RFP - XXXXXXXXXX
   4. Contractor's Proposal, dated (DATE)
4. **SCOPE OF WORK AND SERVICES:** Contractor services and responsibilities shall include and be in accordance with the Exhibit A - Statement of Work which appears at the end of this Contract.

5. **TERM:** The term of this Contract shall extend from the date of its bi-lateral execution and terminate (date) ______________, unless agreed to by both parties, reduced to writing, and incorporated as an amendment to this Contract.

6. **PAYMENT, INVOICING AND COMPENSATION:** Contractor may invoice during the course of this project in accordance with the below-listed fixed price milestone payment schedule. Agency shall pay Contractor's properly executed invoice, approved by the Project Manager, within thirty (30) days following receipt of the invoice. Payment will be withheld for any service which does not meet the requirements of this Contract, until such service is revised, the invoice resubmitted and accepted by the Project Manager. Contractor shall provide with their invoice(s) certified payroll verifying that Contractor has paid prevailing wages in accordance with Department of Industrial Relations requirements.

<table>
<thead>
<tr>
<th>Milestone Payment Task Completed</th>
<th>Invoiceable Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>XXXXXXXXXXXXXXXXXXXXXXXXXXXX</td>
<td>$ XXXX</td>
</tr>
<tr>
<td>XXXXXXXXXXXXXXXXXXXXXXXXXXXX</td>
<td>$ XXXX</td>
</tr>
<tr>
<td>XXXXXXXXXXXXXXXXXXXXXXXXXXXX</td>
<td>$ XXXX</td>
</tr>
<tr>
<td>Completion of balance of all additional Statement of Work requirements</td>
<td>$ XXXX</td>
</tr>
</tbody>
</table>

Contractor's invoices shall be submitted as follows:

Inland Empire Utilities Agency  
Attention: Accounts Payable Department  
P.O. Box 9020  
Chino Hills, CA 91709

**OR invoices may be submitted electronically via:** APGroup@ieua.org

Concurrent with invoice submittal to the Agency's Accounts Payable Department, the Contractor shall e-mail a copy of the submitted invoice to the Agency's designated Project Manager identified on page 1 of this Contract.

As compensation for the work performed under this Contract, Agency shall pay Contractor, on a Not-to-Exceed (NTE) price basis, a total price of $ XXXXXXX for all work/services satisfactorily provided hereunder.

7. **LIQUIDATED DAMAGES:** Liquidated Damages are not applicable to this contract.

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

9. **FITNESS FOR DUTY:**

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

      1. shall report for work in a manner fit to do their job;

      2. shall not be under the influence of or in possession of any alcoholic beverages or of any controlled substance (except a controlled substance as prescribed by a physician so long as the performance or safety of the Work is not affected thereby); and

      3. shall not have been convicted of any serious criminal offense which, by its nature, may have a discernible adverse impact on the business or reputation of Agency.

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

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

   A. **Minimum Scope of Insurance:**

      1. 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 Comprehensive 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 twice the required single occurrence limit.

         a. The insurance shall include coverage for each of the following hazards:

            Premises – Operations
            Owners and Contractors Damage
            Broad Form Property Damage
            Contractual for Specific Contract
            Severability of Interests or Cross-Liability
            XCU Hazards
            Personal Injury – with the “Employee”
            Exclusion Deleted

      2. Automobile Liability: $500,000 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 87, covering Automobile Liability, including "any auto."

      3. 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.

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

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

1. **General Liability and Automobile Liability Coverage**

   a. The Agency, its officers, officials, employees, volunteers, property owners and any engineers under contract to the Agency are to be covered as insureds, endorsement CG2010 1185, as respects: liability arising out of activities performed by or on behalf of the Contractor, products and completed operations of the Contractor, premises owned, occupied or used by the Contractor, or automobiles owned, leased, hired or borrowed by the Contractor. The coverages shall contain no special limitations on the scope of protection afforded to the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract to the Agency.

   b. The Contractor's insurance coverage shall be primary insurance as respects the Agency, its officer, officials, employees, volunteers, property owners or engineers under contract to the Agency. Any insurance or self-insurance maintained by the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract to the Agency shall be excess of the Contractor's insurance and shall not contribute with it.

   c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract to the Agency.

   d. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

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

2. **Workers' Compensation and Employers Liability Coverage**

   The insurer shall agree to waive all rights of subrogation against the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract to the Agency for losses arising from work performed by the Contractor for the Agency.

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

D. Acceptability of Insurers: Insurance is to be placed with insurers with a Best’s rating of no less than a minus: VII, and who are admitted insurers in the State of California.

E. Verification of Coverage: Contractor shall furnish the Agency with certificates of insurance and with original endorsements effecting coverage required by the Agency for themselves and all subcontractors 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 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.

F. Submittal of Certificates: Contractor shall submit all required certificates and endorsements to the following:

     Robert Wallin
     Contracts & Programs Administrator
     E-mail: rwallin@jeua.org

11. LEGAL RELATIONS AND RESPONSIBILITIES

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

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

C. Observing Laws and Ordinances: The Contractor shall keep itself fully informed of all existing state and federal laws and all county and city ordinances and regulations which in any manner affect the conduct of any services or tasks performed under this Contract, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. The Contractor shall at all times observe and comply with all such laws, ordinances, regulations, orders and decrees, and shall protect and indemnify, as required herein, the Agency, its officers, employees and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by the Contractor or its employees.

D. Subcontract Services: Any subcontracts for the performance of any services under this Contract shall be subject to the written approval of the Agency’s Project Manager.

E. Hours of Labor: The Contractor shall comply with all applicable provisions of California Labor Code Sections 1810 to 1817 relating to working hours. The Contractor shall, as a penalty to the Agency, forfeit $25.00 for each worker employed in the execution of the Contract by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of the Labor Code.
F. **Travel and Subsistence Pay:** The Contractor shall make payment to each worker for travel and subsistence payments which are needed to execute the work and/or service, as such travel and subsistence payments are defined in the applicable collective bargaining agreements with the worker.

G. **Liens:** Contractor shall pay all sums of money that become due from any labor, services, materials or equipment furnished to Contractor on account of said services to be rendered or said materials to be furnished under this Contract and that may be secured by any lien against the Agency. Contractor shall fully discharge each such lien at the time performance of the obligation secured matures and becomes due.

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

I. **Equal Opportunity and Unlawful Discrimination:** During the performance of this Contract, the Contractor shall not unlawfully discriminate against any employee or employment applicant because of race, color, religion, sex, age, marital status, ancestry, physical or mental disability, sexual orientation, veteran status or national origin. The Agency is committed to creating and maintaining an environment free from harassment and discrimination. To accomplish these goals the Agency has established procedures regarding the implementation and enforcement of the Agency's Harassment Prohibition and Equal Employment Opportunity commitments. Please refer to Agency Policies A-29 (Equal Employment Opportunity) and A-30 Harassment Prohibition for detailed information or contact the Agency's Human Resources Administrator. A copy of either of these Policies can be obtained by contacting the Project Manager for your respective Contract. Please advise any of your staff that believes they might have been harassed or discriminated against while on Agency property, to report said possible incident to either the Project Manager, or the Agency's Human Resources Administrator. Please be assured that any possible infraction will be thoroughly investigated by the Agency.

J. **Non-Conforming Work and Warranty:** Contractor 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, Contractor 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 shortcomings is brought to the attention of Contractor by Agency, or any other person or entity. Contractor shall within three (3) calendar days, correct any error or shortcoming that renders the Work or Documentation unusable and shall correct other errors within thirty (30) calendar days after Contractor's receipt of notice of the error. Upon request of Agency, Contractor shall correct any such error deemed important by Agency in its sole discretion to Agency's continued use of the Work or Documentation within seven (7) calendar days after Contractor's receipt of notice of the error. If the Project Manager rejects all or any part of the Work or Documentation as unacceptable and agreement to correct such Work or Documentation cannot be reached without modification to the Contract, Contractor shall notify the Project Manager, in writing, detailing the dispute and reason for the Contractor's position. Any dispute that cannot be resolved between the Project Manager and Contractor shall be resolved in accordance with the provisions of this Contract.

K. **Disputes:**

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

2. Any and all disputes during the pendency of the work shall be subject to resolution by the Agency Project Manager and the Contractor shall comply, pursuant to the Agency Project Manager instructions. If the Contractor is not satisfied with any such resolution by the Agency Project Manager, they may file a written protest with the Agency Project Manager within seven (7) calendar days after receiving written notice of the Agency’s decision. Failure by Contractor to file a written protest within seven (7) calendar days shall constitute waiver of protest, and acceptance of the Agency Project Manager’s resolution. The Agency’s Project Manager shall submit the Contractor’s written protests to the General Manager, together with a copy of the Agency Project Manager’s written decision, for his or her consideration within seven (7) calendar days after receipt of said protest(s). The General Manager shall make his or her determination with respect to each protest filed with the Agency Project Manager within ten (10) calendar days after receipt of said protest(s). If Contractor is not satisfied with any such resolution by the General Manager, they may file a written request for arbitration with the Project Manager within seven (7) calendar days after receiving written notice of the General Manager’s decision.

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

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

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

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

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

L. Workers’ Legal Status: For performance against this Contract, Contractor shall only utilize employees and/or subcontractors that are authorized to work in the United States pursuant to the Immigration Reform and Control Act of 1986.
M. **Prevailing Wage Requirements**: Pursuant to Section 1770 and following, of the California Labor Code, the Contractor shall not pay less that the general prevailing wage rates, as determined by the Director of the State of California Department of Industrial Relations for the locality in which the work is to be performed and for each craft or type of worker needed to execute the work contemplated under the Contract. The Contractor or any subcontractor performing part of said work shall strictly adhere to all provisions of the Labor Code, including, but not limited to, minimum wages, work days, nondiscrimination, apprentices, maintenance and availability of accurate payroll records and any other matters required under all Federal, State and local laws related to labor. Per Senate Bill #854, Contractors must register and meet public works/prevailing wage requirements using the on-line application/registration found at: www.dir.ca.gov/dlse/dlsepwcworks.html.

12. **INDEMNIFICATION**: Contractor shall indemnify and hold harmless and defend as permitted by law, the Agency, its directors, officers, employees, or authorized volunteers, each of them from and against:

   A. Any and all claims, demands, causes of action, damages, costs, expenses, losses or liabilities, in law or in equity, of every kind or nature whatsoever, but not limited to, injury or death of any person including Agency and/or Contractor, or any directors, officers, employees, or authorized volunteers of Agency or Contractor, and damages to or destruction of property of any person, including but not limited to, Agency and/or Contractor or their directors, officers, employees, or authorized volunteers, arising out of or in any manner directly or indirectly connected with the work to be performed under this agreement, however caused, except for the sole negligence or willful misconduct or active negligence of the Agency or its directors, officers, employees, or authorized volunteers;

   B. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, or every kind or nature whatsoever, arising out of, resulting from, or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of the Contractor;

   C. Any and all losses, expenses, damages (including damages to the work itself), attorneys' fees, and other costs, including all costs of defense, which any of them may incur with respects to the failure, neglect, or refusal of Contractor to faithfully perform the work and all of the Contractor's obligations under the agreement. Such costs, expenses, and damages shall include all costs, including attorneys' fees, incurred by the indemnified parties in any lawsuit to which they are a party.

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

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

   A. **Documentation**: Title to any/all Documentation shall pass to Agency when prepared; however, a copy may be retained by Contractor for its records and internal use. Contractor shall retain such Documentation in a controlled access file, and shall not reveal, display or disclose the contents of the Documentation to others without the prior written authorization of Agency or for the performance of Work related to the Project.
B. **Material:** Title to all Material, equipment, procured or fabricated under the Contract shall pass to Agency when delivered to the Agency’s job-site and such title shall be free and clear of any and all encumbrances. Contractor shall have risk of loss of any Material or Agency-owned equipment of which it has custody.

C. **Disposition:** Contractor shall dispose of items to which Agency has title as directed in writing by the Agency.

15. **PROPRIETARY RIGHTS:**

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

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

2. If Proprietary Rights conceived, developed, or reduced to practice by Contractor prior to the performance of the Work are used in and become integral with the Work or Documentation, or are necessary for Agency to have complete enjoyment of the Work or Documentation, Contractor shall grant to Agency a non-exclusive, irrevocable, royalty-free license, as may be required by Agency for the complete enjoyment of the Work and Documentation, including the right to reproduce, correct, repair, replace, maintain, translate, publish, use, modify, copy or dispose of any or all of the Work and Documentation and grant sublicenses to others with respect to the Work and Documentation.

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

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

16. **INFRINGEMENT:** Contractor represents and warrants that the Work and Documentation shall be free of any claim of trade secret, trade mark, trade name, copyright, or patent infringement or other violations of any Proprietary Rights of any person.

Contractor shall defend, indemnify and hold harmless, Agency, its officers, directors, agents, employees, successors, assigns, servants, and volunteers free and harmless from any and all liability, damages, losses, claims, demands, actions, causes of action, and costs including reasonable attorney's fees and expenses arising out of any claim that use of the Work or Documentation infringes upon any trade secret, trade mark, trade name, copyright, patent, or other Proprietary Rights.
Contractor shall, at its expense and at Agency's option, refund any amount paid by Agency under the Contract, or exert its best efforts to procure for Agency the right to use the Work and Documentation, to replace or modify the Work and Documentation as approved by Agency so as to obviate any such claim of infringement, or to put up a satisfactory bond to permit Agency's continued use of the Work and Documentation.

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

Agency:     Warren T. Green  
            Manager of Contracts/Procurement & Facilities Services  
            Inland Empire Utilities Agency  
            P.O. Box 9020  
            Chino Hills, California 91709

Contractor: (CONTRACTOR'S REPRESENTATIVE)  
             (COMPANY NAME)  
             (ADDRESS)  
             (CITY, STATE, ZIP)

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.

18. SAFETY AND PROTECTION:

A. Precautions and Programs:

1. The Contractor shall be responsible for initiating, maintaining and supervising all safety precautions and safety programs in connection with the work or the activities of its employees, subcontractors and suppliers at the work site.

2. The Contractor and all its subcontractors shall comply with the provisions of the Safety and Health Regulations for Construction promulgated by the Secretary of Labor under Section 107 of the "Contract Work Hours and Safety Standards Act", as set forth in Title 29 C.F.R.

   If the Agency is notified of an alleged violation of the Occupational Safety and Health Standards referred to in this Section and it is established that there has been a violation, for the period of time (duration) the violation occurred, the Contractor shall be subject to the daily liquidated damages defined elsewhere in this Contract.

3. The Contractor and all its subcontractors shall comply with the provisions of the Occupational Safety and Health Standards promulgated by the United States Secretary of Labor under the "Occupational Safety and Health Act of 1970", as set forth in Title 29, C.F.R. Where an individual state act related to occupational safety and health standards has been approved by a federal authority, then the provisions of said state act shall control.

4. The Contractor shall take all necessary precautions for the safety of, and shall provide the necessary supervision, control and direction to prevent damage, injury or loss to:
a. All employees performing the work or on the work site and other persons and organizations who may be affected thereby;

b. All the work, and materials and equipment to be incorporated therein, whether in storage on or off the work site; and

c. All other property at the work site.

5. Contract work requiring confined space entry must follow Cal-OSHA Regulation 8 CCR, Sections 5157 – 5158. This regulation requires the following to be submitted to IEUA for approval prior to the Contractor's mobilization to the work site:

   a. Proof of training on confined spaced space procedures, as defined in Cal-OSHA Regulation 8 CCR, Section 5157.

This regulation also requires the following to be submitted to IEUA for approval prior to entry of a confined space:

   b. A written plan that includes identification of confined spaces within the work site, alternate procedures where appropriate, Contractor provisions and specific procedures for permit-required and non-permit required spaces and a rescue plan.

6. The Contractor must also submit a copy of their Safety Program or IIPP for approval by the IEUA Safety and Risk Department prior to the start of the project at the work site.

19. SUCCESSORS AND ASSIGNS: All of the terms, conditions and provisions of this Contract shall inure to the benefit of and be binding upon the Agency, the Contractor, and their respective successors and assigns. Notwithstanding the foregoing, no assignment of the duties or benefits of the Contractor under this Contract may be assigned, transferred or otherwise disposed of without the prior written consent of the Agency; and any such purported or attempted assignment, transfer or disposal without the prior written consent of the Agency shall be null, void and of no legal effect whatsoever.

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

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

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

22. INTEGRATION: The Contract Documents represent the entire Contract of the Agency and the Contractor as to those matters contained herein. No prior oral or written understanding shall be of any force or effect
23. **GOVERNING LAW:** This Contract is to be governed by and interpreted in accordance with the laws of the State of California.

24. **TERMINATION FOR CONVENIENCE:** The Agency reserves and has the right to immediately suspend, cancel or terminate this Contract at any time upon written notice to the Contractor. In the event of such termination, the Agency shall pay Contractor for all authorized and Contractor-invoiced services up to the date of such termination.

25. **FORCE MAJEURE:** Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, natural disasters, etcetera.

26. **CHANGES:** The Agency may, at any time, make changes to this Contract's Scope of Work; including additions, reductions and other alterations to any or all of the work. However, such changes shall only be made via written amendment to this Contract. The Contract Price and Work Schedule shall be equitably adjusted, if required, to account for such changes and shall be set forth within the Contract Amendment.

27. **BONDS:** Within 14 days after bi-lateral execution of this Contract, the Contractor shall file with the Agency, on the forms furnished within RFP-RH-14-068 - Attachment B, payment and performance bonds in amounts equal to one hundred (100) percent of the contract price.

28. **NOTICE TO PROCEED:** No services shall be performed or furnished under this Contract unless and until this document has been properly signed by all responsible parties and a Notice to Proceed order has been issued to the Contractor.

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

**INLAND EMPIRE UTILITIES AGENCY:**

**(COMPANY NAME):**

__________________________

Warren T. Green
Manager of Contracts/Procurement & Facilities Services

(Date)

**(AUTH. REP.)**

**(TITLE)**

(Date)
BOND REQUIREMENTS FOR CONSTRUCTION CONTRACTS

THE CONTRACTOR'S ATTENTION IS DIRECTED TO THE BONDING REQUIREMENTS BELOW. IT IS HIGHLY RECOMMENDED THAT THE CONTRACTOR CONFER WITH THEIR RESPECTIVE BROKER TO DETERMINE, IN ADVANCE OF BID SUBMISSION, THE AVAILABILITY OF THE BONDS AS PRESCRIBED AND PROVIDED FOR HEREIN. IF AN APPARENT LOW CONTRACTOR FAILS TO COMPLY STRICTLY WITH THE BONDING REQUIREMENTS, THAT CONTRACTOR MAY BE DISQUALIFIED FROM AWARD OF THE CONTRACT.

A. HOLDING OF THE BID SECURITIES

1. The bid securities of the three (3) lowest bidders will be held by the Agency until satisfactory bonds and verification of insurance are furnished by the successful bidder and the successful bidder signs the contract or until other disposition thereof is made by the Agency.

2. The bid securities of the bidders other than the three (3) lowest bidders, will be returned within ten (10) working days after the canvass of the bids is completed by the Agency.

B. PERFORMANCE BOND (Applicable only if Total Project Price exceeds $25,000)

1. Within fourteen days after execution of the Contract by the Agency, the successful bidder shall file with the Agency, on the forms furnished herewith, a performance bond in an amount equal to one hundred (100) percent of the contract price to guarantee faithful performance of all work, within the time prescribed, in a manner satisfactory to the Agency, and that all materials and workmanship will be free from original or developed defects.

2. The performance bond shall be effective through the one (1) year warranty period.

C. PAYMENT BOND (MATERIAL AND LABOR BOND) (Applicable only if Total Project Price exceeds $25,000)

1. Within 14 days after execution of the Contract by the Agency, the successful bidder shall file with the Agency, on the forms furnished herewith, a payment bond (material and labor bond) in an amount equal to one hundred (100) percent of the contract price, to satisfy claims of material suppliers and of mechanics and laborers employed by the Contractor to perform the work.

D. UNSATISFACTORY SURETIES

1. Should any Surety, at any time, be deemed unsatisfactory by the Agency, notice will be given the Contractor to that effect. No further payments shall be deemed due, or will be made under the contract until a new Surety shall qualify and be accepted by the Agency.

E. EFFECT OF CHANGES IN THE WORK/EXTENSIONS OF TIME ON THE SURETY

1. Changes in the work, or extensions of time, made pursuant to the Contract, shall in no way release the Contractor or the Surety from their obligations under the bond. Notice of such changes or extensions shall be waived by the Surety.
F. **INSUFFICIENCY OF THE BONDS**

1. Should any bond(s) required under this section become insufficient, the contractor shall renew the bond(s) within ten (10) calendar days after receiving notice from the Agency of the bond's insufficiency.

G. **PROCUREMENT OF BONDS**

1. All bonds required under this section, shall be procured from a California licensed and admitted surety company, listed by the Fiscal Service of The United States Department of the Treasury under the Notice for “Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies”, current on the date of the Notice of Award.

2. All bonds required pursuant to this section shall be secured from a surety company satisfactory to the Agency.

H. **TERM OF REQUIRED BONDS**

1. Except as provided otherwise in this section all bonds shall be maintained in full force and in effect for a period of sixty (60) days after completion and acceptance of the work by the Agency.

I. **ATTORNEY-IN-FACT**

1. The Attorney-in-Fact (Resident Agent) who executes the bonds on behalf of the surety company shall attach a notarized copy of their power-of-attorney as evidence of their authority to bond the Surety Company on the date of execution of the bonds.

J. **HOW BONDS ARE TO BE PAYABLE**

1. All bonds shall be made payable to the Inland Empire Utilities Agency.
BID BOND

KNOW ALL MEN BY THESE PRESENTS,

That __________________________________________ as

Principal

and __________________________________________ as

Surety

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

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

NOW, THEREFORE, if said Principal is awarded the Contract by said Agency and within the time and in the manner required under the "Instructions to Bidders" bound with said Specifications, enters into a written Contract and furnishes the "Agreement" bound with said Specifications and furnishes the required bonds and verification of insurance, then this obligation shall be null and void, otherwise it shall remain in full force and effect. In the event a suit is brought upon this bond by said Owner and judgement is recovered, said Surety shall pay all costs incurred by said Owner in such suit, including a reasonable attorney’s fee to be fixed by the Court.

SIGNED AND SEALED, this __________ day of __________________________, 19__________

Principal (print name) __________________________________________

By: __________________________________________

Signature

(Corporate Seal)
SECOND PAGE OF BID BOND

Bidding Schedule(s) titled:

______________________________
Surety agent (print name)

By. _____________________________
(Surety Seal) Signature

Surety address

______________________________

______________________________

______________________________

ATTACH POWER-OF-ATTORNEY AND NOTARIAL ACKNOWLEDGEMENT OF SURETY BELOW
PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS, THAT, WHEREAS, the Inland Empire Utilities Agency, hereinafter designated as the "Owner", has, on __________________________, 2013, awarded to __________________________, hereinafter designated as the "Principal," a Contract for the construction of:

WHEREAS, said Principal is required under the terms of said Contract to furnish a payment bond providing that if said Principal, or any of their subcontractors, shall fail to pay for any materials, provisions, or other supplies used in, upon, for, or about the performance of the work under said Contract, or for any work or labor done thereon of any kind, the Surety of this bond will pay the same to the extent hereinafter set forth:

NOW, THEREFORE, WE, the Principal, and __________________________, as Surety, are held and firmly bound unto the Owner the penal sum of __________________________ dollars ($________________) lawful money of the United States, for the payment of which sum will and truly be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bounden Principal, or its heirs, executors, administrators, successors, or assigns, shall fail to pay any person specified in California Civil Code Section 3181, or for any materials, provisions, or other supplies used in, upon, for, or about the performance of the work under said Contract, or for any work or labor thereon of any kind or for amount due under the Unemployment Insurance Code with respect to work or labor performed under said Contract, or for any amounts due, or to be withheld pursuant to Sections 18806 of the Revenue and Taxation Code of the State of California, or with respect to any work or labor for which a bond is required by the provisions of Sections 3247 through 3252 of the California Civil Code, and provided that the persons, companies, or corporations so furnishing said materials, provisions, or other supplies, appliances, or power use, in, upon, for, or about the performance of the work under said Contract, or any person who performs work or labor upon same, or any person who supplies both work and materials, thereto, shall have complied with the provisions of said Civil Code, then said surety will pay the same in or to an amount not exceeding the amount herein before set forth, and also will pay in case suit is brought upon this bond, such reasonable attorney’s fees to Owner as shall be fixed by the court.

This bond shall inure to the benefit of Owner and any and all persons, companies, and corporations and their respective assigns entitled to file claims under applicable State law, including but not limited to, California Civil Code Section 3181, so as to give a right of action to them or their assigns in any suit brought upon this bond.
SECOND PAGE OF PAYMENT BOND

Bidding Schedule(s) titled:

Said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of said Contract or to the work to be performed thereunder or the specifications accompanying the same shall, in any way, affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition to the terms of the Contract or to the work or to the specifications. Said Surety hereby waives the provisions of Sections 2819, and 2845, of the Civil Code of the State of California.

As a part of the obligation secured hereby and in addition to the amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney’s fees, incurred by Owner in successfully enforcing such obligation, all to be taxed as costs and included in any judgement rendered.

IN WITNESS WHEREOF, the above bounden parties have executed this instrument under their seals this _____ day of __________, the name and corporate seal of each corporate party being hereunto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

____________________________
Principal (print name)

______________________________
Signature for Principal (Corporate Seal)

Bond Number ____________________
Bidding Schedule(s) titled:

Surety (print name)

Signature for Surety (Surety Seal)

Surety address

ATTACH POWER-OF-ATTORNEY AND NOTARIAL ACKNOWLEDGEMENT OF SURETY BELOW
PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS, THAT, WHEREAS, the Inland Empire Utilities Agency, hereinafter designated as the "Agency," has, on __________________________, awarded to __________________________, hereinafter designated as the "Principal," the Contract for the construction of:

WHEREAS, said Principal is required under the terms of said Contract to furnish a bond for the faithful performance of said Contract:

NOW, THEREFORE, WE, the Principal, and __________________________, as Surety, are held and firmly bound unto the Agency the penal sum of __________________________ lawful money of the United States, for the payment of which sum will and truly be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bounden Principal, or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and will and truly keep and faithfully perform the covenants, conditions, and agreements in the said Contract and any alterations made as therein provided, on its or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless, Owner and Engineer, their officers, agents, and employees as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and virtue and Principal and Surety, in the event suit is brought on this bond, will pay to Owner such reasonable attorney's fees as shall be fixed by the court.

As a condition precedent to the satisfactory completion of the said Contract, the above obligation in the said amount shall hold good for a period of one (1) year after the completion and acceptance of said Contract, during which time if the above bounden Principal, its heirs, executors, administrators, successors, or assigns shall fail to make full, complete, and satisfactory repair and replacements or totally protect said Owner from loss of damage made evident during said period of one year from the date of acceptance of the work under said Contract, and resulting from or caused by defective materials or faulty workmanship in the execution of the work done, the above obligation in the said amount shall remain in full force and effect. However, anything in this paragraph to the contrary notwithstanding, the obligation of the Surety hereunder shall continue so long as any obligation of the Principal remains.

________________________________________

Bond Number ____________
SECOND PAGE OF PERFORMANCE BOND

Bidding Schedule(s) titled:

Said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Contract or to the work to be performed thereunder or the specifications accompanying the same shall, in any way, affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition to the terms of the Contract or to the work or to the specifications. Said Surety hereby waives the provisions of Sections 2819, and 2845, of the Civil Code of the State of California.

As a part of the obligation secured hereby and in addition to the amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by Owner in successfully enforcing such obligation, all to be taxed as costs and included in any judgement rendered.

IN WITNESS WHEREOF, the above bounden parties have executed this instrument under their seals this ________ day of ___________, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

__________________________
Principal (print name)

__________________________  (Corporate Seal)
Signature for Principal

Bond Number __________________
THIRD PAGE OF PERFORMANCE BOND

Bidding Schedule(s) titled:

__________________________
Surety (print name)

__________________________
Signature for Surety

(Surety Seal)

__________________________
Surety address

__________________________

__________________________

ATTACH POWER-OF-ATTORNEY AND NOTARIAL ACKNOWLEDGEMENT OF SURETY BELO
Attachment “B” – Project Site Maps
Attachment “C” – Pump Curves
Philadelphia Lift Station

Pumps Model: 6X6X17 NSW
Horse Power: 100

(Applicable to pumps 1-2)

Item No: 202 and 203 in biding Schedule II
Philly Lift Station
# Engineering Data

## Casing Design Data

<table>
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<th></th>
<th></th>
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<td>105</td>
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## Impeller Design Data

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<th>Diameter Max.</th>
<th>Diameter Min. recommend</th>
<th>No. of Vanes Max.</th>
<th>Max. Sphere Size 2-1/4a</th>
<th>Outlet Diameter</th>
<th>Area $\frac{in^2}{	ext{sq. in.}}$</th>
<th>Vel. ft./sec. 102 gpm</th>
<th>Operating Clearance</th>
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<td>F7-M</td>
<td>9</td>
<td>1.5</td>
<td>7</td>
<td>2</td>
<td>12.56</td>
<td>4.52</td>
<td>0.15</td>
<td>0.15</td>
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<tr>
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<td>1.5</td>
<td>7</td>
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<td>4.52</td>
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<td>0.15</td>
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<td>7</td>
<td>3</td>
<td>17.56</td>
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<td>0.15</td>
<td>0.15</td>
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<td>3</td>
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<td>1.45</td>
<td>0.15</td>
<td>0.15</td>
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<tr>
<td>5 x 5 x 17</td>
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<td>11</td>
<td>1.5</td>
<td>8</td>
<td>2</td>
<td>22.20</td>
<td>1.45</td>
<td>0.15</td>
<td>0.15</td>
</tr>
<tr>
<td>6 x 6 x 17</td>
<td>F7-M</td>
<td>11</td>
<td>1.5</td>
<td>8</td>
<td>3</td>
<td>22.20</td>
<td>1.45</td>
<td>0.15</td>
<td>0.15</td>
</tr>
<tr>
<td>8 x 8 x 21</td>
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<td>7</td>
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<td>1.5</td>
<td>8</td>
<td>3</td>
<td>50.24</td>
<td>0.64</td>
<td>0.15</td>
<td>0.15</td>
</tr>
<tr>
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©Durco meta casing furnished for pumps operated at 1750 RPM

<table>
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<tr>
<th>Working Press</th>
<th>5 x 5 x 17</th>
<th>123</th>
<th>198</th>
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<tr>
<td>6 x 6 x 17</td>
<td>110</td>
<td>165</td>
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</table>
Philadelphia Lift Station System Data

Flow Rate (gpm)

Total Head in Feet

- 12" System Curve (O&M Manual)
- Actual 12" system curve June '07
- Actual 12" system curve May '10
- Actual 18" system curve Sept '10
- 15" Expected Pump 1, 2, & 3 Curve (two pumps)
- Actual 12" system curve 10/27/10
- Actual 12" system curve 12/31/10

- Actual 12" system curve May '10
- 18" System Curve (O&M Manual)
- Actual 12" system curve Sept '10
- Expected 10" Bypass Pump (1200 rpm) plus Actual Pump 2
- Expected Pump 1, 2, & 3 Curve (two pumps)
- Actual 18" system curve 10/27/10
- Actual 18" system curve 12/31/10
Philadelphia Lift Station Pump No. 1
ADHAM ALMASRI
INLAND EMPIRE UTILITIES AGENCY
6075 KIMBALL AVENUE
CHINO, CA  91708

HYDRAULIC TEST RESULTS  PHILLY LIFT PUMP #1
Location  1618 E PHILADELPHIA ST  ONTARIO, CA  91761-7705
Cost #  0-000-0753  Serv Acct #:  001-3233-31
Meter  259000-077701  Pump Ref #:  27748

In accordance with your request, an energy efficiency test was performed on your centrifuge booster pump on October 7, 2015. If you have any questions regarding the results which follow, please contact BILL O’NEIL at (909) 829-5516

<table>
<thead>
<tr>
<th>Equipment</th>
<th>HP: 100.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pump</td>
<td>N/A</td>
</tr>
<tr>
<td>Motor</td>
<td>ALLIS CHALMERS</td>
</tr>
<tr>
<td>No</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>1-532 26922-1-1</td>
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<table>
<thead>
<tr>
<th>Results</th>
<th>Test 1</th>
<th>Test 2</th>
<th>Test 3</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>@50.0 Hz</td>
<td>@55.0 Hz</td>
<td>@60.0 Hz</td>
</tr>
<tr>
<td>Discharge Pressure, PSI</td>
<td>47.8</td>
<td>60.7</td>
<td>54.0</td>
</tr>
<tr>
<td>Discharge Head, Feet</td>
<td>110.4</td>
<td>117.1</td>
<td>124.7</td>
</tr>
<tr>
<td>Suction Head or Lift Feet</td>
<td>8.6</td>
<td>8.1</td>
<td>7.8</td>
</tr>
<tr>
<td>Total Head, Feet</td>
<td>101.9</td>
<td>108.0</td>
<td>117.1</td>
</tr>
<tr>
<td>Capacity, GPM</td>
<td>1,682</td>
<td>1,622</td>
<td>2,079</td>
</tr>
<tr>
<td>Acre Feet Pumped in 24 Hours</td>
<td>4.827</td>
<td>7.169</td>
<td>9.149</td>
</tr>
<tr>
<td>kW Input to Motor</td>
<td>36.7</td>
<td>54.6</td>
<td>77.1</td>
</tr>
<tr>
<td>HP Input to Motor</td>
<td>49.2</td>
<td>73.2</td>
<td>102.4</td>
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<tr>
<td>Motor Load (%)</td>
<td>45.4</td>
<td>67.5</td>
<td>95.3</td>
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<tr>
<td>Customer Meter, GPM</td>
<td>1,082</td>
<td>1,622</td>
<td>2,079</td>
</tr>
<tr>
<td>kWh per Acre Foot</td>
<td>183</td>
<td>183</td>
<td>202</td>
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<tr>
<td>Overall Plant Efficiency (%)</td>
<td>57.1</td>
<td>61.0</td>
<td>59.2</td>
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</table>

The above test results indicate various operating conditions of this pump. We were unable to measure the GPM flow, therefore, the above test results were obtained using your water meter. This pump is operating inefficiently. The inefficiency is most likely caused by pump wear, the failure of the pump design to meet existing conditions, or a combination of both. Tested with both 12 & 18 inch lines open. The tests were obtained using plant instrumentation and equipment.

RON FORD
Manager
Hydraulic Services
ADHAM ALNASRI
INLAND EMPIRE UTILITIES AGENCY
6075 KIMBALL AVENUE
CHINO, CA. 91710

PUMPING COST ANALYSIS  PHILLY LIFT PUMP #1
Location: 1818 E PHILADELPHIA ST, ONTARIO, CA 91761-7705
CSS Cust #  0-000-0783  CRM Cust #  0063842818  Pump Ref #: 27748
CSS Serv Acct 001-3733-31  CRM Serv Acct: 00595558189  Meter: 259000-077791

The following energy efficiency analysis is presented as an aid to your cost accounting. This is an estimate based on the conditions present during the Edison pump test performed on October 7, 2015, billing history for the past 12 months and your current rate of TDU-FA2-B.

Assuming that water requirements will be the same as for the past year and all operating conditions (annual hours of operation, head above and water pumping level) will remain the same as they were at the time of the pump test, it is estimated that

1. Overall plant efficiency can be improved from 57.1% to 66.0%.
2. This can save you up to 30,879 kWh and $4,442.50 annually.
3. These kWh savings translate to a 13-ton decrease in CO2 emissions.

<table>
<thead>
<tr>
<th></th>
<th>Existing</th>
<th>Improved</th>
<th>Savings</th>
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</thead>
<tbody>
<tr>
<td>Total kWh</td>
<td>228,886</td>
<td>198,009</td>
<td>30,879</td>
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<td>kWh Input</td>
<td>36.70</td>
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<tr>
<td>kWh per Acre Foot</td>
<td>183</td>
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<td>25</td>
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<tr>
<td>Acre Feet per Year</td>
<td>1,254.0</td>
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<tr>
<td>Average Cost per kWh</td>
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<tr>
<td>Average Cost per Acre Foot</td>
<td>$26.26</td>
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<td>$3.54</td>
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<tr>
<td>Overall Plant Efficiency (%)</td>
<td>67.1</td>
<td>66.0</td>
<td></td>
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</table>

| Total Annual Cost    | $32,930.12 | $28,467.62 | $4,442.50 |

It is sincerely hoped that this information will prove helpful to you and that your concerns over maintaining optimum pumping efficiency will be continued. If you have any questions regarding this report, please contact BILL O’NEIL at (909)820-5516

RON FORD
Manager
Hydraulic Services
Save Energy, Save Money...
Your test results show that you can!

October 9, 2015

ADHAM ALMAKRI
INLAND EMPIRE UTILITIES AGENCY
6075 KIMBALL AVENUE
CHINO, CA 91710

Dear SCE Customer

Helping California businesses save energy and money is a major goal at SCE. As you know, our Technical Specialists performed a free energy audit to identify inefficiencies in your facility. The results of the test, shown in the table below, indicate that the centrifugal booster pump listed above has the potential for improved overall plant efficiency (OPF), lower energy costs, and a cash incentive.

The results of the test, shown in the table below, indicate that the centrifugal booster pump listed above has the potential for improved overall plant efficiency (OPF), lower energy costs, and a cash incentive.

### Pumping Cost Analysis

**Philly Lift Pump #1**

- **Location:** 1818 F St., Phila, PA 19105
- **Location:** 601-3233-31
- **Meter:** 250000-977791
- **Pump Ref. #:** 22749
- **Type of Pump:** 300 HP
- **Solution Code:** PM-52357

#### Projected Incentive, Energy, and Cost Savings

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<th>Savings</th>
<th>Cash Incentive</th>
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<td>Total kWh</td>
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<td>198,008</td>
<td>30,580</td>
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<tr>
<td>kW Input</td>
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<tr>
<td>kW on-peak activity factor (40%)</td>
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<td>34.27</td>
<td>2.43</td>
<td>$363.90</td>
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<td>Acre Feet per Year</td>
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<tr>
<td>kWh per Acre Foot</td>
<td>36.70</td>
<td>34.27</td>
<td>2.43</td>
<td></td>
</tr>
<tr>
<td>Average Cost per Acre Foot</td>
<td>$26.26</td>
<td>$22.72</td>
<td>$3.54</td>
<td></td>
</tr>
<tr>
<td>Overall Plant Efficiency (OPF)</td>
<td>57.1</td>
<td>66.0</td>
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<tr>
<td>Annual Total</td>
<td>$32,930.12</td>
<td>$28,487.62</td>
<td>$4,442.50</td>
<td>$2,834.19</td>
</tr>
</tbody>
</table>

(*The kW on-peak activity factor represents how the kW impacts the SCE system during on-peak periods as determined by your average load profile. By improving efficiency, you can save up to 30,876 kWh annually, resulting in a cash incentive of $2,470.29.*

Actual kW savings may vary at time of application validation.

Case studies have shown that replacing, retrofitting, or replacing inefficient pumps can save energy and money, and may even help you avoid serious operational problems. For your business, this could mean the following.

- **Improved Plant Efficiency:** Your OPF can be improved from 57.1% to 66.0%.
- **Lower Energy Costs:** Based on the test data, your past energy usage, and your current rate of TOU-Pa2-B, we estimate that you may save up to 30,876 kWh annually, resulting in energy cost savings of $4,442.50.
- **Cash Incentive:** Through the retrofit and installation of more energy-efficient equipment, you have the potential to receive an incentive of 40% of the estimated cost, which is capped at 50% of your project cost (See contract for details.)

If you are interested in an incentive for this pump, please contact JAMES PASMORE JR at (714) 873-5759 to complete a project application. All applicants must receive a written approval authorization before implementing any project failure to comply will result in forfeiture of incentive funding.

We encourage you to review your results and take advantage of SCE's energy efficiency programs and incentives. Visit www.sce.com/rebatesandsavings, or give us a call and let us know how we can be of further service to you.

Sincerely,

Southern California Edison

Program funded by California utility ratepayers, and administered by Southern California Edison under the auspices of the California Public Utilities Commission.
Philadelphia Lift Station Pump No. 2
ADHANL ALMASRI
INLAND EMPIRE UTILITIES AGENCY
6075 KIMBALL AVENUE
CHINO CA 91708

HYDRAULIC TEST RESULTS PHILLY LIFT PUMP #2
Location: 1816 E PHILADELPHIA ST, ONTARIO, CA 91761-1705
Case #: 0000-0783 Serv Acct #: 001-3233-31
Meter: 259000-077791 Pump Ref #: 27748

In accordance with your request, an energy efficiency test was performed on your centrifugal booster pump on October 7, 2015. If you have any questions regarding the results which follow please contact BILL O’NEIL at: (909)820-5515

<table>
<thead>
<tr>
<th>Equipment</th>
<th>HP 100.0</th>
<th>Motor: ALLIS CHALMERS</th>
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<tbody>
<tr>
<td>Pump N/A</td>
<td>N/A</td>
<td>No 1-5132-26922 1-2</td>
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<table>
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<tr>
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<tr>
<td>Discharge Pressure, PSI</td>
<td>47.8</td>
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<td>53.6</td>
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<tr>
<td>Discharge Head, Feet</td>
<td>110.4</td>
<td>116.2</td>
<td>123.8</td>
</tr>
<tr>
<td>Suction Head or Lift, Feet</td>
<td>8.5</td>
<td>8.6</td>
<td>8.5</td>
</tr>
<tr>
<td>Total Head, Feet</td>
<td>101.9</td>
<td>107.7</td>
<td>115.3</td>
</tr>
<tr>
<td>Capacity, GPM</td>
<td>1.092</td>
<td>1.526</td>
<td>1.960</td>
</tr>
<tr>
<td>Acre Feet Pumped in 24 Hours</td>
<td>4.827</td>
<td>6.754</td>
<td>8.663</td>
</tr>
<tr>
<td>kW Input to Motor</td>
<td>37.4</td>
<td>53.0</td>
<td>73.0</td>
</tr>
<tr>
<td>HP Input to Motor</td>
<td>60.2</td>
<td>71.1</td>
<td>97.9</td>
</tr>
<tr>
<td>Motor Load (%)</td>
<td>48.2</td>
<td>65.5</td>
<td>90.3</td>
</tr>
<tr>
<td>Customer Meter, GPM</td>
<td>1,082</td>
<td>1,526</td>
<td>1,960</td>
</tr>
<tr>
<td>kWh per Acre Foot</td>
<td>186</td>
<td>188</td>
<td>202</td>
</tr>
<tr>
<td>Overall Plant Efficiency (%)</td>
<td>56.0</td>
<td>58.5</td>
<td>58.3</td>
</tr>
</tbody>
</table>

The above test results indicate various operating conditions of the pump. We were unable to measure the GPM flow, therefore, the above test results were obtained using your water meter. This pump is operating inefficiently. The inefficiency is most likely caused by pump wear, the failure of the pump design to meet existing conditions, or a combination of both. Tested with both 12" & 18" line open. The tests were obtained using your instrumentation and equipment.

RON FORD
Manager
Hydraulic Services
ADHAM ALMASRI
INLAND EMPIRE UTILITIES AGENCY
6075 KIMBALL AVENUE
CHINO, CA. 91708

PUMPING COST ANALYSIS: PHILLY LIFT PUMP #2
Location: 1816 E PHILADELPHIA ST, ONTARIO, CA 91761-7705
CSS Cust #: 000-00383 CRM Cust #: 0055842818 Pump Ref #: 27748
CSS Serv Acct 001-3233-31 CRM Serv Acct 0050588189 Meter: 259000-077791

The following energy efficiency analysis is presented as an aid to your cost accounting. This is an estimate based on the conditions present during the Edison pump test performed on October 7, 2015 billing history for the past 12 months, and your current rate of TOU-PA2-B

Assuming that water requirements will be the same as for the past year, and all operating conditions (annual hours of operation head above and water pumping level) will remain the same as they were at the time of the pump test it is estimated that

1. Overall plant efficiency can be improved from 56.0% to 66.0%
2. This can save you up to 33,388 kWh and $4,803.52 annually
3. These kWh savings translate to a 16-ton decrease in CO2 emissions

<table>
<thead>
<tr>
<th>Plant Efficiency</th>
<th>Existing</th>
<th>Improved</th>
<th>Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total kWh</td>
<td>220,968</td>
<td>187,880</td>
<td>33,388</td>
</tr>
<tr>
<td>kW Input</td>
<td>37.40</td>
<td>31.75</td>
<td>5.65</td>
</tr>
<tr>
<td>kWh per Acre Foot</td>
<td>186</td>
<td>158</td>
<td>20</td>
</tr>
<tr>
<td>Acre Feet per Year</td>
<td>1,188.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average Cost per kWh</td>
<td>$9.14</td>
<td>$7.72</td>
<td>4.42</td>
</tr>
<tr>
<td>Average Cost per Acre Foot</td>
<td>$26.76</td>
<td>$22.72</td>
<td>$4.04</td>
</tr>
<tr>
<td>Overall Plant Efficiency (%)</td>
<td>66.0</td>
<td>66.0</td>
<td></td>
</tr>
<tr>
<td>Total Annual Cost</td>
<td>$34,700.67</td>
<td>$26,987.16</td>
<td>$4,803.52</td>
</tr>
</tbody>
</table>

It is sincerely hoped that this information will prove helpful to you, and that your concerns over maintaining optimum pumping efficiency will be continued. If you have any questions regarding this report, please contact BILL O'NEIL at (909) 820-5516.

RON FORD
Manager
Hydraulic Services
Save Energy,
Save Money...
Your test results show that you can!

PUMPING COST ANALYSIS
PHILLY LIFT PUMP #2
Location 1618 F PHILADELPHIA ST ONTARIO, CA 91761-7765
Cost #: 0-000-0783 Serv. Acct #: 001-3233-31
Meter 259000-077791 Pump Ref #: 27748
100 G HP Solution Code: PM-52957

Dear SCE Customer,

Helping California businesses save energy and money is a major goal at SCE. As you know, our Technical Specialist performed a free energy efficiency test on one or more pumps at your facility on October 7, 2015. We thank you for the opportunity to provide this service, and appreciate your interest in the performance of your pumps.

The results of the testing, shown in the table below, indicate that the centrifugal booster pump listed above has the potential for improved overall plant efficiency (OPE), lower energy costs, and a cash incentive.

<table>
<thead>
<tr>
<th>Projected Incentive Energy and Cost Savings</th>
<th>Existing</th>
<th>Improved</th>
<th>Savings</th>
<th>Cash Incentive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total kWh</td>
<td>220,988</td>
<td>187,580</td>
<td>33,388</td>
<td>$2,671.03</td>
</tr>
<tr>
<td>kW Input</td>
<td>37.40</td>
<td>31.75</td>
<td>5.65</td>
<td>$415.35</td>
</tr>
<tr>
<td>kW on-peak activity factor (49%) *</td>
<td>37.40</td>
<td>34.63</td>
<td>2.77</td>
<td></td>
</tr>
<tr>
<td>Acce Feet per Year</td>
<td>1,188.0</td>
<td>1,186</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>kWh per Acre Foot</td>
<td>186</td>
<td>158</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>Average Cost per Acre Foot</td>
<td>$26.76</td>
<td>$22.72</td>
<td>$4.04</td>
<td></td>
</tr>
<tr>
<td>Overall Plant Efficiency (%)</td>
<td>56.0</td>
<td>66.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual Total</td>
<td>$31,780.67</td>
<td>$26,987.16</td>
<td>$4,803.52</td>
<td>$3,866.38</td>
</tr>
</tbody>
</table>

(*The kW on-peak activity factor represents how the kW impacts the SCE system during on-peak periods as determined by your average load profile. By improving efficiency, your expected kW savings is 5.65 kW, and the savings used for incentive calculations is 49% of 5.65, or 2.77 kW.)

Actual kW savings may vary at time of application validation.

Case studies have shown that repairing, retrofiting, or replacing inefficient pumps can save energy and money, and may even help you avoid serious operational problems. For your business, this could mean the following:

- **Improved Plant Efficiency:** Your OPE can be improved from 56.0% to 66.0%.

- **Lower Energy Costs:** Based on the test data, your past energy usage and your current rate of TOU-PA2-B we estimate that you may save up to 33,386 kWh annually, resulting in energy cost savings of $2,671.03.

- **Cash Incentive:** Through the retrofit and installation of more energy-efficient equipment, you have the potential to receive an incentive of $0.06 per kWh and $150 per on-peak activity factored kWh reduced, courtesy of SCE’s Customized Efficiency Program. Based on your estimated kWh and kW you would be eligible for a Potential Cash Incentive of $3,866.38, capped at 50% of your project cost. (See contract for details.)

If you are interested in an incentive for this pump, please contact JAMES PASMORE JR at (714)973-8799 to complete a project application. All applicants must receive a written approval authorization before implementing any project, failure to comply will result in forfeiture of incentive funding.

We encourage you to review your results and take advantage of SCE’s energy efficiency expertise and incentives. Visit www.sce.com/rebatesandsavings, or give us a call and let us know how we can be of further service to you.

Sincerely,

Southern California Edison

Program funded by California taxpayers and administered by Southern California Edison under the auspices of the California Public Utilities Commission.
RP-1 Intermediate Pump Station (IPS) Pump No. 1
DAVID CHOI
INLAND EMPIRE UTILITIES AGENCY
CHINO HILLS, CA 91708

HYDRAULIC TEST RESULTS: RP1 PRIMARY RPS PUMP 1
Location: 2450 E PHILADELPHIA ST, ONTARIO, CA 91761-7757
Cost #: 0-000-0763  Serv. Accnt #: 001-3233-41
Meter: V345N-001250  Pump Ref #: 33646

In accordance with your request, an energy efficiency test was performed on your turbine booster pump on June 23, 2015. If you have any questions regarding the results which follow, please contact VICTOR PIMENTEL at (909)620-6136.

Equipment
HP: 75.0
Pump: PEABODY FLOWAY No: 78-2320-2
Motor: US No: E0600096570100R03

<table>
<thead>
<tr>
<th>Results</th>
<th>Test 1 @60 Hz</th>
<th>Test 2 @50 Hz</th>
<th>Test 3 @40 Hz</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discharge Pressure, PSI</td>
<td>3.2</td>
<td>2.9</td>
<td>2.7</td>
</tr>
<tr>
<td>Discharge Head, Feet</td>
<td>7.4</td>
<td>6.7</td>
<td>6.2</td>
</tr>
<tr>
<td>Suction Head or Lift, Feet</td>
<td>18.0</td>
<td>18.8</td>
<td>18.6</td>
</tr>
<tr>
<td>Total Head, Feet</td>
<td>26.3</td>
<td>25.5</td>
<td>24.8</td>
</tr>
<tr>
<td>Capacity, GPM</td>
<td>5,277</td>
<td>2,589</td>
<td>69</td>
</tr>
<tr>
<td>Acre Feet Pumped in 24 Hours</td>
<td>23.324</td>
<td>11.356</td>
<td>.306</td>
</tr>
<tr>
<td>KW Input to Motor</td>
<td>45.5</td>
<td>24.8</td>
<td>15.7</td>
</tr>
<tr>
<td>HP Input to Motor</td>
<td>81.1</td>
<td>33.0</td>
<td>21.1</td>
</tr>
<tr>
<td>Motor Load (%)</td>
<td>77.5</td>
<td>41.8</td>
<td>26.7</td>
</tr>
<tr>
<td>Measured Speed of Pump, RPM</td>
<td>1,163</td>
<td>1,000</td>
<td>801</td>
</tr>
<tr>
<td>kWh per Acre Foot</td>
<td>47</td>
<td>62</td>
<td>1,236</td>
</tr>
<tr>
<td>Overall Plant Efficiency (%)</td>
<td>87.3</td>
<td>60.1</td>
<td>2.1</td>
</tr>
</tbody>
</table>

We were unable to measure the GPM flow; therefore, the above test results were obtained using your water meter. The above test results indicate various operating conditions of this pump. Used customer's gauge, flow and levels from SCADA to determine total head and GPM.

RON FORD
Manager
Hydraulic Services

300 North Pepper Avenue
Rialto, CA 92376
PUMPING COST ANALYSIS: RPI PRIMARY RPS PUMP 1
Location: 2460 E PHILADELPHIA ST, ONTARIO, CA 91761-7757
CSS Cust #: 0-000-0783 CRM Cust #: 005382818 Pump Ref #: 33546
CSS Serv. Acct: 001-3233-41 CRM Serv. Acct: 0050558935 Meter: V34SN-001250

The following energy efficiency analysis is presented as an aid to your cost accounting. This is an estimate based on the conditions present during the Edison pump test performed on June 23, 2015, billing history for the past 12 months, and your current rate of TOU-8-S.

Assuming that water requirements will be the same as for the past year, and all operating conditions (annual hours of operation, head above, and water pumping level) will remain the same as they were at the time of the pump test, it is estimated that:

1. Overall plant efficiency can be improved from 57.3% to 70.0%
2. This can save you up to 62,091 kWh and $3,809.91 annually.
3. These kWh savings translate to a 2.7-ton decrease in CO2 emissions.

<table>
<thead>
<tr>
<th></th>
<th>Existing</th>
<th>Improved</th>
<th>Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total kWh</td>
<td>342,586</td>
<td>280,497</td>
<td>62,089</td>
</tr>
<tr>
<td>kW Input</td>
<td>45.60</td>
<td>37.34</td>
<td>8.26</td>
</tr>
<tr>
<td>kWh per Acre Foot</td>
<td>47</td>
<td>38</td>
<td>9</td>
</tr>
<tr>
<td>Acre Feet per Year</td>
<td>7,300.1</td>
<td>7,300</td>
<td></td>
</tr>
<tr>
<td>Average Cost per kWh</td>
<td>$0.06</td>
<td>$0.05</td>
<td>$0.02</td>
</tr>
<tr>
<td>Average Cost per Acre Foot</td>
<td>$2.88</td>
<td>$2.36</td>
<td>$0.52</td>
</tr>
<tr>
<td>Overall Plant Efficiency (%)</td>
<td>67.3</td>
<td>70.0</td>
<td></td>
</tr>
<tr>
<td>Total Annual Cost</td>
<td>$21,021.20</td>
<td>$17,211.29</td>
<td>$3,809.91</td>
</tr>
</tbody>
</table>

It is sincerely hoped that this information will prove helpful to you, and that your concerns over maintaining optimum pumping efficiency will be continued. If you have any questions regarding this report, please contact VICTOR PIMENTEL at (909)620-5156.

RON FORD
Manager
Hydraulic Services

300 North Pepper Avenue
Rialto, CA 92376
Save Energy,
Save Money...
Your test results show that you can!

June 26, 2015

DAVID CHOI
INLAND EMPIRE UTILITIES AGENCY
PO BOX 9020
CHINO HILLS, CA 91709

Dear SCE Customer:

Helping California businesses save energy and money is a major goal at SCE. As you know, our Technical Specialist performed a free energy efficiency test on one or more pumps at your facility on June 23, 2015. We thank you for the opportunity to provide this service, and appreciate your interest in the performance of your pumps.

The results of the testing, shown in the table below, indicate that the turbine booster pump listed above has the potential for improved Overall Plant Efficiency (OPE), lower energy costs, and a cash incentive.

<table>
<thead>
<tr>
<th>Projected Incentive, Energy, and Cost Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Existing</strong></td>
</tr>
<tr>
<td>Total KWh</td>
</tr>
<tr>
<td>kW Input</td>
</tr>
<tr>
<td>kW on-peak activity factor (40%)</td>
</tr>
<tr>
<td>Acre Feet per Year</td>
</tr>
<tr>
<td>kWh per Acre Foot</td>
</tr>
<tr>
<td>Average Cost per Acre Foot</td>
</tr>
<tr>
<td>Overall Plant Efficiency (%)</td>
</tr>
</tbody>
</table>

Annual Total: $21,021.20 $17,211.29 $3,809.91 $5,874.73

(*The kW on-peak activity factor represents how the kW impacts the SCE system during on-peak periods as determined by your average load profile. By improving efficiency, your expected kW savings is 8.25 kW, and the savings used for incentive calculations is 45% of 8.25, or 3.78 kW.)

Actual kW savings may vary at time of application validation.

Case studies have shown that repairing, retrofitting, or replacing inefficient pumps can save energy and money, and may even help you avoid serious operational problems. For your business, this could mean the following:

- **Improved Plant Efficiency**: Your OPE can be improved from 57.3% to 70.0%.
- **Lower Energy Costs**: Based on the test data, your past energy usage, and your current rate of TOU-6-3, we estimate that you may save up to $2,001 kWh annually, resulting in energy cost savings of $3,389.91.
- **Cash Incentive**: Through the retrofit and installation of more energy-efficient equipment, you have the potential to receive an incentive of $0.08 per kWh and $150 per on-peak activity factor kW reduced, courtesy of SCE’s Customized Efficiency Program. Based on your estimated kWh and kW, you would be eligible for a Potential Cash Incentive of $8,474.23, capped at 50% of your project cost. (See contract for details.)

If you are interested in an incentive for this pump, please contact JAMES PASMORE JR at (714)773-5765 to complete a project application. All applicants must receive a written approval authorization before implementing any project, failure to comply will result in forfeiture of incentive funding.

We encourage you to review your results and take advantage of SCE’s energy efficiency expertise and Incentives. Visit www.sce.com/rebatesand savings, or give us a call and let us know how we can be of further service to you.

Sincerely,

Southern California Edison

Program funded by California utility ratepayers, and administered by Southern California Edison under the auspices of the California Public Utilities Commission.

300 North Pepper Avenue
Rialto, CA 92376

V 1.0 4/17/2015
Supplemental Pump Data

Pump System Overhaul Project Information:
This project proposes to overhaul the existing turbine booster pump. The overhaul may include repairing or replacing / retrofiting pump, bowls and impellers, shafts and bushings, re-aligning impellers, etc. The exact scope of work won’t be known until the existing pump is removed. Additional scope of work details can be provided in the post-retrofit stage of the review.

Current Rate: TOU-8-S
Pump Tester: VICTOR RIMENTEL at (909)820-5138
Overall Plant Efficiency (OPE): 57.3%

Test Date: June 23, 2015
Pump Type: turbine booster
Tested Under: Normal Conditions

Fluid Type: Water
Specific Gravity: 1
Temperature (F): 65
Head: Fixed
System Use: Transfer

Pumps at Site: 5 operating in parallel
System Application: Waste Water
Industry Standard Practice (ISP) / Codes: Does Not Apply
Installation: REA-Retrofit Add-On
Solution Code: PM-90889 Agricultural pump system overhaul - retrocommissioning
EUL: 8 years, EUL Justification findings from the 2006-2006 impact evaluation study, by SBW.

Type of Control: Variable Speed Drive
Control Codes: Automatic
Level Controls

Building Type: 18-Industrial

Demand / Response Program(s):
DRC-Demand Response Contracts

Distributed Generation Program(s):
PV-Solar Photovoltaic

Permanent Load Shifting: No

Estimated Project Cost:
The application claims an estimated project cost of $22,500.00, based on an average cost of $200.00 per HP for this size turbine booster pump. The actual invoice of the final work will be submitted at IR.

Supplemental Data Statement
Attachment “E” – Pump Pictures
Philadelphia Lift Station Pump (motors)
Exhibit B
SECTION 4 – FORMS

A. PRICE SCHEDULE

Offerors shall fully complete this Proposal Price Schedule and return it with their submittal. All proposed prices and fees shall be held firm-fixed throughout the anticipated (August 17, 2016 through April 30, 2017) contract performance period, and shall include costs associated with all labor, equipment, materials, transportation, overhead, travel, profit, insurance, sales and other taxes, licenses, incidentals, and all other related costs necessary to provide the required pumps replacement or overhaul services:

DESCRIPTION PROPOSED UNIT RATE

PROPOSER must follow the format shown below when submitting their Proposal.
1. **Cost Proposal Schedule I – Overhaul Services**

Bid Extension price shall include all labor, materials, and equipment and all mark-ups to replace the following pumps and install a new replacement in kind or the most current model by the same manufacturer. The Bid Extension price shall also include removal and disposal of existing pumps. In addition, the price for pump testing and start up.

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Description</th>
<th>Qty¹</th>
<th>Unit</th>
<th>Unit Price</th>
<th>Bid Extension</th>
</tr>
</thead>
<tbody>
<tr>
<td>101</td>
<td>Mobilize/Demobilize</td>
<td>1</td>
<td>L.S.</td>
<td>$</td>
<td>$100.00</td>
</tr>
<tr>
<td></td>
<td>Pull, inspect, and reinstall Allis-Chalmers 6x6x17 NSWV Model 250 Vertical Pump and provide a written report with the findings.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102</td>
<td>Furnish and install one (1) ASTM A536 GR65-45-12 Ductile Iron 2 Vane Impeller and Casing</td>
<td>1</td>
<td>L.S.</td>
<td>$</td>
<td>$4,300.00</td>
</tr>
<tr>
<td>103</td>
<td>Furnish and install one (1) 410SS Impeller Wear Ring</td>
<td>1</td>
<td>L.S.</td>
<td>$</td>
<td>$6,285.00</td>
</tr>
<tr>
<td>104</td>
<td>Furnish and install one (1) 410SS Suction Cover Wear Plate</td>
<td>1</td>
<td>L.S.</td>
<td>$</td>
<td>$2,015.00</td>
</tr>
<tr>
<td>105</td>
<td>Pull, Inspect a 100hp, 1800rpm, 3/60Hz/460V, TEFC, Premium Efficient, Vertical Solid Shaft Motor</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>106</td>
<td>Clean up, dip and bake 100hp, 1800rpm, 3/60Hz/460V, TEFC, Premium Efficient, Vertical Solid Shaft Motor</td>
<td>1</td>
<td>L.S</td>
<td>$</td>
<td>$1,018.00</td>
</tr>
</tbody>
</table>

**Total Proposal Schedule I**

$17,613.00

¹Quantities are estimated and are included for bid comparison purposes only. Unit Prices shall include all labor, material, equipment, all mark-ups, and a one year full warranty. Bid surety is not required.
2. **Cost Proposal Schedule II – Pumps’ Replacement**

Bid Extension price shall include all labor, materials, and equipment and all mark-ups to replace the following pumps and install a new replacement in kind or the most current model by the same manufacturer. The Bid Extension price shall also include removal and disposal of existing pumps. In addition, the price for pump testing and start up.

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Description</th>
<th>Qty</th>
<th>Unit</th>
<th>Unit Price</th>
<th>Bid Extension</th>
</tr>
</thead>
<tbody>
<tr>
<td>201</td>
<td>RP-1 Intermediate Pump Station (IPS) Pump No. 1</td>
<td>1</td>
<td>L.S.</td>
<td>$97,600.00</td>
<td>$97,600.00</td>
</tr>
<tr>
<td>202</td>
<td>Philadelphia Lift Pump No. 1</td>
<td>1</td>
<td>L.S.</td>
<td>$22,230.00</td>
<td>$22,230.00</td>
</tr>
<tr>
<td>203</td>
<td>Philadelphia Lift Pump No. 2</td>
<td>1</td>
<td>L.S.</td>
<td>$22,230.00</td>
<td>$22,230.00</td>
</tr>
<tr>
<td><strong>Total Proposal Schedule II</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>142,060.00</td>
</tr>
</tbody>
</table>

\(^1\)Quantities are estimated and are included for bid comparison purposes only.

Unit Prices shall include all labor, material, equipment, all mark-ups, and a one year full warranty **Bid surety is not required.**
PROPOSAL SIGNATURE: THE UNDERSIGNED AGREES, IF THIS PROPOSAL IS ACCEPTED BY THE AGENCY WITHIN 90 CALENDAR DAYS AFTER THE DATE OF PROPOSAL OPENING, TO PROVIDE THE SERVICES AS SPECIFIED IN STRICT ACCORDANCE WITH THE REQUEST FOR PROPOSAL SPECIFICATIONS.

James Wilkinson
Offeror's Signature

James Wilkinson
Printed Name

President
Title

Company Name  Pamco Machine Works, Inc

Date  7/12/16

B. OFFEROR IDENTIFICATION FORM

1. Legal name of Offeror:

   Pamco Machine Works, Inc

2. Offeror’s Street Address:

   9359 Feron Blvd Rancho Cucamonga, CA 91736

3. Offeror’s Mailing Address:

   9359 Feron Blvd Rancho Cucamonga, CA 91736

4. Offeror’s Business Telephone:

   909-941-7260

5. Type of Offeror:

   □ Sole Proprietor  □ Partnership  □ Corporation  Other

   If corporation, indicate State where incorporated:

   CA

6. Business License number issued by the city where the Offeror’s principal place of business is located.

   056919

7. Offeror Federal Tax Identification Number:

   95-4404123

8. Offeror’s Project Manager:

   Jose Carlos

9. E-mail Address for Offeror’s Project Manager:

   jose@pamcomachine.com
Exhibit C
PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS, THAT, WHEREAS, the Inland Empire Utilities Agency, a Municipal Water District, hereinafter designated as the "Agency," has, on _______20__, awarded to __________________________, hereinafter designated as the "Principal," the Contract for the construction of:

WHEREAS, said Principal is required under the terms of said Contract to furnish a bond for the faithful performance of said Contract:

NOW, THEREFORE, WE, the Principal, and ____________________, as Surety, are held and firmly bound unto the Agency the penal sum of ________________________ dollars ($_____) lawful money of the United States, for the payment of which sum will and truly be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bounden Principal, or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and will and truly keep and faithfully perform the covenants, conditions, and agreements in the said Contract and any alterations made as therein provided, on its or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless, Agency and engineer, their officers, agents, and employees as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and virtue and Principal and Surety, in the event suit is brought on this bond, will pay to Agency such reasonable attorney's fees as shall be fixed by the court.

As a condition precedent to the satisfactory completion of the said Contract, the above obligation in the said amount shall hold good for a period of one (1) year after the completion and acceptance of said Contract, during which time if the above bounden Principal, its heirs, executors, administrators, successors, or assigns shall fail to make full, complete, and satisfactory repair and replacements or totally protect said Agency from loss or damage made evident during said period of one year from the date of acceptance of the work under said Contract, and resulting from or caused by defective materials or faulty workmanship in the execution of the work done, the above obligation in the said amount shall remain in full force and effect. However, anything in this paragraph to the contrary notwithstanding, the obligation of the Surety hereunder shall continue so long as any obligation of the Principal remains.
SECOND PAGE OF PERFORMANCE BOND

Said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Contract or to the work to be performed there under or the specifications accompanying the same shall, in any way, affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition to the terms of the Contract or to the work or to the specifications. Said Surety hereby waives the provisions of Sections 2819 and 2845 of the Civil Code of the State of California.

As a part of the obligation secured hereby and in addition to the amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by Agency in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

IN WITNESS WHEREOF, the above bounden parties have executed this instrument under their seals this __________ day of __________, 20__, the name and corporate seal of each corporate party being hereo affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

_________________________________________
Principal (print name)

_________________________________________
Signature for Principal

(Corporate Seal)
Bond Number________________

THIRD PAGE OF PERFORMANCE BOND

___________________________
Surety (print name)

___________________________
Signature for Surety (Surety Seal)

Surety address

_________________________
_________________________
_________________________

ATTACH POWER-OF-ATTORNEY AND NOTARIAL ACKNOWLEDGEMENT OF SURETY BELOW
PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS, THAT, WHEREAS, the Inland Empire Utilities Agency, hereinafter designated as the "Agency", has, on ____________, 20__, awarded to ________________________, hereinafter designated as the "Principal," a Contract for the construction of:

WHEREAS, said Principal is required under the terms of said Contract to furnish a payment bond providing that if said Principal, or any of their subcontractors, shall fail to pay for any materials, provisions, or other supplies used in, upon, for, or about the performance of the work under said Contract, or for any work or labor done thereon of any kind, the Surety of this bond will pay the same to the extent hereinafter set forth:

NOW, THEREFORE, WE, the Principal, and ____________, as Surety, are held and firmly bound unto the Agency the penal sum of ________________________ dollars ($______________) lawful money of the United States, for the payment of which sum will and truly be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bounden Principal, or its heirs, executors, administrators, successors, or assigns, shall fail to pay any person specified in California Civil Code Section 3181, or for any materials, provisions, or other supplies used in, upon, for, or about the performance of the work under said Contract, or for any work or labor thereon of any kind or for amount due under the Unemployment Insurance Code with respect to work or labor performed under said Contract, or for any amounts due, or to be withheld pursuant to Sections 18806 of the Revenue and Taxation Code of the State of California, or with respect to any work or labor for which a bond is required by the provisions of Sections 3247 through 3252 of the California Civil Code, and provided that the persons, companies, or corporations so furnishing said materials, provisions, or other supplies, appliances, or power use, in, upon, for, or about the performance of the work under said Contract, or any person who performs work or labor upon same, or any person who supplies both work and materials, thereto, shall have complied with the provisions of said Civil Code, then said surety will pay the same in or to an amount not exceeding the amount herein before set forth, and also will pay in case suit is brought upon this bond, such reasonable attorney's fees to Agency as shall be fixed by the court.
SECOND PAGE OF PAYMENT BOND

This bond shall inure to the benefit of Agency and any and all persons, companies, and corporations and their respective assigns entitled to file claims under applicable State law, including but not limited to, California Civil Code Section 3181, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of said Contract or to the work to be performed there under or the specifications accompanying the same shall, in any way, affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition to the terms of the Contract or to the work or to the specifications. Said Surety hereby waives the provisions of Sections 2819 and 2845 of the Civil Code of the State of California.

As a part of the obligation secured hereby and in addition to the amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by Agency in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

IN WITNESS WHEREOF, the above bounden parties have executed this instrument under their seals this ________________ day of __________________, 20________, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

__________________________
Principal (print name)

__________________________
Signature for Principal (Corporate Seal)
Bond Number

THIRD PAGE OF PAYMENT BOND

____________________________________
Surety (print name)

____________________________________
Signature for Surety (Surety Seal)

Surety address

____________________________________
____________________________________
____________________________________

ATTACH POWER-OF-ATTORNEY AND NOTARIAL ACKNOWLEDGEMENT OF SURETY BELOW
WAIVER/RELEASE OF LIABILITY

I, the undersigned, on behalf of ______________________ (hereinafter called Firm) fully understand that the storage or leaving of _____________ at the Agency's facility, located in the City of Ontario, California, during the period __________ to __________ of ____ exposes Firm to the risk of, but not limited to, theft, fire damage, vandalism, water damage, wind damage, and possible personal injury to Firm's employees. For the privilege of storing/leaving _____________ at said location, Firm agrees to assume any and all such risk.

In consideration of being able to store/leave said item(s) at said location, Firm hereby releases, agrees not to sue, or bring any action against, the Inland Empire Utilities Agency, its officers, employees, agents, representatives, and volunteers for any and all liability, claims, or actions for injury or death to Firm's employees, or damage or theft of said property arising out of or in connection with the storage or leaving of said item(s) for whatever cause, including the active or passive negligence of the Inland Empire Utilities Agency, its officers, employees, agents, representatives, and volunteers.

I have carefully read this Waiver/Release of Liability and covenant not to sue, and fully understand its contents, and the possible exposures that Firm is agreeing to assume. I am aware that this Waiver/Release of Liability is a full release of any and all liability. I am signing such as the authorized agent of Firm, and of my own free will.

________________________________________
Name of Firm

By: _______________________________________
Representative's signature

________________________________________
Print Name

________________________________________
Date

Title

Approved: ________________________________
Department Manager of Engineering
signature

________________________________________
Date

Distribution: Department Manager of Engineering, Construction Manager; Construction Project Manager; Supervisor; Risk Manager; Contractor, Subcontractor, Supplier, or Repair Person
Engineering, Operations, and Biosolids Management Committee

ACTION
ITEM
1D
Date: August 17, 2016

To: The Honorable Board of Directors

Through: Engineering, Operations, and Biosolids Management Committee (08/10/16)

From: P. Joseph Grinstead
General Manager

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

Shaun J. Stone
Manager of Engineering

Subject: Headquarters Backup Generator Construction Contract Award

RECOMMENDATION

It is recommended that the Board of Directors:

1. Award the construction contract award for the Headquarters Building Backup Generator Project No. EN16055, to Davis Electric, Inc., in the amount of $178,777; and

2. Authorize the General Manager to execute the construction contract.

BACKGROUND

The Regional Water Recycling Plant No. 5 (RP-5) utilizes a 12,000 volt power distribution system that includes two redundant distribution circuits; “A” & “B”. Typically, power is provided by the electric utility company, Southern California Edison (SCE), with standby generators for backup power in the event of a utility power outage. The RP-5 standby generator system includes two backup diesel generators that provide emergency power to the treatment plant and headquarters campus including Buildings A & B, Central Chiller Plant, and Water Quality Laboratory, which is currently in the construction phase.

Since the time RP-5 and the headquarters campus were constructed, there have been several power outage incidents that were accompanied with main backup generator failure, which left the RP-5 Treatment Plant and Headquarters Campus without power for extended duration. This has limited impact on RP-5 due to redundancy available at Regional Water Recycling Plant No. 2 (RP-2) and in plant emergency storage. However, it had an impact to the headquarters campus since no redundancy is in place. Further, the Central Chiller Plant, New Water Quality Laboratory, and the
two headquarters buildings are served power via the “A” circuit only; meaning that should an internal electrical incident occur and the “A” circuit fails, the headquarters campus will be without power while RP-5 continues to operate on the redundant “B” circuit.

The Headquarter campus houses critical equipment such as plant process control servers, SCADA, network and communication systems, fire alarm, and access control. It will also include future critical rooms in the New Water Quality Laboratory Building such as the bioassay room, which requires reliable air conditioning/heating system to maintain the desired constant temperature to preserve the biological environment for the wastewater samples.

In order to address these needs, the project’s intent is to utilize an existing 300 kW portable generator purchased by the Agency in 2011. This generator will be converted to a stationary unit and as part of the project install the balance of the electrical system to provide power to critical systems in Building A & B and the Water Quality Laboratory.

On June 9, 2016, a request for bids was advertised to the prequalified contractors on the under $2,000,000 list. Six contractors participated in the job walk on June 23, 2016. On July 7, 2016, the following bids were received:

<table>
<thead>
<tr>
<th>Bidder’s Name</th>
<th>Total Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Davis Electric, Inc.</td>
<td>$178,777</td>
</tr>
<tr>
<td>Genesis Construction</td>
<td>$206,499</td>
</tr>
<tr>
<td>Southern Contracting Company</td>
<td>$240,000</td>
</tr>
<tr>
<td>W. A. Rasic Construction Company, Inc.</td>
<td>$262,746</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$200,000</td>
</tr>
</tbody>
</table>

Davis Electric, Inc. (Davis) was the lowest responsive and responsible bidder with a bid price of $178,777. Davis is on the Agency’s under $2,000,000 pre-qualified list and therefore their contractor licenses were checked and found to be current and in good standing; Davis has performed several successful projects for the Agency past showing good workmanship and responsiveness.

The following table is the projected project cost:

<table>
<thead>
<tr>
<th>Description</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design</td>
<td>$125,000</td>
</tr>
<tr>
<td>Pre-Purchased Equipment: Diesel Particulate Filter</td>
<td>$30,000</td>
</tr>
<tr>
<td>Construction Services (~15%)</td>
<td>$27,000</td>
</tr>
<tr>
<td>Construction</td>
<td>$178,777</td>
</tr>
<tr>
<td>Contingency (~15%)</td>
<td>$27,000</td>
</tr>
<tr>
<td><strong>Total Project Cost</strong></td>
<td><strong>$387,777</strong></td>
</tr>
<tr>
<td><strong>Total Project Budget</strong></td>
<td><strong>$400,000</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>August 2016</td>
</tr>
<tr>
<td>Construction Completion</td>
<td>April 2017</td>
</tr>
</tbody>
</table>

The Headquarters Building Backup Generator project is consistent with the Agency’s Business Goal of Wastewater Management that systems will be master planned, managed and constructed to ensure that when expansion planning is triggered, designs/construction can be completed to meet regulatory/growth needs in an expeditious, environmentally responsible and cost effective manner.

**PRIOR BOARD ACTION**

None.

**IMPACT ON BUDGET**

If approved, the construction award for the Headquarters Building Backup Generator Project No. EN16055, in the amount of $178,777 will be within the total project budget of $400,000 in the Regional Wastewater Operation and Maintenance (RO) Fund.

PJG:CB:SS:jz
Headquarters Building Backup Generator Construction Contract Award

Project No. EN16055
August 17, 2016
Project Location

Headquarters Building Backup Generator
Project Background

- Several power outages triggered at Headquarters
- Headquarter Buildings (HQ) power supply relies on single transformer and 12 kV circuit, no backup
- Headquarter Buildings house critical process control servers, SCADA, network, fire and security alarms, etc.
- Uninterruptable Power Supply capacity is not adequate for extended power outages
- Dedicated HQ and Lab Buildings emergency power source is needed
Project Scope

- Install dedicated backup power generator for the headquarters campus
- Utilize existing 300 kW portable generator
- Install automatic transfer switch
- Automatic load shedding of non-critical loads
- Install diesel particulate filter for emission controls

Existing Portable Generator
## Bid Summary

Four bids received on July 7, 2016:

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</table>
# Project Cost and Schedule

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</tbody>
</table>

*Inland Empire Utilities Agency*

A Municipal Water District
Agency Goal/Recommendation

Staff recommends that the Board of Directors award the construction contract to Davis Electric, for the Headquarters Building Backup Generator, in the amount of $178,777, and authorize the General Manager to execute the contract.

The Headquarters Building Backup Generator project is consistent with the Agency's Business Goal of Wastewater Management that systems will be master planned, managed and constructed to ensure that when expansion planning is triggered, designs/construction can be completed to meet regulatory/growth needs in an expeditious, environmentally responsible and cost effective manner.
CONTRACT NUMBER: 4600002186
FOR
HEADQUARTERS BUILDING BACKUP GENERATOR, PROJECT NO. EN16055

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 Davis Electric, Inc., with offices located in Yucaipa, California (hereinafter referred to as "Contractor"), for the construction of the Headquarters Building Backup Generator, Project No. EN16055.00.

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

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

   Project Manager: Jamal Zughbi, Senior Engineer
   Address: 6075 Kimball Avenue, Building "B"
             Chino, CA 91708
   Telephone: (909) 993-1698
   Email: izughbi@ieua.org

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

   Contractor: Denny Doyle, Project Manager
               Davis Electric, Inc.
   Address: 13556 Douglas Street
             Yucaipa, CA 92399
   Telephone: (909) 446-0054
   Email: denny@davis-electric.com

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

   1. Amendments to Contract number 4600002186.
2. Contract number 4600002186 General Terms and Conditions.
3. Agency's Invitation for Bid (IFB) number IFB-RW-16-008 and germane addenda (Exhibit A).

4. **SCOPE OF WORK AND SERVICES:** Contractor services and responsibilities shall include and be in accordance with the Agency's Invitation for Bid (IFB) number IFB-RW-16-008 and germane addenda, attached hereto, referenced herein, and made a part hereof by this reference as Exhibit A.

5. **TERM:** The term of this Contract shall extend from the date of the Notice to Proceed, and terminate upon acceptance of the design's construction as signed off by the Agency's cognizant Engineering & Construction Management Department personnel and project management, unless agreed to by both parties, reduced to writing, and amended to this Contract.

6. **PAYMENT, INVOICING AND COMPENSATION:** The Contractor shall submit one monthly invoice, valued in accordance with the pricing (Exhibit B) established for this Contract. Payment will be withheld for any service which does not meet the requirements of this Contract, until such service is revised, the invoice resubmitted and accepted by the Project Manager.

All invoices shall be submitted electronically with all required back-up to apgroup@ieua.org.

Contractor shall provide with their invoice certified payroll verifying that Consultant has paid prevailing wage in accordance with the Department of Industrial Relations requirements as stipulated in SB-854 (http://www.dir.ca.gov/DIRNews/2014/2014-55.pdf).

**Effective January 1, 2015:** The call for bids and contract documents must include the following information:

A. 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)].

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

C. This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

As compensation for the work performed under this Contract, Agency shall pay Contractor a **not-to-exceed maximum $178,777.00** for all work satisfactorily provided hereunder in accordance with Exhibit A and Exhibit B.
Note: All payments made, whether for design or construction build, shall be in accordance with the payment terms outlined in Exhibit A.

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

A. **Minimum Scope of Insurance:**

1. 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 Comprehensive 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 twice the required occurrence limit.

   a. The insurance shall include coverage for each of the following hazards:

      Premises – Operations
      Owners and Contractors Damage
      Broad Form Property Damage
      Contractual for Specific Contract
      Severability of Interests or Cross-Liability
      XCU [Explosion, Collapse and Underground] Hazards
      Personal Injury – with the “Employee” Exclusion Deleted

2. 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 87, covering Automobile Liability, including "any auto."

3. 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.

4. Builders Risk completed value (course of construction) fire insurance with extended coverage and a vandalism and malicious endorsement. The policy shall cover the full value of all completed construction, which includes all material and labor invested in the construction and the full value of all equipment and material at the job site. Said policy shall remain in effect until acceptance of the by the Agency.

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

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

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

1. General Liability and Automobile Liability Coverage
   a. The Agency, its officers, officials, employees, volunteers, property owners and any engineers under contract to the Agency are to be covered as insureds, endorsement CG2010 1185, as respects: liability arising out of activities performed by or on behalf of the Contractor, products and completed operations of the Contractor, premises owned, occupied or used by the Contractor, or automobiles owned, leased, hired or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract to the Agency.
   b. The Contractor's insurance coverage shall be primary insurance as respects the Agency, its officer, officials, employees, volunteers, property owners or engineers under contract to the Agency. Any insurance or self-insurance maintained by the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract to the Agency shall be excess of the Contractor's insurance and shall not contribute with it.
   c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract to the Agency.
   d. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
e. The Contractor may satisfy the limit requirements in a single policy or multiple policies. Any such additional policies written as excess insurance shall not provide any less coverage than that provided by the first or primary policy.

2. Workers' Compensation and Employers Liability Coverage

The Insurer shall agree to waive all rights of subrogation against the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract to the Agency for losses arising from work performed by the Contractor for the Agency.

3. Builders Risk Insurance (Course of Construction)

The Agency is to be named as the loss payee.

4. All Coverages

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

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

E. Verification of Coverage: Contractor shall furnish the Agency with certificates of insurance and with original endorsements effecting coverage required by the Agency for themselves and all subcontractors 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 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.

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

9. LEGAL RELATIONS AND RESPONSIBILITIES

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

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

C. Observing Laws and Ordinances: The Contractor shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and regulations which in any manner affect the conduct of any services or tasks performed under this Contract, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. The Contractor shall at all times observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and shall protect and indemnify, as required herein, the Agency, its officers, employees and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by the Contractor or its employees.

Effective July 1, 2014, all Contractors must be registered with the California Dept. of Industrial Relations as required by law SB-854 for public works construction projects:


D. Confined Space Work:

I. Precautions and Programs:

a. The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the work or the activities of subcontractors, suppliers, and others at the work site.

b. The Contractors and subcontractors shall comply with the provisions of the Safety and Health Regulations for Construction, promulgated by the Secretary of Labor under Section 107 of the "Contract Work Hours and Safety Standards Act," as set forth in Title 29 C.F.R. If the Agency is notified of an alleged violation of the Occupational Safety and Health
Standards referred to in this Section and it is established that there is a violation, the Contractor shall be subject to liquidated damages as provided in the Contract.

c. The Contractor and all subcontractors shall comply with the provisions of the Occupational Safety and Health Standards, promulgated by the United States Secretary of Labor under the "Occupational Safety and Health Act of 1970," as set forth in Title 29, C.F.R. Where an individual State act on occupational safety and health standards has been approved by federal authority, then the provisions of said state act shall control.

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

1) All employees on the work or work site and other persons and organizations who may be affected thereby;

2) All the work and materials and equipment to be incorporated therein, whether in storage or on or off the work site; and

3) All other property at the site.

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

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

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

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

E. **Subcontract Services:** Any subcontracts for the performance of any services under this Contract shall be subject to the written approval of the Project Manager.

F. **Hours of Labor:** The Contractor shall comply with all applicable provisions of California Labor Code Sections 1810 to 1817 relating to working hours. The Contractor shall, as a penalty to the Agency, forfeit $25.00 for each worker employed in the execution of the Contract by the Contractor or by any subcontractor for each calendar day during which such worker is required or
permitted to work more than eight hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of the Labor Code.

G. **Travel and Subsistence Pay:** The Contractor 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.

H. **Liens:** Contractor shall pay all sums of money that become due from any labor, services, materials or equipment furnished to Contractor on account of said services to be rendered or said materials to be furnished under this Contract and that may be secured by any lien against the Agency. Contractor shall fully discharge each such lien at the time performance of the obligation secured matures and becomes due.

I. **Indemnification:** Contractor shall indemnify IEUA, 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 Contractor, its directors, employees, agents and assigns, in the performance of work under this contract.

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

K. **Equal Opportunity:** During the performance of this Contract, the Contractor shall not unlawfully discriminate against any employee or employment applicant because of race, color, religion, sex, age, marital status, ancestry, physical or mental disability, sexual orientation, veteran status or national origin.

L. **Disputes:**

1. All disputes arising out of or in relation to this Contract shall be determined in accordance with this section. The Contractor shall pursue the work to completion in accordance with the instruction of the Agency's Project Manager notwithstanding the existence of dispute. By entering into this Contract, both parties are obligated, and hereby agree, to submit all disputes arising under or relating to the Contract which remain unresolved after the exhaustion of the procedures provided herein, to independent arbitration. Except as otherwise provided herein, arbitration shall be conducted under California Code of Civil Procedure Sections 1280, et. seq, or their successor.
2. Any and all disputes during the pendency of the work shall be subject to resolution by the Agency Project Manager and the Contractor shall comply, pursuant to the Agency Project Manager instructions. If the Contractor is not satisfied with any such resolution by the Agency Project Manager, they may file a written protest with the Agency Project Manager within seven (7) calendar days after receiving written notice of the Agency's decision. Failure by Contractor to file a written protest within seven (7) calendar days shall constitute waiver of protest, and acceptance of the Agency Project Manager's resolution. The Agency's Project Manager shall submit the Contractor's written protests to the General Manager, together with a copy of the Agency Project Manager's written decision, for his or her consideration within seven (7) calendar days after receipt of said protest(s). The General Manager shall make his or her determination with respect to each protest filed with the Agency Project Manager within ten (10) calendar days after receipt of said protest(s). If Contractor is not satisfied with any such resolution by the General Manager, they may file a written request for arbitration with the Project Manager within seven (7) calendar days after receiving written notice of the General Manager's decision.

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

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

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

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

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

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

**O. Prevailing Wage Requirements:** Pursuant to Section 1770 and following, of the California Labor Code, the Contractor shall not pay less that the general prevailing wage rates, as determined by the Director of the State of California Department of Industrial Relations for the locality in which the work is to be performed and for each craft or type of worker needed to execute the work contemplated under the Contract. The Contractor or any subcontractor performing part of said work shall strictly adhere to all provisions of the Labor Code, including, but not limited to, minimum wages, work days, nondiscrimination, apprentices, maintenance and availability of accurate payroll records and any other matters required under all Federal, State and local laws related to labor.

10. **FITNESS FOR DUTY:**

**A. Fitness:** Consultant and its Subcontractor personnel on the Jobsite:

1. shall report for work in a manner fit to do their job;

2. shall not be under the influence of or in possession of any alcoholic beverages or of any controlled substance (except a controlled substance as prescribed by a physician so long as the performance or safety of the Work is not affected thereby); and

3. shall not have been convicted of any serious criminal offense which, by its nature, may have a discernible adverse impact on the business or reputation of Agency.

**B. Compliance:** Consultant shall advise all contractor and subcontractor personnel and associated third parties of the requirements of this Contract ("Fitness for Duty Requirements") before they enter on the Jobsite and shall immediately remove from the Jobsite any employee determined to be in violation of these requirements. Consultant shall impose these requirements on its Subcontractors. Agency may cancel the Contract if Consultant violates these Fitness for Duty Requirements.
11. **OWNERSHIP OF MATERIALS AND DOCUMENTS/CONFIDENTIALITY:** The Agency retains ownership of any and all partial or complete reports, drawings, plans, notes, computations, lists, and/or other materials, documents, information, or data prepared by the Contractor and/or the Contractor's subcontractor(s) pertaining to this Contract. Said materials and documents are confidential and shall be available to the Agency from the moment of their preparation, and the Contractor shall deliver same to the Agency whenever requested to do so by the Project Manager and/or Agency. The Contractor agrees that same shall not be made available to any individual or organization, private or public, without the prior written consent of the Agency.

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

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

13. **NON-CONFORMING WORK AND WARRANTY:** Contractor represents and warrants that the Work shall be in conformance with the specifications provided herein and shall serve the purposes described. For a period of not less than one (1) year after acceptance of the completed Work, Contractor shall, at no additional cost to Agency, correct any and all errors or shortcomings of the Work, regardless of whether any such errors or shortcomings is brought to the attention of the Contractor by Agency, or any other person or entity.

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

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

Contractor: Davis Electric, Inc.  
Attn: Mr. Wayne Davis  
President and Responsible Managing Officer (RMO)
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.

15. **SUCCESSORS AND ASSIGNS:** All of the terms, conditions and provisions of this Contract shall inure to the benefit of and be binding upon the Agency, the Contractor, and their respective successors and assigns. Notwithstanding the foregoing, no assignment of the duties or benefits of the Contractor under this Contract may be assigned, transferred or otherwise disposed of without the prior written consent of the Agency; and any such purported or attempted assignment, transfer or disposal without the prior written consent of the Agency shall be null, void and of no legal effect whatsoever.

16. **INTEGRATION:** The Contract Documents represent the entire Contract of the Agency and the Contractor as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered by the Contract Documents. This Contract may not be modified, altered or amended except by written mutual agreement by the Agency and the Contractor.

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

18. **TERMINATION FOR CONVENIENCE:** The Agency reserves and has the right to immediately suspend, cancel or terminate this Contract at any time upon written notice to the Contractor. In the event of such termination, the Agency shall pay Contractor for all authorized and Contractor-invoiced services up to the date of such termination.

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

20. **FORCE MAJEURE:** Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, natural disasters, etcetera.

21. **LIQUIDATED DAMAGES:** Liquidated Damages, in the amount of $500.00 per day, may be assessed by the Agency for each calendar day that the Contractor fails to complete this project in accordance with its final, contractually-committed delivery schedule. Any and all Liquidated Damages assessed by the Agency will be taken as a direct credit against the Contractor’s invoice for this project. The Contractor’s acceptance of a contract subsequently issued in conjunction with this solicitation, shall
serve to indicate acceptance of this Liquidated Damages clause, and the daily assessment of damages expressed herein.

22. **CHANGES:** The Agency may, at any time, make changes to this Contract’s Scope of Work; including additions, reductions and other alterations to any or all of the work. However, such changes shall only be made via written amendment to this Contract. The Contract Price and Work Schedule shall be equitably adjusted, if required, to account for such changes and shall be set forth within the Contract Amendment.

23. **NOTICE TO PROCEED:** No services shall be performed or furnished under this Contract unless and until this document has been properly signed by all responsible parties and a Notice to Proceed order has been issued to the Contractor.

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

INLAND EMPIRE UTILITIES AGENCY:  
(A Municipal Water District)

[Signature]
(P. Joseph Grindstaff  
General Manager)

(DATE)  

DAVIS ELECTRIC, INC.:  

[Signature]  
(Wayne Davis  
President)

(DATE)  

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Engineering, Operations, and Biosolids Management Committee

ACTION
ITEM
1E
Date: August 17, 2016

To: The Honorable Board of Directors

Through: Engineering, Operations, and Biosolids Management Committee (08/10/16)

From: P. Joseph Grindstaff
General Manager

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

Shaun J. Stone
Manager of Engineering

Subject: RP-1 Utility Water Flow Meter Construction Contract Award

RECOMMENDATION

It is recommended that the Board of Directors:

1. Approve the construction contract award for the RP-1 Utility Flow Meter Project No. EN16051, to Ferreira Construction Co., Inc. for $127,584; and

2. Authorize the General Manager to execute the construction contract.

BACKGROUND

The 1050 recycled water pressure zone feeds water into the Regional Water Recycling Plant No. 1 (RP-1) plant for plant utility water requirements through an onsite pressure reducing valve (PRV). Operations has indicated that the existing PRV has worn out (end of life) and failed, and they are using the existing isolation valves for pressure reduction. Further, Operations has indicated a desire to have the plant recycle water use directly metered through the SCADA system for consistent reporting. Currently, Operations monitors the flow from a combination of existing meters throughout the plant and has to calculate plant flow by using an add/deduct method. This is both cumbersome and allows for inaccurate measurements.

To address the project needs, engineering staff reviewed valve replacement options including repairing the existing valve along with different metering technologies. Based on this investigation, it was determined that the existing PRV was incompatible with the desired metering option; an orifice plate flow meter. This metering technology was selected to minimize the piping
modifications at the project site. As such, this project will address the failed PRV and the direct flow metering by installing a new PRV with an orifice plate flow meter and minor piping modifications. Additionally, the project will link the new meter with the SCADA system and provide consistent and accurate direct metering of in-plant recycle water usage.

On June 23, 2016, a request for bids was advertised to the pre-qualified contractors on the under $2,000,000 list. Five contractors participated in the job walk on July 5, 2016. On July 11, 2016, the following bids were received:

<table>
<thead>
<tr>
<th>Bidder's Name</th>
<th>Total Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Humphrey Construction, Inc.</td>
<td>Withdrawn</td>
</tr>
<tr>
<td>Ferreira Construction Co., Inc.</td>
<td>$127,584</td>
</tr>
<tr>
<td>SCW Contracting</td>
<td>$149,106</td>
</tr>
<tr>
<td>W.A. Rasic Construction Co., Inc.</td>
<td>$161,975</td>
</tr>
<tr>
<td>Genesis Construction Co., Inc.</td>
<td>$166,777</td>
</tr>
<tr>
<td>Engineer's Estimate</td>
<td>$156,300</td>
</tr>
</tbody>
</table>

Humphrey Construction formally withdrew their bid, per Section 5103 of the Public Contract Code (See attachment 1). Staff reviewed the request and concurs with allowing the withdrawal of the bid.

Ferreira Construction Company (Ferreira) was the second responsive and responsible bidder with a bid price of $127,584. Ferreira is on the Agency's under $2,000,000 pre-qualified list and therefore their contractor licenses were checked and found to be current and in good standing; Ferreira has performed several successful projects for the Agency past showing good workmanship and responsiveness.

The following table is the projected project cost:

<table>
<thead>
<tr>
<th>Description</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design</td>
<td>$25,000</td>
</tr>
<tr>
<td>Pre-Purchased Equipment</td>
<td>$29,000</td>
</tr>
<tr>
<td>Construction Services (~15%)</td>
<td>$19,000</td>
</tr>
<tr>
<td>Construction</td>
<td>$127,584</td>
</tr>
<tr>
<td>Construction Contingency (~15%)</td>
<td>$19,000</td>
</tr>
<tr>
<td>Total Project Cost</td>
<td>$219,584</td>
</tr>
<tr>
<td>Total Project Budget</td>
<td>$300,000</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>August 2016</td>
</tr>
<tr>
<td>Construction Completion</td>
<td>February 2017</td>
</tr>
</tbody>
</table>

The RP-1 Utility Flow Meter project is consistent with the *Agency’s Business Goal of Water Reliability* of commitment to the development and implementation of an integrated water resource management plan that promotes cost-effective, reliable, efficient and sustainable water use along with economic growth within the IEUA Service Area.

**PRIOR BOARD ACTION**

None.

**IMPACT ON BUDGET**

If approved, the construction award for the RP-1 Utility Flow Water Meter Project No. EN16051, in the amount of $127,584 will be within the total project budget of $300,000 in the Recycled Water (WC) Fund.

Attachment No. 1: Humphrey’s Withdrawal Letter

PJG:CB:SS:mp
RP-1 Utility Water Flow Meter
Construction Contract Award
Project No. EN16051
August 17, 2016

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

RP-1 Utility Water Turn-out
Project Background

- 1050 recycle water pressure zone serves the RP-1 Plant for utility water needs
- Existing PRV has failed
- Limited means to meter utility water usage

Facilities to be Impacted
Project Scope

- Installation of a PRV valve and orifice plate flow meter
- Replacement of valves, spools, and appurtenances
- Install electrical and control wiring conduits to Wash Water Basin MCC’s
- Agency to provide SCADA programming
Bid Summary

Five bids received on July 11, 2016:

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*Humphrey formally withdrew their bid
## Project Cost and Schedule

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<tr>
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</tbody>
</table>
Agency Goal/Recommendation

Staff recommends that the Board of Directors approve the construction contract to Ferreira Construction Company, Inc., for the RP-1 Utility Water Flow Meter EN16051, in the amount of $127,584, and authorize the General Manager to execute the contract.

The RP-1 Utility Flow Meter project is consistent with the Agency’s Business Goal of Water Reliability of commitment to the development and implementation of an integrated water resource management plan that promotes cost-effective, reliable, efficient and sustainable water use along with economic growth within the IEUA Service Area.
July 12, 2016

Inland Empire Utilities Agency
6075 Kimball Ave
Chino, CA 917108

Re: RP-1 Utility Water Flow Meter, Project No. EN16051

Attn: Matthew A. Poeske

This letter is to request that my bid for this project be withdrawn. I hereby request relief due to a clerical error made in preparation of my bid. For bid item 9 my price should have read $88,000.00. Through a clerical error, this was written as $58,000.00. This made my total price for the total bid $30,000.00 low.

The above relief should be granted per section 5103 of the public contract code without forfeiture of our bid bond.

Sincerely,

Richard Humphrey
President

Humphrey Constructors 21314 Hideout Dr. Diamond Bar, Ca 91765
Phone 909-633-5945 Fax 909-594-6414 email Rich@HumphreyConstructors.com
1.0 CONTRACT

THIS CONTRACT, made and entered into this 20th day of JULY, 2016, by and between Ferreria Construction, Inc dba Ferreria Coastal Construction Co., hereinafter referred to as "Contractor," and The Inland Empire Utilities Agency, a Municipal Water District, located in San Bernardino County, California, hereinafter referred to as "Agency".

WITNESSETH:

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

1. Contractor agrees to perform and complete in a workmanlike manner, all work required under the bidding schedule of said Agency’s specifications entitled SPECIFICATIONS FOR RP-1 UTILITY WATER FLOW METER, 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 $127,584.00 One Hundred and Twenty Seven Thousand, Five Hundred and Eight Four Dollars and No Cents.

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

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

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

6. The Contractor agrees to commence work under this Contract on or before the date to be specified in a written "Notice To Proceed" and to complete said work to the satisfaction of the Agency ONE HUNDRED AND TWENTY (120) calendar days after award of the Contract. All work shall be completed before final payment is made.

7. Time is of the essence on this Contract.

8. Contractor agrees that in case the work is not completed before or upon the expiration of the contract time, damage will be sustained by the Agency, and that it is and will be impracticable to determine the actual damage which the Agency will sustain in the event and by reason of such delay, and it is therefore agreed that the Contractor shall pay to the Agency the amount of FIVE HUNDRED ($500.00) DOLLARS for each day of delay, which shall be the period between the expiration of the contract time and the date of final acceptance by the Agency, as liquidated damages and not as a penalty. It is further agreed that the amount stipulated for liquidated damages per day of delay is a reasonable estimate of the damages that would be sustained by the Agency, and the Contractor agrees to pay such liquidated damages as herein provided. In case the liquidated damages are not paid, the Contractor agrees that the Agency may deduct the amount thereof from any money due or that may become due to the Contractor by progress payments or otherwise under the Contract, or if said amount is not sufficient, recover the total amount.

In addition to the liquidated damages, which may be imposed if the Contractor fails to complete the work within the time agreed upon, the Agency may also deduct from any sums due or to become due the Contractor, liquidated damages in accordance with the Bidding and Contract Requirements, Section B - Instruction to Bidders, Part 5.0 "Liquidated Damages", for any violation of the General Conditions, Section D - Contractor's Responsibilities, Part 8, "Law and Regulations"; Bidding and Contract Requirements Contract Section D - Contract and Relevant Documents, Part 1.0, Paragraphs 9 through 11; General Conditions , Section D – Contractor’s Responsibilities, Part 4.0, "Labor, Materials and Equipment"; General Conditions Section D – Contractor’s Responsibilities, Part 12.0, "Safety and Protection" or General Conditions Section H – Legal Responsibilities, Part 8.0, "Disturbance of the Peace".
9. That the Contractor will pay, and will require subcontractors to pay, employees on the work a salary or wage at least equal to the prevailing salary or wage established for such work as set forth in the wage determinations and wage standards applicable to this work, contained in or referenced in the contract documents.

10. That, in accordance with Section 1775 of the California Labor Code, Contractor shall forfeit to the Agency, as a penalty, not more than Fifty ($50.00) Dollars for each day, or portion thereof, for each worker paid, either by the Contractor or any subcontractor, less than the prevailing rates as determined by the Director of the California Department of Industrial Relations for the work.

11. That, except as provided in Section 1815 of the California Labor Code, in the performance of the work not more than eight (8) hours shall constitute a day's work, and not more than forty (40) hours shall constitute a week's work; that the Contractor shall not require more than eight (8) hours of labor in a day nor more than forty hours of labor in a week from any person employed by the Contractor or any subcontractor; that the Contractor shall conform to Division 2, Part 7, Chapter 1, Article 3 (Section 1810, et seq.) of the California Labor Code; and that the Contractor shall forfeit to the Agency, as a penalty, the sum of Twenty-Five ($25.00) Dollars for each worker employed in the execution of the work by Contractor or any subcontractor for each day during which any worker is required or permitted to labor more than eight (8) hours in violation of said Article 3.

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

13. That the Contractor shall have furnished, prior to execution of the Contract, two bonds approved by the Agency, one in the amount of one hundred (100) percent of the contract price, to guarantee the faithful performance of the work, and one in the amount of one hundred (100) percent of the contract price to guarantee payment of all claims for labor and materials furnished.

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

The Contractor further agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands or suit at the sole expense of the Contractor.
IN WITNESS WHEREOF, The Contractor and the General Manager of Inland Empire Utilities Agency*, thereunto duly authorized, have caused the names of said parties to be affixed hereto, each in duplicate, the day and year first above written.

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

By

Joseph Grindstaff
General Manager
IEUA

Ferreira Construction, Inc.

By

Brandon Pensick
Vice President
Ferreira Construction, Inc
dba Ferreira Coastal Construction Co.

*Municipal Water District
Bond Number
3.10 PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS, THAT, WHEREAS, the Inland Empire Utilities Agency, hereinafter designated as the "Agency", has on __July 21__, __2016__, awarded to Ferreira Construction Co., Inc. dba Ferreira Coastal Construction Co. hereinafter designated as the "Principal," a Contract for the construction of:

[Description of the project]

WHEREAS, said Principal is required under the terms of said Contract to furnish a payment bond providing that if said Principal, or any of their subcontractors, shall fail to pay for any materials, provisions, or other supplies used in, upon, for, or about the performance of the work under said Contract, or for any work or labor done thereon of any kind, the Surety of this bond will pay the same to the extent hereinafter set forth:

Fidelity and Deposit

NOW, THEREFORE, WE, the Principal, and Company of Maryland, ________, as Surety, are held and firmly bound unto the Agency the penal sum of One Hundred Twenty Seven Thousand Five dollars ($127,584.00 ____) lawful money of the United States, for the payment of which sum will and truly be made, we bind ourselves, our heirs, executors, administrators, and successors, joint and several, firmly by these presents.

*Hundred Eighty Four and 00/100--

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bounden Principal, or its heirs, executors, administrators, successors, or assigns, shall fail to pay any person specified in California Civil Code Section 3181, or for any materials, provisions, or other supplies used in, upon, for, or about the performance of the work under said Contract, or for any work or labor thereon of any kind or for amount due under the Unemployment Insurance Code with respect to work or labor performed under said Contract, or for any amounts due, or to be withheld pursuant to Sections 18606 of the Revenue and Taxation Code of the State of California, or with respect to any work or labor for which a bond is required by the provisions of Sections 3247 through 3252 of the California Civil Code, and provided that the persons, companies, or corporations so furnishing said materials, provisions, or other supplies, appliances, or power use, in, upon, for, or about the performance of the work under said Contract, or any person who performs work or labor upon same, or any person who supplies both work and materials, thereto, shall have complied with the provisions of said Civil Code, then said surety will pay the same in or to an amount not exceeding the amount herein before set forth, and also will pay in case suit is brought upon this bond, such reasonable attorney's fees to Agency as shall be fixed by the court.
SECOND PAGE OF PAYMENT BOND

This bond shall inure to the benefit of Agency and any and all persons, companies, and corporations and their respective assigns entitled to file claims under applicable State law, including but not limited to, California Civil Code Section 3181, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of said Contract or to the work to be performed there under or the specifications accompanying the same shall, in any way, affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition to the terms of the Contract or to the work or to the specifications. Said Surety hereby waives the provisions of Sections 2819 and 2845 of the Civil Code of the State of California.

As a part of the obligation secured hereby and in addition to the amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by Agency in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

IN WITNESS WHEREOF, the above bounden parties have executed this instrument under their seals this 22nd day of July, 2016, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

Ferreira Construction Co., Inc.
dba Ferreira Coastal Construction Co.
Principal (print name)

[Signature for Principal] (Corporate Seal)
Fidelity and Deposit Company of Maryland
Surety (print name)

Theresa J Foley
Attorney-In-Fact

Signature for Surety

Surety address
1400 American Lane
Schaumburg, IL 60196

(Surety Seal)

ATTACH POWER-OF-ATTORNEY AND NOTARIAL ACKNOWLEDGEMENT OF SURETY BELOW
ACKNOWLEDGEMENT OF CONTRACTOR, IF A CORPORATION

STATE OF CALIFORNIA
COUNTY OF

ON THE _______ DAY OF _______ 2016, BEFORE ME PERSONALLY CAME ____________________________
TO ME KNOWN, WHO BEING BY ME DULY SWORN, DID DEPOSE AND SAY THAT (S)HE RESIDES AT
_________________________________, THAT (S)HE IS THE __________________________
OF Ferreira Construction Co., Inc. dba Ferreira Coastal Construction Co. THE CORPORATION DESCRIBED IN
AND WHICH EXECUTED THE ABOVE INSTRUMENT; AND THAT (S)HE SIGNED HIS/HER NAME THERETO BY
ORDER OF THE BOARD OF DIRECTORS OF SAID CORPORATION.

_______________________________________
Notary Public

ACKNOWLEDGEMENT OF SURETY

STATE OF NEW YORK
COUNTY OF NASSAU

ON THE 22nd DAY OF July 2016 BEFORE ME PERSONALLY CAME Theresa J Foley TO ME
KNOWN, WHO, BEING BY ME DULY SWORN, DID DEPOSE AND SAY THAT HE IS THE ATTORNEY-IN-FACT
OF Fidelity and Deposit Company of Maryland THE CORPORATION DESCRIBED IN AND WHICH
EXECUTED THE ABOVE INSTRUMENT; THAT HE KNOWS THE SEAL OF SAID CORPORATION; THAT ONE OF
THE SEALS AFFIXED TO THE FOREGOING INSTRUMENT IS SUCH SEAL; THAT IT WAS SO AFFIXED BY
ORDER OF THE BOARD OF DIRECTORS OF SAID CORPORATION; AND THAT HE SIGNED HIS NAME
THERETO BY LIKE ORDER.

Patricia V. Paulo
Notary Public

PATRICIA V. PAULO
NOTARY PUBLIC, State of New York
No. 01PA6119966
Qualified in Nassau County
Commission Expires December 13, 2016
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of San Bernardino

On July 22nd 2016, before me, Danielle Dorise Alarid personally appeared Brandon Pensick

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

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

WITNESS my hand and official seal.

Signature

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

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

Description of Attached Document
Title or Type of Document: ______________________________ Document Date: ______________________________
Number of Pages: _______ Signer(s) Other Than Named Above: ______________________________

Capacity(ies) Claimed by Signer(s)
Signer's Name: ________________ Signer's Name: ________________
☐ Corporate Officer — Title(s): ☐ Corporate Officer — Title(s):
☐ Partner — ☐ Limited ☐ General
☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact ☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator ☐ Trustee ☐ Guardian or Conservator
☐ Other: ________________ ☐ Other: ________________

Signer is Representing: ________________ Signer is Representing: ________________

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EXTRACT FROM BY-LAWS OF THE COMPANIES

"Article V, Section 8, Attorneys-in-Fact: The Chief Executive Officer, the President, or any Executive Vice President or Vice President may, by written instrument under the attested corporate seal, appoint attorneys-in-fact with authority to execute bonds, policies, recognizances, stipulations, undertakings, or other like instruments on behalf of the Company, and may authorize any officer or any such attorney-in-fact to affix the corporate seal thereto; and may with or without cause modify or revoke any such appointment or authority at any time."

CERTIFICATE

I, the undersigned, Vice President of the ZURICH AMERICAN INSURANCE COMPANY, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that Article V, Section 8, of the By-Laws of the Companies is still in force.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the ZURICH AMERICAN INSURANCE COMPANY at a meeting duly called and held on the 15th day of December 1998.

RESOLVED: "That the signature of the President or a Vice President and the attesting signature of a Secretary or an Assistant Secretary and the Seal of the Company may be affixed by facsimile on any Power of Attorney...Any such Power or any certificate thereof bearing such facsimile signature and seal shall be valid and binding on the Company."

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at a meeting duly called and held on the 5th day of May, 1994, and the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seals of the said Companies, this ___ day of _____ 2018 ___.

Michael Bond, Vice President
FIDELITY AND DEPOSIT COMPANY
OF MARYLAND
600 Red Brook Blvd., Suite 600, Owings Mills, MD 21117

Statement of Financial Condition
As Of December 31, 2015

ASSETS

Bonds ................................................................. $ 142,878,497
Stocks .................................................................. 22,315,096
Cash and Short Term Investments .................................. 337,835
Reinsurance Recoverable ........................................... 24,731,651
Other Accounts Receivable ........................................ 19,935,844
TOTAL ADMITTED ASSETS .................................................. $ 210,198,923

LIABILITIES, SURPLUS AND OTHER FUNDS

Reserve for Taxes and Expenses .................................... $ 46,436
Ceded Reinsurance Premiums Payable .......................... 40,456,309
Securities Lending Collateral Liability .......................... 0
TOTAL LIABILITIES ........................................................... $ 40,502,745
Capital Stock, Paid Up .............................................. $ 5,000,000
Surplus ...................................................................... 164,696,178
Surplus as regards Policyholders ................................... 169,696,178
TOTAL ........................................................................ $ 210,198,923

Securities carried at $57,996,983 in the above statement are deposited with various states as required by law.

Securities carried on the basis prescribed by the National Association of Insurance Commissioners. On the basis of market quotations for all bonds and stocks owned, the Company's total admitted assets at December 31, 2015 would be $212,137,795 and surplus as regards policyholders $171,635,049.

I, DENNIS F. KERRIGAN, Corporate Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing statement is a correct exhibit of the assets and liabilities of the said Company on the 31st day of December, 2015.

Corporate Secretary

State of Illinois
City of Schaumburg SS:

Subscribed and sworn to, before me, a Notary Public of the State of Illinois, in the City of Schaumburg, this 15th day of March, 2016.

Notary Public
2.0 PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS, THAT, WHEREAS, the Inland Empire Utilities Agency, a Municipal Water District, hereinafter designated as the "Agency," has, on July 21, 2016, awarded to Ferreira Construction Co., Inc. d/b/a Ferreira Coastal Construction Co., hereinafter designated as the "Principal," the Contract for the construction of:

RP-1 UTILITY WATER FLOW METER

WHEREAS, said Principal is required under the terms of said Contract to furnish a bond for the faithful performance of said Contract:

Fidelity and Deposit Company of Maryland

NOW, THEREFORE, We, the Principal, and __________, as Surety, are held and firmly bound unto the Agency the penal sum of $127,584.00 lawful money of the United States, for the payment of which sum will and truly be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

The Condition of this Obligation is such, that if the above bounden Principal, or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and will and truly keep and faithfully perform the covenants, conditions, and agreements in the said Contract and any alterations made therein provided, on its or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless, Agency and engineer, their officers, agents, and employees as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and virtue and Principal and Surety, in the event suit is brought on this bond, will pay to Agency such reasonable attorney's fees as shall be fixed by the court.

As a condition precedent to the satisfactory completion of the said Contract, the above obligation in the said amount shall hold good for a period of one (1) year after the completion and acceptance of said Contract, during which time if the above bounden Principal, its heirs, executors, administrators, successors, or assigns shall fail to make full, complete, and satisfactory repair and replacements or totally protect said Agency from loss or damage made evident during said period of one year from the date of acceptance of the work under said Contract, and resulting from or caused by defective materials or faulty workmanship in the execution of the work done, the above obligation in the said amount shall remain in full force and effect. However, anything in this paragraph to the contrary notwithstanding, the obligation of the Surety hereunder shall continue so long as any obligation of the Principal remains.
Said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Contract or to the work to be performed there under or the specifications accompanying the same shall, in any way, affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition to the terms of the Contract or to the work or to the specifications. Said Surety hereby waives the provisions of Sections 2849 and 2845 of the Civil Code of the State of California.

As a part of the obligation secured hereby and in addition to the amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by Agency in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

IN WITNESS WHEREOF, the above bounden parties have executed this instrument under their seals this _______ day of ________, 20____ the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

Ferreira Construction Co., Inc.
dba Ferreira Coastal Construction Co.

Principal (print name)

Signature for Principal (Corporate Seal)
Fidelity and Deposit Company of Maryland
Surety (print name)

Signature for Surety: [Signature]
Theresa J. Flory
Attorney-In-Fact

Surety address
1400 American Lane
Schaumburg, IL 60196

ATTACH POWER-OF-ATTORNEY AND NOTARIAL ACKNOWLEDGEMENT OF SURETY BELOW
ACKNOWLEDGEMENT OF CONTRACTOR, IF A CORPORATION

STATE OF CALIFORNIA
COUNTY OF

ON THE _______ DAY OF _________ 2016, BEFORE ME PERSONALLY CAME ________________________________, TO ME KNOWN, WHO BEING BY ME DULY SWORN, DID DEPOSE AND SAY THAT (S)HE RESIDES AT ________________________________, THAT (S)HE IS THE ____________________________________________ OF Ferreira Construction Co., Inc. dba Ferreira Coastal Construction Co. THE CORPORATION DESCRIBED IN AND WHICH EXECUTED THE ABOVE INSTRUMENT; AND THAT (S)HE SIGNED HIS/HER NAME THERETO BY ORDER OF THE BOARD OF DIRECTORS OF SAID CORPORATION.

________________________
Notary Public

ACKNOWLEDGEMENT OF SURETY

STATE OF NEW YORK
COUNTY OF NASSAU

ON THE 22nd DAY OF July 2016 BEFORE ME PERSONALLY CAME Theresa J Foley TO ME KNOWN, WHO, BEING BY ME DULY SWORN, DID DEPOSE AND SAY THAT HE IS THE ATTORNEY-IN-FACT OF Fidelity and Deposit Company of Maryland THE CORPORATION DESCRIBED IN AND WHICH EXECUTED THE ABOVE INSTRUMENT; THAT HE KNOWS THE SEAL OF SAID CORPORATION; THAT ONE OF THE SEALS AFFIXED TO THE FOREGOING INSTRUMENT IS SUCH SEAL; THAT IT WAS SO AFFIXED BY ORDER OF THE BOARD OF DIRECTORS OF SAID CORPORATION; AND THAT HE SIGNED HIS NAME THERETO BY LIKE ORDER.

________________________
Notary Public

PATRICIA V. PAULO
NOTARY PUBLIC, State of New York
No. 01PA6119966
Qualified in Nassau County
Commission Expires December 13, 2016
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of San Bernardino

On July 22nd 2016, before me, Danielle Dorise Alarid

Date

personally appeared Brandon Pensick

Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.

Signature

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

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

Description of Attached Document
Title or Type of Document: __________________________________________ Document Date: ________________________
Number of Pages: ______ Signer(s) Other Than Named Above: __________________________________________

Capacity(ies) Claimed by Signer(s)

Signer’s Name: ___________________________________________ Signer’s Name: ___________________________________________
☐ Corporate Officer — Title(s): _____________________________ ☐ Corporate Officer — Title(s): _____________________________
☐ Partner — Limited ☐ General ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact ☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator ☐ Trustee ☐ Guardian or Conservator
☐ Other: ___________________________________________ ☐ Other: ___________________________________________
Signer is Representing: ___________________________________________ Signer is Representing: ___________________________________________

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EXTRACT FROM BY-LAWS OF THE COMPANIES

"Article V, Section 8, Attorneys-in-Fact. The Chief Executive Officer, the President, or any Executive Vice President or Vice President may, by written instrument under the attested corporate seal, appoint attorneys-in-fact with authority to execute bonds, policies, recognizances, stipulations, undertakings, or other like instruments on behalf of the Company, and may authorize any officer or any such attorney-in-fact to affix the corporate seal thereto; and may with or without cause modify or revoke any such appointment or authority at any time."

CERTIFICATE

I, the undersigned, Vice President of the ZURICH AMERICAN INSURANCE COMPANY, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that Article V, Section 8, of the By-Laws of the Companies is still in force.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the ZURICH AMERICAN INSURANCE COMPANY at a meeting duly called and held on the 15th day of December 1998.

RESOLVED: "That the signature of the President or a Vice President and the attesting signature of a Secretary or an Assistant Secretary and the Seal of the Company may be affixed by facsimile on any Power of Attorney...Any such Power or any certificate thereof bearing such facsimile signature and seal shall be valid and binding on the Company."

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at a meeting duly called and held on the 5th day of May, 1994, and the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seals of the said Companies, this ___ day of Jul 22 2016.

[Seal]

Michael Bond, Vice President
FIDELITY AND DEPOSIT COMPANY
OF MARYLAND
600 Red Brook Blvd., Suite 600, Owings Mills, MD 21117

Statement of Financial Condition
As Of December 31, 2015

ASSETS
Bonds ................................................. $ 142,878,497
Stocks ............................................... 22,315,096
Cash and Short Term Investments ......................... 337,835
Reinsurance Recoverable .................................. 24,731,651
Other Accounts Receivable ................................ 19,935,844
TOTAL ADMITTED ASSETS ............................ $ 210,198,923

LIABILITIES, SURPLUS AND OTHER FUNDS
Reserve for Taxes and Expenses ......................... $ 46,436
Ceded Reinsurance Premiums Payable ................. 40,456,309
Securities Lending Collateral Liability .................. 0
TOTAL LIABILITIES ........................................... $ 40,502,745
Capital Stock, Paid Up .................................. $ 5,000,000
Surplus .................................................. 164,696,178
Surplus as regards Policyholders ....................... 169,696,178
TOTAL ...................................................... $ 210,198,923

Securities carried at $57,996,983 in the above statement are deposited with various states as required by law.

Securities carried on the basis prescribed by the National Association of Insurance Commissioners. On the basis of market quotations for all bonds and stocks owned, the Company's total admitted assets at December 31, 2015 would be $212,137,795 and surplus as regards policyholders $171,635,049.

I, DENNIS F. KERRigan, Corporate Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing statement is a correct exhibit of the assets and liabilities of the said Company on the 31st day of December, 2015.

[Signature]
Corporate Secretary

State of Illinois
City of Schaumburg } SS:

Subscribed and sworn to, before me, a Notary Public of the State of Illinois, in the City of Schaumburg, this 15th day of March, 2016.

[Signature]
Notary Public
ACORD CERTIFICATE OF LIABILITY INSURANCE

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFER NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer to the certificate holder in lieu of such endorsement(s).

PRODUCER
Conner Strong & Bucklew
Two Liberty Place
50 S. 16th Street, Suite 3600
Philadelphia, PA 19102

INSURED
Ferreira Construction Co., Inc. dba
Ferreira Coastal Construction Co
15106 Vista Del Rio Ave
Chino, CA 91710

COVERAGES

A. GENERAL LIABILITY
   X COMMERCIAL GENERAL LIABILITY
      CLAIMS-MADE  X OCCUR
   GENL AGGREGATE LIMIT APPLIED PER POLICY  X 100%
   X OCCUR

   B. AUTOMOBILE LIABILITY
      X ANY AUTO
         SCHEDULED AUTOS  X NON-OWNED AUTOS
      X OCCUR

   C. UMBRELLA LIABILITY
      X OCCUR

   D. EXCESS LIABILITY
      X CLAIMS-MADE

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Details Schedule. If more space is required)
Coverage: Contractors Professional/Pollution
Carrier: Catlin Specialty Insurance Company (NAIC #15999)
Effective: 07/01/2016 - 07/01/2017
Policy #: CPT-97419-0717
Limits: Contractors Professional = $5,000,000 Each Claim & Aggregate
(See Attached Descriptions)

CERTIFICATE HOLDER
Inland Empire Utility Agency
6675 Kimball Ave
Chino, CA 91710

CANCELLATION
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

© 1988-2016 ACORD CORPORATION. All rights reserved.

ACORD 25 (2010/09) 1 of 2 The ACORD name and logo are registered marks of ACORD
#81554382/M1526549
Pollution = $5,000,000 Each Occurrence/$10,000,000 Aggregate
Policy Aggregate Limit = $10,000,000

RE: FCC 1662 RP-1 Utility Water Flow Meter
Inland Empire Utility Agency its employees, agents, officers, directors, servants and volunteers are
listed as Additional Insured on a primary & non-contributory basis on the above-referenced General Liability
and Automobile Liability Policy if and to the extent required by written contract. A waiver of subrogation
applies as required and to the extent by written contract and permitted by law.
Additional Insured – Automatic – Owners, Lessees Or Contractors

---|---|---|---|---|---|---
GLO0197854-00 | 07/01/2018 | 07/01/2017 | 07/01/2016 | 11498000 | | |

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured: Ferreira Construction Company

Address (including ZIP Code):
31 Tannery Road
Branchburg, NJ 08876-6001

This endorsement modifies insurance provided under the:
Commercial General Liability Coverage Part

A. Section II – Who Is An Insured is amended to include as an additional insured any person or organization whom you are required to add as an additional insured on this policy under a written contract or written agreement. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf,

In the performance of your ongoing operations or "your work" as included in the "products-completed operations hazard", which is the subject of the written contract or written agreement.

However, the insurance afforded to such additional insured:
1. Only applies to the extent permitted by law; and
2. Will not be broader than that which you are required by the written contract or written agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

This insurance does not apply to:
"bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or failure to render, any professional architectural, engineering or surveying services including:

a. The preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
b. Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or the failure to render any professional architectural, engineering or surveying services.
C. The following is added to Paragraph 2, Duties In The Event Of Occurrence, Offense, Claim Or Suit of Section IV - Commercial General Liability Conditions:

The additional insured must see to it that:

1. We are notified as soon as practicable of an "occurrence" or offense that may result in a claim;
2. We receive written notice of a claim or "suit" as soon as practicable; and
3. A request for defense and indemnity of the claim or "suit" will promptly be brought against any policy issued by another insurer under which the additional insured may be an insured in any capacity. This provision does not apply to insurance on which the additional insured is a Named Insured if the written contract or written agreement requires that this coverage be primary and non-contributory.

D. For the purposes of the coverage provided by this endorsement:

1. The following is added to the Other Insurance Condition of Section IV - Commercial General Liability Conditions:

Primary and Noncontributory insurance
This insurance is primary to and will not seek contribution from any other insurance available to an additional insured provided that:

a. The additional insured is a Named Insured under such other insurance; and
b. You are required by written contract or written agreement that this insurance be primary and not seek contribution from any other insurance available to the additional insured.

2. The following paragraph is added to Paragraph 4.b. of the Other Insurance Condition of Section IV - Commercial General Liability Conditions:

This insurance is excess over:

Any of the other insurance, whether primary, excess, contingent or on any other basis, available to an additional insured, in which the additional insured on our policy is also covered as an additional insured on another policy providing coverage for the same "occurrence", offense, claim or "suit". This provision does not apply to any policy in which the additional insured is a Named Insured on such other policy and where our policy is required by a written contract or written agreement to provide coverage to the additional insured on a primary and non-contributory basis.

E. This endorsement does not apply to an additional insured which has been added to this policy by an endorsement showing the additional insured in a Schedule of additional insureds, and which endorsement applies specifically to that identified additional insured.

F. With respect to the insurance afforded to the additional insureds under this endorsement, the following is added to Section III - Limits Of Insurance:

The most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the written contract or written agreement referenced in Paragraph A. of this endorsement; or
2. Available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

All other terms and conditions of this policy remain unchanged.
Waiver Of Subrogation (Blanket) Endorsement

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<td>07/01/2016</td>
<td>11498000</td>
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following is added to the Transfer Of Rights Of Recovery Against Others To Us Condition:

If you are required by a written contract or agreement, which is executed before a loss, to waive your rights of recovery from others, we agree to waive our rights of recovery. This waiver of rights shall not be construed to be a waiver with respect to any other operations in which the insured has no contractual interest.
Coverage Extension Endorsement

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</table>

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

- Business Auto Coverage Form
- Motor Carrier Coverage Form

A. Amended Who Is An Insured

1. The following is added to the Who Is An Insured Provision in Section II – Covered Autos Liability Coverage:

   The following are also "insureds":

   a. Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow for acts performed within the scope of employment by you. Any "employee" of yours is also an "insured" while operating an "auto" hired or rented under a contract or agreement in an "employee's" name, with your permission, while performing duties related to the conduct of your business.

   b. Anyone volunteering services to you is an "insured" while using a covered "auto" you don't own, hire or borrow to transport your clients or other persons in activities necessary to your business.

   c. Anyone else who furnishes an "auto" referenced in Paragraphs A.1.a. and A.1.b. in this endorsement.

   d. Where and to the extent permitted by law, any person(s) or organization(s) where required by written contract or written agreement with you executed prior to any "accident", including those person(s) or organization(s) directing your work pursuant to such written contract or written agreement with you, provided the "accident" arises out of operations governed by such contract or agreement and only up to the limits required in the written contract or written agreement, or the Limits of Insurance shown in the Declarations, whichever is less.

2. The following is added to the Other Insurance Condition in the Business Auto Coverage Form and the Other Insurance – Primary and Excess Insurance Provisions Condition in the Motor Carrier Coverage Form:

   Coverage for any person(s) or organization(s), where required by written contract or written agreement with you executed prior to any "accident", will apply on a primary and non-contributory basis and any insurance maintained by the additional "insured" will apply on an excess basis. However, in no event will this coverage extend beyond the terms and conditions of the Coverage Form.

B. Amendment – Supplementary Payments

Paragraphs a.(2) and a.(4) of the Coverage Extensions Provision in Section II – Covered Autos Liability Coverage are replaced by the following:

(2) Up to $5,000 for the cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

(4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to $500 a day because of time off from work.
C. Fellow Employee Coverage

The Fellow Employee Exclusion contained in Section II – Covered Autos Liability Coverage does not apply.

D. Driver Safety Program Liability and Physical Damage Coverage

1. The following is added to the Racing Exclusion in Section II – Covered Autos Liability Coverage:

   This exclusion does not apply to covered “autos” participating in a driver safety program event, such as, but not limited to, auto or truck rodeos and other auto or truck agility demonstrations.

2. The following is added to Paragraph 2. in the Exclusions of Section III – Physical Damage Coverage of the Business Auto Coverage Form and Paragraph 2.b. in the Exclusions of Section IV – Physical Damage Coverage of the Motor Carrier Coverage Form:

   This exclusion does not apply to covered “autos” participating in a driver safety program event, such as, but not limited to, auto or truck rodeos and other auto or truck agility demonstrations.

E. Lease or Loan Gap Coverage

The following is added to the Coverage Provision of the Physical Damage Coverage Section:

Lease Or Loan Gap Coverage

In the event of a total "loss" to a covered "auto", we will pay any unpaid amount due on the lease or loan for a covered "auto", less:

a. Any amount paid under the Physical Damage Coverage Section of the Coverage Form; and
b. Any:

   (1) Overdue lease or loan payments at the time of the "loss";
   (2) Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;
   (3) Security deposits not returned by the lessor;
   (4) Costs for extended warranties, credit life insurance, health, accident or disability insurance purchased with the loan or lease; and
   (5) Carry-over balances from previous leases or loans.

F. Towing and Labor

Paragraph A.2. of the Physical Damage Coverage Section is replaced by the following:

We will pay up to $75 for towing and labor costs incurred each time a covered “auto” of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

G. Extended Glass Coverage

The following is added to Paragraph A.3.a. of the Physical Damage Coverage Section:

If glass must be replaced, the deductible shown in the Declarations will apply. However, if glass can be repaired and is actually repaired rather than replaced, the deductible will be waived. You have the option of having the glass repaired rather than replaced.

H. Hired Auto Physical Damage – Increased Loss of Use Expenses

The Coverage Extension for Loss Of Use Expenses in the Physical Damage Coverage Section is replaced by the following:

Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or written rental agreement. We will pay for loss of use expenses if caused by:
(1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";

(2) Specified Causes Of Loss only if the Declarations indicate that Specified Causes Of Loss Coverage is provided for any covered "auto"; or

(3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is $100 per day, to a maximum of $3000.

I. Personal Effects Coverage

The following is added to the Coverage Provision of the Physical Damage Coverage Section:

Personal Effects Coverage

a. We will pay up to $750 for "loss" to personal effects which are:
   (1) Personal property owned by an "insured"; and
   (2) In or on a covered "auto".

b. Subject to Paragraph a. above, the amount to be paid for "loss" to personal effects will be based on the lesser of:
   (1) The reasonable cost to replace; or
   (2) The actual cash value.

c. The coverage provided in Paragraphs a. and b. above, only applies in the event of a total theft of a covered "auto". No deductible applies to this coverage. However, we will not pay for "loss" to personal effects of any of the following:
   (1) Accounts, bills, currency, deeds, evidence of debt, money, notes, securities, or commercial paper or other documents of value.
   (2) Bullion, gold, silver, platinum, or other precious alloys or metals; furs or fur garments; jewelry, watches, precious or semi-precious stones.
   (3) Paintings, statuary and other works of art.
   (4) Contraband or property in the course of illegal transportation or trade.
   (5) Tapes, records, discs or other similar devices used with audio, visual or data electronic equipment.

Any coverage provided by this Provision is excess over any other insurance coverage available for the same "loss".

J. Tapes, Records and Discs Coverage

1. The Exclusion in Paragraph B.4.a. of Section III – Physical Damage Coverage in the Business Auto Coverage Form and the Exclusion in Paragraph B.2.c. of Section IV – Physical Damage Coverage in the Motor Carrier Coverage Form does not apply.

2. The following is added to Paragraph 1.a. Comprehensive Coverage under the Coverage Provision of the Physical Damage Coverage Section:

We will pay for "loss" to tapes, records, discs or other similar devices used with audio, visual or data electronic equipment. We will pay only if the tapes, records, discs or other similar audio, visual or data electronic devices:

(a) Are the property of an "insured"; and
(b) Are in a covered "auto" at the time of "loss".

The most we will pay for such "loss" to tapes, records, discs or other similar devices is $500. The Physical Damage Coverage Deductible Provision does not apply to such "loss".
K. Airbag Coverage

The Exclusion in Paragraph B.3.a. of Section III – Physical Damage Coverage in the Business Auto Coverage Form and the Exclusion in Paragraph B.4.a. of Section IV – Physical Damage Coverage in the Motor Carrier Coverage Form does not apply to the accidental discharge of an airbag.

L. Two or More Deductibles

The following is added to the Deductible Provision of the Physical Damage Coverage Section:

If an accident is covered both by this policy or Coverage Form and by another policy or Coverage Form issued to you by us, the following applies for each covered "auto" on a per vehicle basis:

1. If the deductible on this policy or Coverage Form is the smaller (or smallest) deductible, it will be waived; or
2. If the deductible on this policy or Coverage Form is not the smaller (or smallest) deductible, it will be reduced by the amount of the smaller (or smallest) deductible.

M. Physical Damage – Comprehensive Coverage – Deductible

The following is added to the Deductible Provision of the Physical Damage Coverage Section:

Regardless of the number of covered "autos" damaged or stolen, the maximum deductible that will be applied to Comprehensive Coverage for all "losses" from any one cause is $5,000 or the deductible shown in the Declarations, whichever is greater.

N. Temporary Substitute Autos – Physical Damage

1. The following is added to Section I – Covered Autos:

   Temporary Substitute Autos – Physical Damage

   If Physical Damage Coverage is provided by this Coverage Form on your owned covered "autos", the following types of vehicles are also covered "autos" for Physical Damage Coverage:

   Any "auto" you do not own when used with the permission of its owner as a temporary substitute for a covered "auto" you do own but is out of service because of its:

   1. Breakdown;
   2. Repair;
   3. Servicing;
   4. "Loss";
   5. Destruction.

2. The following is added to the Paragraph A. Coverage Provision of the Physical Damage Coverage Section:

   Temporary Substitute Autos – Physical Damage

   We will pay the owner for "losses" to the temporary substitute "auto" unless the "losses" results from fraudulent acts or omissions on your part. If we make any payment to the owner, we will obtain the owner's rights against any other party.

   The deductible for the temporary substitute "auto" will be the same as the deductible for the covered "auto" it replaces.

O. Amended Duties In The Event Of Accident, Claim, Suit Or Loss

Paragraph a. of the Duties In The Event Of Accident, Claim, Suit Or Loss Condition is replaced by the following:

a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident", claim, "suit" or "loss". However, these duties only apply when the "accident", claim, "suit" or "loss" is known to you (if you are an individual), a partner (if you are a partnership), a member (if you are a limited liability company) or an executive officer or insurance manager (if you are a corporation). The failure of any
agent, servant or employee of the "insured" to notify us of any "accident", claim, "suit" or "loss" shall not invalidate the insurance afforded by this policy.

include, as soon as practicable:

(1) How, when and where the "accident" or "loss" occurred and if a claim is made or "suit" is brought, written notice of the claim or "suit" including, but not limited to, the date and details of such claim or "suit";

(2) The "insured's" name and address; and

(3) To the extent possible, the names and addresses of any injured persons and witnesses.

If you report an "accident", claim, "suit" or "loss" to another insurer when you should have reported to us, your failure to report to us will not be seen as a violation of these amended duties provided you give us notice as soon as practicable after the fact of the delay becomes known to you.

P. Waiver of Transfer Of Rights Of Recovery Against Others To Us

The following is added to the Transfer Of Rights Of Recovery Against Others To Us Condition:

This Condition does not apply to the extent required of you by a written contract, executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by such contract. This waiver only applies to the person or organization designated in the contract.

Q. Employee Hired Autos – Physical Damage

Paragraph b. of the Other Insurance Condition in the Business Auto Coverage Form and Paragraph f. of the Other Insurance – Primary and Excess Insurance Provisions Condition in the Motor Carrier Coverage Form are replaced by the following:

For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

(1) Any covered "auto" you lease, hire, rent or borrow; and

(2) Any covered "auto" hired or rented under a written contract or written agreement entered into by an "employee" or elected or appointed official with your permission while being operated within the course and scope of that "employee's" employment by you or that elected or appointed official's duties as respect their obligations to you.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

R. Unintentional Failure to Disclose Hazards

The following is added to the Concealment, Misrepresentation Or Fraud Condition:

However, we will not deny coverage under this Coverage Form if you unintentionally:

(1) Fail to disclose any hazards existing at the inception date of this Coverage Form; or

(2) Make an error, omission, improper description of "autos" or other misstatement of information.

You must notify us as soon as possible after the discovery of any hazards or any other information that was not provided to us prior to the acceptance of this policy.

S. Hired Auto – World Wide Coverage

Paragraph 7a.(5) of the Policy Period, Coverage Territory Condition is replaced by the following:

(5) Anywhere in the world if a covered "auto" is leased, hired, rented or borrowed for a period of 60 days or less,

T. Bodily Injury Redefined

The definition of "bodily injury" in the Definitions Section is replaced by the following:

"Bodily injury" means bodily injury, sickness or disease, sustained by a person including death or mental anguish, resulting from any of these at any time. Mental anguish means any type of mental or emotional illness or disease.
U. Expected Or Intended Injury

The Expected Or Intended Injury Exclusion in Paragraph B. Exclusions under Section II – Covered Auto Liability Coverage is replaced by the following:

Expected Or Intended Injury

"Bodily Injury" or "property damage" expected or intended from the standpoint of the "insured". This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

V. Physical Damage – Additional Temporary Transportation Expense Coverage

Paragraph A.4.a. of Section III – Physical Damage Coverage is replaced by the following:

4. Coverage Extensions
   a. Transportation Expenses

   We will pay up to $50 per day to a maximum of $1,000 for temporary transportation expense incurred by you because of the theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

W. Replacement of a Private Passenger Auto with a Hybrid or Alternative Fuel Source Auto

The following is added to Paragraph A. Coverage of the Physical Damage Coverage Section:

In the event of a total "loss" to a covered "auto" of the private passenger type that is replaced with a hybrid "auto" or "auto" powered by an alternative fuel source of the private passenger type, we will pay an additional 10% of the cost of the replacement "auto", excluding tax, title, license, other fees and any aftermarket vehicle upgrades, up to a maximum of $2500. The covered "auto" must be replaced by a hybrid "auto" or an "auto" powered by an alternative fuel source within 60 calendar days of the payment of the "loss" and evidenced by a bill of sale or new vehicle lease agreement.

To qualify as a hybrid "auto", the "auto" must be powered by a conventional gasoline engine and another source of propulsion power. The other source of propulsion power must be electric, hydrogen, propane, solar or natural gas, either compressed or liquefied. To qualify as an "auto" powered by an alternative fuel source, the "auto" must be powered by a source of propulsion power other than a conventional gasoline engine. An "auto" solely propelled by biofuel, gasoline or diesel fuel or any blend thereof is not an "auto" powered by an alternative fuel source.

X. Return of Stolen Automobile

The following is added to the Coverage Extension Provision of the Physical Damage Coverage Section:

If a covered "auto" is stolen and recovered, we will pay the cost of transport to return the "auto" to you. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage.

All other terms, conditions, provisions and exclusions of this policy remain the same.
WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.) This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated. (The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement
Insured: Ferreira Construction Company
Insurance Company Zurich American Insurance Company

Effective Policy No. WC-0197574-00 7-1-2018

Endorsement No. Premium $

Countersigned by __________________________
Date: August 17, 2016

To: The Honorable Board of Directors

Through: Engineering, Operations, and Biosolids Management Committee (08/10/16)

From: P. Joseph Grindstaff
General Manager

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

Shaun J. Stone
Manager of Engineering

Subject: Magnolia Spillway Repair Construction Contract Award

RECOMMENDATION

It is recommended that the Board of Directors:

1. Approve the construction contract award for the Magnolia Spillway Repair Project No. EN16132, to Genesis Construction Co. Inc., in the amount of $280,891; and

2. Authorize the General Manager to execute the construction contract.

BACKGROUND

In 2009, IEUA in partnership with the State Water Resources Control Board (SWRCB), Orange County Water District, the cities of Chino, Chino Hills and Ontario and many other stakeholders developed, utilizing a SWRCB grant, the Chino Creek Integrated Plan (Plan). The Plan was a guidance document for working together to protect, improve, and enhance the lower Chino Creek Watershed. The Plan identified the highest priority improvement opportunities, recommended solutions, and the necessary next steps for project implementation. The Magnolia Channel Improvements Project was one of the projects identified in the Plan and was constructed by the Agency and its stakeholder’s through grant funding and cost sharing agreements.

The Agency is responsible for maintaining the Magnolia Channel Improvement Project. In FY 2014/15, the Magnolia Spillway was damaged by several severe storm events. It was also recently determined that the Basin needed to be cleaned of silt. An analysis was conducted and a project
was developed to address these items. As part of the analysis, a review of the spillway damage by Willdan Engineering Inc. resulted in the following recommendations:

- Removal/Replacement of all damaged downstream concrete spillway sections;
- Installation of a cut-off wall and placement of a new concrete cover on the upstream approach to the overflow weir (currently compacted soil);
- Addition of rebar reinforcement on both upstream and downstream improvements;
- Addition of downstream weep holes to allow the berm to drain; and,
- Rip-rap placement on the upstream and downstream edges of the spillway to prevent erosion under the concrete spillway.

On June 16, 2016, a request for bids for the final project was advertised to the pre-qualified contractors on the under $2,000,000 list. Five contractors participated in the job walk on June 23, 2016. On June 30, 2016, the following bids were received:

<table>
<thead>
<tr>
<th>Bidder’s Name</th>
<th>Price</th>
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<tbody>
<tr>
<td>Genesis Construction Co, Inc.</td>
<td>$280,891</td>
</tr>
<tr>
<td>Humphrey Construction</td>
<td>$292,000</td>
</tr>
<tr>
<td>Mike Bubalo Construction, Inc.</td>
<td>$398,500</td>
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<td>SCW *</td>
<td>$451,139</td>
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<tr>
<td>W.A.Rasic Construction Co., Inc.</td>
<td>$533,800</td>
</tr>
</tbody>
</table>

| Engineer’s Estimate                      | $283,979 |

*Addendum 1 was not submitted: Non-Responsive bid

Genesis Construction Company (Genesis) was the lowest responsive and responsible bidder with a bid price of $280,891. Genesis is on the Agency’s under $2,000,000 pre-qualified list and therefore their contractor licenses were checked and found to be current and in good standing; Genesis has performed several successful projects for the Agency past showing good workmanship and responsiveness.

The following table is the projected project cost:

<table>
<thead>
<tr>
<th>Description</th>
<th>Estimated Cost</th>
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</thead>
<tbody>
<tr>
<td>Design</td>
<td>$84,000</td>
</tr>
<tr>
<td>Construction-Protect/Monitor Berm through Winter</td>
<td>$64,000</td>
</tr>
<tr>
<td>Construction Services (~15%)</td>
<td>$42,000</td>
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<tr>
<td>Construction</td>
<td>$280,891</td>
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<tr>
<td>Construction Contingency (~15%)</td>
<td>$42,000</td>
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<tr>
<td><strong>Total Project Cost</strong></td>
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</tr>
<tr>
<td><strong>Total Project Budget</strong></td>
<td><strong>$734,000</strong></td>
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</table>
The following is the project schedule:

<table>
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<tr>
<th>Project Milestone</th>
<th>Date</th>
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<tbody>
<tr>
<td>Construction Contract Award</td>
<td>August 2016</td>
</tr>
<tr>
<td>Construction Completion</td>
<td>January 2017</td>
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The Magnolia Spillway Repair project is consistent with the *Agency’s Business Goal of Business Practices* of commitment to applying ethical, fiscally responsible and environmentally sustainable principles to all aspects of business and organizational conduct.

**PRIOR BOARD ACTION**

None.

**IMPACT ON BUDGET**

If approved, the construction contract award for the Magnolia Spillway Repair Project No. EN16132 in the amount of $280,891 will be within the total project budget of $734,000 in the Administrative Services (GG) Fund.

PJG:CB:SS:mp
Magnolia Channel Spillway Repair
Construction Contract Award
Project No. EN16132
August 17, 2016
Project Location
Project Background

- Damage identified to Magnolia Channel Spillway
- Temporary protection of spillway during the 2015 storm season
- Desilting Basin requires silt removal

Concrete Displaced By Water
Project Scope

- Remove and replace failed concrete
- Pressure grout voids under top slab
- Place downstream weeps to relieve hydrostatic pressure and rip-rap
- Remove/Dispose of accumulated silt
- Conduct forensic analysis of failure
Bid Summary

Five bids received on June 30, 2016:

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**Engineer's Estimate**

$283,979

*Addendum 1 not submitted: Non-Responsive bid.*
## Project Cost and Schedule

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<td>January 2017</td>
</tr>
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</table>
Agency Goal/Recommendation

Staff recommends that the Board of Directors approve the construction contract to Genesis Construction Company, Inc. for the Magnolia Spillway Repair, Project No. EN16132, in the amount of $280,891 and authorize the General Manager to execute the contract.

The Magnolia Spillway Repair project is consistent with the Agency's Business Goal of Business Practices of commitment to applying ethical, fiscally responsible and environmentally sustainable principles to all aspects of business and organizational conduct.
1.0 CONTRACT

THIS CONTRACT, made and entered into this ___ day of __________, 20___, by and 
between Hemet Manufacturing Co Inc. DBA Genesis Construction, hereinafter referred 
to as "Contractor," and The Inland Empire Utilities Agency, a Municipal Water 
District, located in San Bernardino County, California, hereinafter referred to as "Agency".

WITNESSETH:

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

1. Contractor agrees to perform and complete in a workmanlike manner, all work 
required under the bidding schedule of said Agency's specifications entitled 
SPECIFICATIONS FOR Magnolia Channel Spillway Repair, Project No. EN16132, 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: $280,891.00 Two Hundred and Eighty Thousand, Eight Hundred and 
Ninety One Dollars and No Cents.
If this is not a lump sum bid and the contract price is dependent upon the quantities constructed, the Agency will pay and said Contractor shall receive, in full compensation for the work the prices named in the Bidding and Contract Requirements, Section C - Bid Forms.

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

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

6. The Contractor agrees to commence work under this Contract on or before the date to be specified in a written "Notice To Proceed" and to complete said work to the satisfaction of the Agency Ninety-eight (98) calendar days after award of the Contract. All work shall be completed before final payment is made.

7. Time is of the essence on this Contract.

8. Contractor agrees that in case the work is not completed before or upon the expiration of the contract time, damage will be sustained by the Agency, and that it is and will be impracticable to determine the actual damage which the Agency will sustain in the event and by reason of such delay, and it is therefore agreed that the Contractor shall pay to the Agency the amount of Five-hundred ($ 500.00) dollars for each day of delay, which shall be the period between the expiration of the contract time and the date of final acceptance by the Agency, as liquidated damages and not as a penalty. It is further agreed that the amount stipulated for liquidated damages per day of delay is a reasonable estimate of the damages that would be sustained by the Agency, and the Contractor agrees to pay such liquidated damages as herein provided. In case the liquidated damages are not paid, the Contractor agrees that the Agency may deduct the amount thereof from any money due or that may become due to the Contractor by progress payments or otherwise under the Contract, or if said amount is not sufficient, recover the total amount.

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

9. That the Contractor will pay, and will require subcontractors to pay, employees on the work a salary or wage at least equal to the prevailing salary or wage established for such work as set forth in the wage determinations and wage standards applicable to this work, contained in or referenced in the contract documents.

10. That, in accordance with Section 1775 of the California Labor Code, Contractor shall forfeit to the Agency, as a penalty, not more than Fifty ($50.00) Dollars for each day, or portion thereof, for each worker paid, either by the Contractor or any subcontractor, less than the prevailing rates as determined by the Director of the California Department of Industrial Relations for the work.

11. That, except as provided in Section 1815 of the California Labor Code, in the performance of the work not more than eight (8) hours shall constitute a day's work, and not more than forty (40) hours shall constitute a week's work; that the Contractor shall not require more than eight (8) hours of labor in a day or more than forty hours of labor in a week from any person employed by the Contractor or any subcontractor; that the Contractor shall conform to Division 2, Part 7, Chapter 1, Article 3 (Section 1810, et seq.) of the California Labor Code; and that the Contractor shall forfeit to the Agency, as a penalty, the sum of Twenty-Five ($25.00) Dollars for each worker employed in the execution of the work by Contractor or any subcontractor for each day during which any worker is required or permitted to labor more than eight (8) hours in violation of said Article 3.

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

13. That the Contractor shall have furnished, prior to execution of the Contract, two bonds approved by the Agency, one in the amount of one hundred (100) percent of the contract price, to guarantee the faithful performance of the work, and one in the amount of one hundred (100) percent of the contract price to guarantee payment of all claims for labor and materials furnished.

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

The Contractor further agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands or suit at the sole expense of the Contractor.
IN WITNESS WHEREOF, The Contractor and the General Manager of Inland Empire Utilities Agency*, thereunto duly authorized, have caused the names of said parties to be affixed hereto, each in duplicate, the day and year first above written.

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

By ________________________________
Joseph Grindstaff
General Manager
IEUA

Hemet Manufacturing DBA Genesis Construction

By Candace D. Perrv
President, Secy, Treas.
Hemet Manufacturing Co., Inc. dba
Genesis Construction

*Municipal Water District
2.0 PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS, THAT, WHEREAS, the Inland Empire Utilities Agency, a Municipal Water District, hereinafter designated as the "Agency," has, on _______________20__, awarded to Hemel Manufacturing Company, Inc. dba Genesis Construction _______________, hereinafter designated as the "Principal," the Contract for the construction of:

Magnolia Channel Spillway Repair, Project No. EN16132

WHEREAS, said Principal is required under the terms of said Contract to furnish a bond for the faithful performance of said Contract:

NOW, THEREFORE, WE, the Principal, and ________________, as Surety, are held and firmly bound unto the Agency the penal sum of _______________ dollars($280,891.00) lawful money of the United States, for the payment of which sum will and truly be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bounden Principal, or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and will and truly keep and faithfully perform the covenants, conditions, and agreements in the said Contract and any alterations made as therein provided, on its or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless, Agency and engineer, their officers, agents, and employees as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and virtue and Principal and Surety, in the event suit is brought on this bond, will pay to Agency such reasonable attorney's fees as shall be fixed by the court.

As a condition precedent to the satisfactory completion of the said Contract, the above obligation in the said amount shall hold good for a period of one (1) year after the completion and acceptance of said Contract, during which time if the above bounden Principal, its heirs, executors, administrators, successors, or assigns shall fail to make full, complete, and satisfactory repair and replacements or totally protect said Agency from loss or damage made evident during said period of one year from the date of acceptance of the work under said Contract, and resulting from or caused by defective materials or faulty workmanship in the execution of the work done, the above obligation in the said amount shall remain in full force and effect. However, anything in this paragraph to the contrary notwithstanding, the obligation of the Surety hereunder shall continue so long as any obligation of the Principal remains.

*Two Hundred Eighty Thousand Eight Hundred Ninety One and 00/100

IBF-SM-16-002 39

CONTRACT AND RELEVANT DOCUMENTS 6/15/16
Said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Contract or to the work to be performed there under or the specifications accompanying the same shall, in any way, affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition to the terms of the Contract or to the work or to the specifications. Said Surety hereby waives the provisions of Sections 2819 and 2845 of the Civil Code of the State of California.

As a part of the obligation secured hereby and in addition to the amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney’s fees, incurred by Agency in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

IN WITNESS WHEREOF, the above bounden parties have executed this instrument under their seals this _______ day of _______ , 2016 , the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

Hemet Manufacturing Company, Inc. cba Genesis Construction

Principal (print name)

(Corporate Seal)

Cardale D. Perry, President
THIRD PAGE OF PERFORMANCE BOND

Hudson Insurance Company
Surety (print name)

Signature for Surety Ryan E. Warnock, Attorney-in-Fact
(Surety Seal)

Surety address

100 William Street, 5th Floor
New York, NY 10038

ATTACH POWER-OF-ATTORNEY AND NOTARIAL ACKNOWLEDGEMENT OF SURETY BELOW
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT  Civil Code § 1189

STATE OF CALIFORNIA

County of Riverside

On July 21, 2016 before me, Tia M. Clark, Notary Public,

personally appeared Candace D. Perry

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

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

Witness my hand and official seal.

Signature

Signer's Name:

Description of Attached Document

Title or Type of Document: Payment & Performance Bond ASB744

Document Date: Number of Pages:

Signer(s) Other Than Named Above:

Capacity(ies) Claimed by Signer(s)

Signer's Name:

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

Signer is Representing:

Signature

Signature

Top of thumb here

Top of thumb here
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

STATE OF CALIFORNIA

County of San Diego

On JUL 9 2016 before me, Janice R. Martin, Notary Public,

personally appeared Ryan E. Warnock

Name(s) of Signer(s)

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

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

Witness my hand and official seal.

Signature

Signature of Notary Public Janice R. Martin

Place Notary Seal Above

OPTIONAL

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

Description of Attached Document

Title or Type of Document:

Document Date: ____________________________ Number of Pages: __________

Signer(s) Other Than Named Above: ____________________________

Capacity(ies) Claimed by Signer(s)

Signer's Name: __________________________________________

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

Signer is Representing: ____________________________

Right Thumbprint of Signer: Top of thumb here

Signer's Name: __________________________________________

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

Signer is Representing: ____________________________

Right Thumbprint of Signer: Top of thumb here
POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That HUDSON INSURANCE COMPANY, a corporation of the State of Delaware, with offices at 100 William Street, New York, New York, 10038, has made, constituted and appointed, and by these presents, does make, constitute and appoint

Lawrence F. McNamee, James Baldwin, Jr., Sarah Myers, Ryan E. Warnock
of the State of California

its true and lawful Attorney(s)-in-Fact, at New York, New York, each of them alone to have full power to act without the other or others, to make, execute and deliver on its behalf, as Surety, bonds and undertakings given for any and all purposes, also to execute and deliver on its behalf as aforesaid renewals, extensions, agreements, waivers, consents or stipulations relating to such bonds or undertakings provided, however, that no single bond or undertaking shall obligate said Company for any portion of the penal sum thereof in excess of the sum of Ten Million Dollars ($10,000,000.00).

Such bonds and undertakings when duly executed by said Attorney(s)-in-Fact, shall be binding upon said Company as fully and to the same extent as if signed by the President of said Company under its corporate seal attested by its Secretary.

In Witness Whereof, HUDSON INSURANCE COMPANY has caused these presents to be of its Executive Vice President thereunto duly authorized, on this 8th day of November 2013 at New York, New York.

[Signature]
Dina Daskalakis
Corporate Secretary

HUDSON INSURANCE COMPANY

By...
Christopher T. Suarez
Executive Vice President

STATE OF NEW YORK
COUNTY OF NEW YORK. SS.

On the 8th day of November 2013 before me personally came Christopher T. Suarez to me known, who being by me duly sworn did depose and say that he is an Executive Vice President of HUDSON INSURANCE COMPANY, the corporation described herein and which executed the above instrument, that he knows the seal of said Corporation, that the seal affixed to said instrument is such corporate seal, that it was so affixed by order of the Board of Directors of said Corporation, and that he signed his name thereto by like order.

[Signature]
ANN M. MURPHY
Notary Public, State of New York
Notary Public, State of New York
No. 0140607133
Qualified in Nassau County
Commission Expires December 10, 2017

CERTIFICATION

The undersigned Dina Daskalakis hereby certifies:

That the original resolution, of which the following is a true and correct copy, was duly adopted by unanimous written consent of the Board of Directors of Hudson Insurance Company dated July 28th, 2016, and has not since been revoked, amended or modified:

"RESOLVED, that the President, the Executive Vice Presidents, the Senior Vice Presidents and the Vice Presidents shall have the authority and discretion, to appoint such agent or agents, or attorney or attorneys-in-fact, for the purpose of carrying on this Company's surety business, and to empower such agent or agents, or attorney or attorneys-in-fact, to execute and deliver, under this Company's seal or otherwise, bonds obligations, and recognizances, whether made by this Company as surety thereon or otherwise, indemnity contracts, contracts and certificates, and any and all other contracts and undertakings made in the course of this Company's surety business, and renewals, extensions, agreements, waivers, consents or stipulations regarding undertakings so made and

FURTHER RESOLVED, that the signature of any such Officer of the Company and the Company's seal may be affixed by facsimile to any power of attorney or certification given for the execution of any bond, undertaking, recognizance, contract of indemnity or other written obligation in the nature thereof or related thereto, such signature and seal when so used whether hereof or hereafter, being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed."

That the above and foregoing is a full, true and correct copy of Resolution of the Board of Directors, set forth in the said Resolution of the said Power of Attorney is now in force.

Witness the hand of the undersigned and the seal of said Corporation this JUL 30 2016 20

[Signature]
Dina Daskalakis, Corporate Secretary
3.0 PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS, THAT, WHEREAS, the Inland Empire Utilities Agency, hereinafter designated as the "Agency", has, on ____________, 20__, awarded to Hemet Manufacturing Company, Inc. dba Genesis Construction ____________, hereinafter designated as the "Principal," a Contract for the construction of:

Magnolia Channel Spillway Repair, Project No. EN16132

WHEREAS, said Principal is required under the terms of said Contract to furnish a payment bond providing that if said Principal, or any of their subcontractors, shall fail to pay for any materials, provisions, or other supplies used in, upon, for, or about the performance of the work under said Contract, or for any work or labor done thereon of any kind, the Surety of this bond will pay the same to the extent hereinafter set forth:

NOW, THEREFORE, WE, the Principal, and Hudson Insurance Company ____________, as Surety, are held and firmly bound unto the Agency the penal sum of _______________________ dollars ($280,891.00 __________) lawful money of the United States, for the payment of which sum will and truly be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bounden Principal, or its heirs, executors, administrators, successors, or assigns, shall fail to pay any person specified in California Civil Code Section 3181, or for any materials, provisions, or other supplies used in, upon, for, or about the performance of the work under said Contract, or for any work or labor thereon of any kind or for amount due under the Unemployment Insurance Code with respect to work or labor performed under said Contract, or for any amounts due, or to be withheld pursuant to Sections 18806 of the Revenue and Taxation Code of the State of California, or with respect to any work or labor for which a bond is required by the provisions of Sections 3247 through 3252 of the California Civil Code, and provided that the persons, companies, or corporations so furnishing said materials, provisions, or other supplies, appliances, or power use, in, upon, for, or about the performance of the work under said Contract, or any person who performs work or labor upon same, or any person who supplies both work and materials, thereto, shall have complied with the provisions of said Civil Code, then said surety will pay the same in or to an amount not exceeding the amount herein before set forth, and also will pay in case suit is brought upon this bond, such reasonable attorney's fees to Agency as shall be fixed by the court.

*Two Hundred Eighty Thousand Eight Hundred Ninety One and 00/100
SECOND PAGE OF PAYMENT BOND

This bond shall inure to the benefit of Agency and any and all persons, companies, and corporations and their respective assigns entitled to file claims under applicable State law, including but not limited to, California Civil Code Section 3181, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of said Contract or to the work to be performed there under or the specifications accompanying the same shall, in any way, affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition to the terms of the Contract or to the work or to the specifications. Said Surety hereby waives the provisions of Sections 2819 and 2845 of the Civil Code of the State of California.

As a part of the obligation secured hereby and in addition to the amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by Agency in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

IN WITNESS WHEREOF, the above bounden parties have executed this instrument under their seals this [ ] day of [ ], 20[ ] , 20[ ], the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

Hemet Manufacturing Company, Inc. dba Genesis Construction
Principal (print name)

[Handwritten Signature]

(Corporate Seal)
Bond Number ASB744

THIRD PAGE OF PAYMENT BOND

Hudson Insurance Company
Surety (print name)

[Signature]
Signature for Surety Ryan E. Wernock, Attorney-in-Fact
(Surety Seal)

Surety address
100 William Street, 5th Floor
New York, NY 10038

ATTACH POWER-OF-ATTORNEY AND NOTARIAL ACKNOWLEDGEMENT OF SURETY BELOW
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

County of San Diego

On  JUL  26 2013 before me, Janice R. Martin, Notary Public,

personally appeared Ryan E. Warnock.

Name(s) of Signer(s)

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

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

Witness my hand and official seal.

Signature

OPTIONAL

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

Description of Attached Document

Title or Type of Document:

Document Date: ______________________________ Number of Pages: ______________

Signer(s) Other Than Named Above:

Capacity(ies) Claimed by Signer(s)

Signer’s Name:

Individual

Corporate Officer — Title(s):

Partner  [ ] Limited  [ ] General

Attorney in Fact

Trustee

Guardian or Conservator

Other: __________________________

Signer is Representing:

______________________________

Signature

[ ] Individual

[ ] Corporate Officer — Title(s): __________________________

[ ] Partner  [ ] Limited  [ ] General

[ ] Attorney in Fact

[ ] Trustee

[ ] Guardian or Conservator

[ ] Other: __________________________

Signer is Representing:

______________________________

Signature
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

STATE OF CALIFORNIA

County of Riverside

On July 21, 2016 before me, Tia M. Clark, Notary Public,

Date

Insert Name of Notary exactly as it appears on the official seal

personally appeared Candace D. Perry

Name(s) of Signer(s)

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

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

Witness my hand and official seal.

Signature [Signature of Notary Public]

Place Notary Seal Above

OPTIONAL

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

Description of Attached Document

Title or Type of Document: Payment & Performance Bond ASB744

Document Date: Number of Pages:

Signer(s) Other Than Named Above:

Capacity(ies) Claimed by Signer(s)

Signer's Name: Signer's Name:

[ ] Individual [ ] Individual

[ ] Corporate Officer — Title(s): [ ] Corporate Officer — Title(s):

[ ] Partner [ ] Limited [ ] General

[ ] Attorney in Fact [ ] Attorney in Fact

[ ] Trustee [ ] Trustee

[ ] Guardian or Conservator [ ] Guardian or Conservator

[ ] Other: [ ] Other:

Signer is Representing:

Signer is Representing:
POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That HUDSON INSURANCE COMPANY, a corporation of the State of Delaware, with offices at 100 William Street, New York, New York, 10038, has made, constituted and appointed, and by these presents, does make, constitute and appoint

Lawrence F. McMahon, James Baldassare, Jr., Sarah Myers, Ryan E. Warnock
of the State of California

its true and lawful Attorney(s)-in-Fact, at New York, New York, each of them alone to have full power to act without the other or others, to make, execute and deliver on its behalf, as Surety, bonds and undertakings given for any and all purposes, also to execute and deliver on its behalf as aforesaid renewal, extensions, agreements, waivers, consents or stipulations relating to such bonds or undertakings provided, however, that no single bond or undertaking shall obligate said Company for any portion of the penal sum thereof in excess of the sum of Ten Million Dollars ($10,000,000.00).

Such bonds and undertakings when duly executed by said Attorney(s)-in-Fact, shall be binding upon said Company as fully and to the same extent as if signed by the President of said Company under its corporate seal attested by its Secretary.

In Witness Whereof, HUDSON INSURANCE COMPANY has caused these presents to be of its Executive Vice President thereunto, duly authorized, on this 8th day of November, 2013 at New York, New York.

[Signature]
Diana Daskalakis
Corporate Secretary

STATE OF NEW YORK
COUNTY OF NEW YORK.

On the 8th day of November, 2013 before me personally came Christopher T. Suarez to me now known, who being by me duly sworn did depose and say that he is an Executive Vice President of HUDSON INSURANCE COMPANY, the corporation described herein and which executed the above instrument, that he knows the seal of said Corporation, that the seal affixed to said instrument is such corporate seal, and that it was so affixed by order of the Board of Directors of said Corporation, and that he signed his name thereto by like order.

[Signature]
Christopher T. Suarez
Executive Vice President

[Notarial Seal]

CERTIFICATION

The undersigned Diana Daskalakis hereby certifies:

That the original resolution, of which the following is a true and correct copy, was duly adopted by unanimous written consent of the Board of Directors of Hudson Insurance Company dated July 29, 2013, and has not since been revoked, amended or modified.

RESOLVED, that the President, the Executive Vice Presidents, the Senior Vice Presidents and the Vice Presidents shall have the authority and discretion, to appoint such agent or agents, or attorney or attorneys-in-fact, for the purpose of carrying on this Company’s surety business, and to empower such agent or agents, or attorney or attorneys-in-fact, to execute and deliver, under this Company’s seal or otherwise, bonds obligations, and recognizances, whether made by this Company or surety thereon or otherwise, Indemnity contracts, contracts and certificates, and any and all other such contracts and undertakings as in the course of this Company’s surety business, and renewals, extensions, agreements, waivers, consents or stipulations regarding undertakings so made; and

FURTHER RESOLVED, that the signature of any such Officer of the Company and Company’s seal may be affixed to any power of attorney or certification given for the execution of any bond, undertaking, recognizance, contract or of indemnity or other written obligation in this nature thereof or related thereto, such signature and seal when so used whether hereunto or hereunder, being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

THAT the above and foregoing is a full, true and correct copy of Power of Attorney issued by said Company, and of the whole of the original and that the said Power of Attorney is still in full force and effect and has not been revoked, and furthermore that the Resolution of the Board of Directors, set forth in the said Power of Attorney is now in force.

Witnessthe hand of the undersigned and the seal of said Corporation this day of JUL 29 2016 20

[Signature]
Diana Daskalakis, Corporate Secretary

Form Rev. 10-8-2010 (v1)
ACTION

ITEM

1G
Date: August 17, 2016

To: The Honorable Board of Directors

Through: Engineering, Operations, and Biosolids Management Committee (08/10/16)

From: P. Joseph Grindstaff
        General Manager

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

Shaun J. Stone
Manager of Engineering

Subject: RP-2 Drying Bed Rehabilitation Construction Contract Award

RECOMMENDATION

It is recommended that the Board of Directors:

1. Approve the construction contract for the RP-2 Drying Bed Rehabilitation Project No. EN14012, to Ferreira Construction Co., Inc. in the amount of $193,961; and

2. Authorize the General Manager to execute the construction contract.

BACKGROUND

The Regional Water Recycling Plant No. 2 (RP-2) utilizes drying beds and a solar pad located on the southeastern end of the facility to further air dry dewatered biosolids prior to being hauled offsite. The drying beds were originally constructed in 1971 and no longer provide the necessary containment and drainage. A project was launched in 2014 addressing the majority of the solar drying beds rehabilitation.

This project is to address additional areas not included in the 2014 project and will repair and replace asphalt cement and install drainage improvements on the east side the existing drying beds at RP-2. Additionally, this project will repair selected drying bed walls to mitigate potential storm water run-off to maintain compliance with the State Water Resources Control Board (SWRCB), regarding dewatered material and drainage leaving the site. Understanding that the site will be abandoned in the near future, the project scope was developed to meet the minimum operating standards to maintain compliance.
On June 6, 2016, a request for bids was advertised to the pre-qualified contractors on the under $2,000,000 list. Three contractors participated in the job walk on June 23, 2016. On July 5, 2016, the following bids were received:

<table>
<thead>
<tr>
<th>Bidder’s Name</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ferreira Construction Co., Inc.</td>
<td>$193,961</td>
</tr>
<tr>
<td>Environmental Construction Inc.</td>
<td>$209,888</td>
</tr>
<tr>
<td>W.A. Rasic Construction Co., Inc.</td>
<td>$271,600</td>
</tr>
<tr>
<td><strong>Engineer’s Estimate</strong></td>
<td><strong>$196,668</strong></td>
</tr>
</tbody>
</table>

Ferreira Construction Company (Ferreira) was the lowest responsive and responsible bidder with a bid price of $193,961. Ferreira is on the Agency’s under $2,000,000 pre-qualified list and therefore their contractor licenses were checked and found to be current and in good standing; Ferreira has performed several successful projects for the Agency past showing good workmanship and responsiveness.

The following table is the projected project cost:

<table>
<thead>
<tr>
<th>Description</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design</td>
<td>$55,000</td>
</tr>
<tr>
<td>Construction Services (~15%)</td>
<td>$29,000</td>
</tr>
<tr>
<td>Construction</td>
<td>$193,961</td>
</tr>
<tr>
<td>Contingency (~15%)</td>
<td>$29,000</td>
</tr>
<tr>
<td><strong>Total Sub-Project Cost</strong></td>
<td><strong>$306,961</strong></td>
</tr>
<tr>
<td><strong>Total Project Budget</strong></td>
<td><strong>$1,818,400</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>August 2016</td>
</tr>
<tr>
<td>Construction Completion</td>
<td>January 2017</td>
</tr>
</tbody>
</table>

The RP-2 Drying Bed Rehabilitation project is consistent with the *Agency’s Business Goal of Wastewater Management* that systems will be master planned, managed and constructed to ensure that when expansion planning is triggered, designs/construction can be completed to meet regulatory/growth needs in an expeditious, environmentally responsible and cost effective manner.
PRIOR BOARD ACTION

On September 17, 2014, the Board of Directors awarded the construction contract for the RP-2 Drying Beds Rehabilitation Project No. EN14012, to Environmental Construction, Inc. for their low bid of $714,822, and authorized the General Manager to execute the construction contract.

On August 19, 2015, the Board of Directors awarded acquisition of a John Deere Cab Tractor and Brown Bear Paddle Aerator in the amount of $211,934.

IMPACT ON BUDGET

The total project budget for this project is $1,818,400 of which $1,179,000 has been expended. If approved, the construction award for the RP-2 Drying Bed Rehabilitation, Project No. EN14012, in the amount of $193,961 will be within the remaining funds available in the Regional Wastewater O&M (RO) Fund.
Project Background

- Operations identified deficiencies and requested a project to continue to meet State Water Resources Control Board compliance.
Project Scope

- Repair four drying bed containment walls
- Add 370 linear feet curb and gutter, storm water collection box, and pipe
- Remove and replace approximately 2,300 square feet of failed asphalt
- Add 17,000 square feet of new asphalt
Three bids received on July 5, 2016:

<table>
<thead>
<tr>
<th>Bidder’s Name</th>
<th>Total Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ferreira Construction Co, Inc.</td>
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<tr>
<td><strong>Engineer’s Estimate</strong></td>
<td><strong>$196,668</strong></td>
</tr>
</tbody>
</table>
## Project Cost and Schedule

<table>
<thead>
<tr>
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<th>Estimated Cost</th>
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<td>Design</td>
<td>$55,000</td>
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</tr>
<tr>
<td><strong>Total Project Budget</strong></td>
<td><strong>$1,818,400</strong></td>
</tr>
</tbody>
</table>

### Project Milestone

<table>
<thead>
<tr>
<th>Milestone</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Contract Award</td>
<td>August 2016</td>
</tr>
<tr>
<td>Construction Completion</td>
<td>January 2017</td>
</tr>
</tbody>
</table>
Agency Goal/Recommendation

Staff recommends that the Board of Directors approve the construction contract for the RP-2 Drying Bed Rehabilitation, Project No. EN14012, to Ferreira Construction Co, Inc., for $193,961, and authorize the General Manager to execute the contract.

The RP-2 Drying Bed Rehabilitation project is consistent with the Agency’s Business Goal of Wastewater Management that systems will be master planned, managed and constructed to ensure that when expansion planning is triggered, designs/construction can be completed to meet regulatory/growth needs in an expeditious, environmentally responsible and cost effective manner.
1.0 CONTRACT

THIS CONTRACT, made and entered into this __/__/2016, by and between Ferreira Construction Inc dba Ferreira Coastal Construction Co., hereinafter referred to as "Contractor," and The Inland Empire Utilities Agency, a Municipal Water District, located in San Bernardino County, California, hereinafter referred to as "Agency".

WITNESSETH:

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

1. Contractor agrees to perform and complete in a workmanlike manner, all work required under the bidding schedule of said Agency's specifications entitled SPECIFICATIONS FOR RP-2 DRYING BEDS REPAIRS/AC DRAINAGE UPGRADES, in accordance with the specifications and drawings, and to furnish at their own expense, all labor, materials, equipment, tools, and services necessary, except such materials, equipment, and services as may be stipulated in said specifications to be furnished by said Agency, and to do everything required by this Contract and the said specifications and drawings.

2. For furnishing all said labor, materials, equipment, tools, and services, furnishing and removing all plant, temporary structures, tools and equipment, and doing everything required by this Contract and said specifications and drawings; also for all loss and damage arising out of the nature of the work aforesaid, or from the action of the elements, or from any unforeseen difficulties which may arise during the prosecution of the work until its acceptance by said Agency, and for all risks of every description connected with the work; also for all expenses resulting from the suspension or discontinuance of work, except as in 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 Bld Price $193,981.00 One Hundred and Ninety Three Thousand, Nine Hundred and Sixty One Dollars and No Cents.

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

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

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

6. The Contractor agrees to commence work under this Contract on or before the date to be specified in a written "Notice To Proceed" and to complete said work to the satisfaction of the Agency ONE HUNDRED AND TWENTY (120 ) calendar days after award of the Contract. All work shall be completed before final payment is made.

7. Time is of the essence on this Contract.

8. Contractor agrees that in case the work is not completed before or upon the expiration of the contract time, damage will be sustained by the Agency, and that it is and will be impracticable to determine the actual damage which the Agency will sustain in the event and by reason of such delay, and it is therefore agreed that the Contractor shall pay to the Agency the amount of FIVE HUNDRED ($500.00) DOLLARS for each day of delay, which shall be the period between the expiration of the contract time and the date of final acceptance by the Agency, as liquidated damages and not as a penalty. It is further agreed that the amount stipulated for liquidated damages per day of delay is a reasonable estimate of the damages that would be sustained by the Agency, and the Contractor agrees to pay such liquidated damages as herein provided. In case the liquidated damages are not paid, the Contractor agrees that the Agency may deduct the amount thereof from any money due or that may become due to the Contractor by progress payments or otherwise under the Contract, or if said amount is not sufficient, recover the total amount.

In addition to the liquidated damages, which may be imposed if the Contractor fails to complete the work within the time agreed upon, the Agency may also deduct from any sums due or to become due the Contractor, liquidated damages in accordance with the Bidding and Contract Requirements, Section B - Instruction to Bidders, Part 5.0 "Liquidated Damages", for any violation of the General Conditions, Section D - Contractor's Responsibilities, Part 8, "Law and Regulations"; Bidding and Contract Requirements Contract Section D -Contract and Relevant Documents, Part 1.0, Paragraphs 9 through 11; General Conditions , Section D - Contractor's Responsibilities, Part 4.0, "Labor, Materials and Equipment"; General Conditions Section D - Contractor's Responsibilities, Part 12.0, "Safety and Protection" or General Conditions Section H - Legal Responsibilities, Part 8.0, "Disturbance of the Peace".
9. That the Contractor will pay, and will require subcontractors to pay, employees on the work a salary or wage at least equal to the prevailing salary or wage established for such work as set forth in the wage determinations and wage standards applicable to this work, contained in or referenced in the contract documents.

10. That, in accordance with Section 1775 of the California Labor Code, Contractor shall forfeit to the Agency, as a penalty, not more than Fifty ($50.00) Dollars for each day, or portion thereof, for each worker paid, either by the Contractor or any subcontractor, less than the prevailing rates as determined by the Director of the California Department of Industrial Relations for the work.

11. That, except as provided in Section 1815 of the California Labor Code, in the performance of the work not more than eight (8) hours shall constitute a day’s work, and not more than forty (40) hours shall constitute a week’s work; that the Contractor shall not require more than eight (8) hours of labor in a day nor more than forty hours of labor in a week from any person employed by the Contractor or any subcontractor; that the Contractor shall conform to Division 2, Part 7, Chapter 1, Article 3 (Section 1810, et seq.) of the California Labor Code; and that the Contractor shall forfeit to the Agency, as a penalty, the sum of Twenty-Five ($25.00) Dollars for each worker employed in the execution of the work by Contractor or any subcontractor for each day during which any worker is required or permitted to labor more than eight (8) hours in violation of said Article 3.

12. That the Contractor shall carry Workers’ Compensation Insurance and require all subcontractors to carry Workers’ Compensation Insurance as required by the California Labor Code.

13. That the Contractor shall have furnished, prior to execution of the Contract, two bonds approved by the Agency, one in the amount of one hundred (100) percent of the contract price, to guarantee the faithful performance of the work, and one in the amount of one hundred (100) percent of the contract price to guarantee payment of all claims for labor and materials furnished.

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

The Contractor further agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands or suit at the sole expense of the Contractor.
IN WITNESS WHEREOF, The Contractor and the General Manager of Inland Empire Utilities Agency*, thereunto duly authorized, have caused the names of said parties to be affixed hereto, each in duplicate, the day and year first above written.

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

By ____________________________
Joseph Grindstaff
General Manager
IEUA

By ____________________________
Brandon Pensleek
Vice President
Ferreira Construction, Inc
dba Ferreira Coastal
Construction Co.

* Municipal Water District
2.0 PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS, THAT, WHEREAS, the Inland Empire Utilities Agency, a Municipal Water District, hereinafter designated as the "Agency," has, on __July 21__, 2016, awarded to Ferreira Construction Co., Inc. d/b/a Ferreira Coastal Construction Co., ________ hereinafter designated as the "Principal," the Contract for the construction of:

[Rev. 2 Diaphragm Wall Repairs & Pipeline Upgrades]

WHEREAS, said Principal is required under the terms of said Contract to furnish a bond for the faithful performance of said Contract:

NOW, THEREFORE, WE, the Principal, and ________, as Surety, are held and firmly bound unto the Agency the penal sum of One Hundred Ninety Three Thousand dollars ($193,961.00) lawful money of the United States, for the payment of which sum will and truly be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

*Nine Hundred Sixty One and 00/100

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bounden Principal, or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and will and truly keep and faithfully perform the covenants, conditions, and agreements in the said Contract and any alterations made as therein provided, on its or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless, Agency and engineer, their officers, agents, and employees as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and virtue and Principal and Surety, in the event suit is brought on this bond, will pay to Agency such reasonable attorney's fees as shall be fixed by the court.

As a condition precedent to the satisfactory completion of the said Contract, the above obligation in the said amount shall hold good for a period of one (1) year after the completion and acceptance of said Contract, during which time if the above bounden Principal, its heirs, executors, administrators, successors, or assigns shall fail to make full, complete, and satisfactory repair and replacements or totally protect said Agency from loss or damage made evident during said period of one year from the date of acceptance of the work under said Contract, and resulting from or caused by defective materials or faulty workmanship in the execution of the work done, the above obligation in the said amount shall remain in full force and effect. However, anything in this paragraph to the contrary notwithstanding, the obligation of the Surety hereunder shall continue so long as any obligation of the Principal remains.
Said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Contract or to the work to be performed thereunder or the specifications accompanying the same shall, in any way, affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition to the terms of the Contract or to the work or to the specifications. Said Surety hereby waives the provisions of Sections 2849 and 2845 of the Civil Code of the State of California.

As a part of the obligation secured hereby and in addition to the amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by Agency in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

IN WITNESS WHEREOF, the above bounden parties have executed this instrument under their seals this 22nd day of July, 2016, the name and corporate seal of each corporate party being hereeto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

Ferreira Construction Co., Inc. dba Ferreira Coastal Construction Co.
Principal (print name)

[Signature]
Signature for Principal

(Corporate Seal)
Fidelity and Deposit Company of Maryland

Surety (print name)

[Signature for Surety]

1400 American Lane
Schaumburg, Illinois 60196

(Surety Seal)

ATTACH POWER-OF-ATTORNEY AND NOTARIAL ACKNOWLEDGEMENT OF SURETY BELOW
ACKNOWLEDGEMENT OF CONTRACTOR, IF A CORPORATION

STATE OF CALIFORNIA  
COUNTY OF

ON THE ______ DAY OF ________ 2016, BEFORE ME PERSONALLY CAME ___________________________ TO ME KNOWN, WHO BEING BY ME DULY SWORN, DID DEPOSE AND SAY THAT (S)HE RESIDES AT ____________________________________, THAT (S)HE IS THE ___________________________ OF Ferreira Construction Co., Inc. dba Ferreira Coastal Construction Co. THE CORPORATION DESCRIBED IN AND WHICH EXECUTED THE ABOVE INSTRUMENT; AND THAT (S)HE SIGNED HIS/HER NAME THERETO BY ORDER OF THE BOARD OF DIRECTORS OF SAID CORPORATION.

__________________________________________
Notary Public

ACKNOWLEDGEMENT OF SURETY

STATE OF NEW YORK  
COUNTY OF NASSAU

ON THE 22nd DAY OF July 2016 BEFORE ME PERSONALLY CAME Theresa J Foley TO ME KNOWN, WHO, BEING BY ME DULY SWORN, DID DEPOSE AND SAY THAT HE IS THE ATTORNEY-IN-FACT OF Fidelity and Deposit Company of Maryland THE CORPORATION DESCRIBED IN AND WHICH EXECUTED THE ABOVE INSTRUMENT; THAT HE KNOWS THE SEAL OF SAID CORPORATION; THAT ONE OF THE SEALS AFFIXED TO THE FOREGOING INSTRUMENT IS SUCH SEAL; THAT IT WAS SO AFFIXED BY ORDER OF THE BOARD OF DIRECTORS OF SAID CORPORATION; AND THAT HE SIGNED HIS NAME THERETO BY LIKE ORDER.

____________________________
Patricia V Paulo
Notary Public

PATRICIA V. PAULO  
NOTARY PUBLIC, State of New York  
No. 01PA6119966  
Qualified in Nassau County  
Commission Expires December 13, 2016
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of San Bernardino

On July 22nd 2016 before me, Danielle Dorise Alarid

Date

personally appeared Brandon Pensick

Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.

Signature

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

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

Description of Attached Document

Title or Type of Document: ______________________________ Document Date: ______________________________

Number of Pages: _______ Signer(s) Other Than Named Above: ______________________________

Capacity(ies) Claimed by Signer(s)

Signer’s Name: ____________________________________________________________

☐ Corporate Officer — Title(s): ____________________________________________

☐ Partner — Limited ☑ General

☐ Individual

☐ Trustee ☐ Guardian or Conservator

☐ Other: ______________________________

Signer Is Representing: ____________________________________________________

Signer’s Name: ____________________________________________________________

☐ Corporate Officer — Title(s): ____________________________________________

☐ Partner — Limited ☑ General

☐ Individual

☐ Trustee ☐ Guardian or Conservator

☐ Other: ______________________________

Signer Is Representing: ____________________________________________________

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EXTRACT FROM BY-LAWS OF THE COMPANIES

"Article V, Section 8, Attorney-in-Fact. The Chief Executive Officer, the President, or any Executive Vice President or Vice President may, by written instrument under the attested corporate seal, appoint attorneys-in-fact with authority to execute bonds, policies, recognizances, stipulations, undertakings, or other like instruments on behalf of the Company, and may authorize any officer or any such attorney-in-fact to affix the corporate seal thereto; and may with or without cause modify or revoke any such appointment or authority at any time."

CERTIFICATE

I, the undersigned, Vice President of the ZURICH AMERICAN INSURANCE COMPANY, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that Article V, Section 8, of the By-Laws of the Companies is still in force.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the ZURICH AMERICAN INSURANCE COMPANY at a meeting duly called and held on the 15th day of December 1998.

RESOLVED: "That the signature of the President or a Vice President and the attesting signature of a Secretary or an Assistant Secretary and the Seal of the Company may be affixed by facsimile on any Power of Attorney...Any such Power or any certificate thereof bearing such facsimile signature and seal shall be valid and binding on the Company."

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at a meeting duly called and held on the 5th day of May, 1994, and the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seals of the said Companies,

this ______ day of _________ 20_____.

Michael Bond, Vice President
# FIDELITY AND DEPOSIT COMPANY OF MARYLAND

600 Red Brook Blvd., Suite 600, Owings Mills, MD 21117

Statement of Financial Condition
As Of December 31, 2015

## ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonds</td>
<td>$142,878,497</td>
</tr>
<tr>
<td>Stocks</td>
<td>$22,315,096</td>
</tr>
<tr>
<td>Cash and Short Term Investments</td>
<td>$337,835</td>
</tr>
<tr>
<td>Reinsurance Recoverable</td>
<td>$24,731,651</td>
</tr>
<tr>
<td>Other Accounts Receivable</td>
<td>$19,935,844</td>
</tr>
<tr>
<td><strong>TOTAL ADMITTED ASSETS</strong></td>
<td><strong>$210,198,923</strong></td>
</tr>
</tbody>
</table>

## LIABILITIES, SURPLUS AND OTHER FUNDS

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserve for Taxes and Expenses</td>
<td>$46,436</td>
</tr>
<tr>
<td>Ceded Reinsurance Premiums Payable</td>
<td>$40,456,309</td>
</tr>
<tr>
<td>Securities Lending Collateral Liability</td>
<td>0</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td><strong>$40,502,745</strong></td>
</tr>
<tr>
<td>Capital Stock, Paid Up</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Surplus</td>
<td>164,696,178</td>
</tr>
<tr>
<td>Surplus as regards Policyholders</td>
<td>169,696,178</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$210,198,923</strong></td>
</tr>
</tbody>
</table>

Securities carried at $57,996,983 in the above statement are deposited with various states as required by law.

Securities carried on the basis prescribed by the National Association of Insurance Commissioners. On the basis of market quotations for all bonds and stocks owned, the Company’s total admitted assets at December 31, 2015 would be $212,137,795 and surplus as regards policyholders $171,635,049.

I, DENNIS F. KERRUGAN, Corporate Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing statement is a correct exhibit of the assets and liabilities of the said Company on the 31st day of December, 2015.

[Signature]

Corporate Secretary

State of Illinois
City of Schaumburg   SS:

Subscribed and sworn to, before me, a Notary Public of the State of Illinois, in the City of Schaumburg, this 15th day of March, 2016.

[Notary Public Seal]

[Signature]

Notary Public
3.0  PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS, THAT, WHEREAS, the Inland Empire Utilities Agency, hereinafter designated as the "Agency", has, on July 21, 2016, awarded to Ferreira Construction Co., Inc. dba Ferreira Coastal Construction Co., hereinafter designated as the "Principal," a Contract for the construction of:

RP-2 Drying Beds Repairs/AC Drainage Upgrades

WHEREAS, said Principal is required under the terms of said Contract to furnish a payment bond providing that if said Principal, or any of their subcontractors, shall fail to pay for any materials, provisions, or other supplies used in, upon, for, or about the performance of the work under said Contract, or for any work or labor done thereon of any kind, the Surety of this bond will pay the same to the extent hereinafter set forth:

Fidelity and Deposit

NOW, THEREFORE, WE, the Principal, and Company of Maryland, as Surety, are held and firmly bound unto the Agency the penal sum of One Hundred Ninety Three Thousand dollars ($193,961.00) lawful money of the United States, for the payment of which sum will and truly be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

The condition of this obligation is such, that if the above bounden Principal, or its heirs, executors, administrators, successors, or assigns, shall fail to pay any person specified in California Civil Code Section 3181, or for any materials, provisions, or other supplies used in, upon, for, or about the performance of the work under said Contract, or for any work or labor thereon of any kind or for amount due under the Unemployment Insurance Code with respect to work or labor performed under said Contract, or for any amounts due, or to be withheld pursuant to Sections 19806 of the Revenue and Taxation Code of the State of California, or with respect to any work or labor for which a bond is required by the provisions of Sections 3247 through 3252 of the California Civil Code, and provided that the persons, companies, or corporations so furnishing said materials, provisions, or other supplies, appliances, or power use, in, upon, for, or about the performance of the work under said Contract, or any person who performs work or labor upon same, or any person who supplies both work and materials, thereto, shall have complied with the provisions of said Civil Code, then said surety will pay the same in or to an amount not exceeding the amount herein before set forth, and also will pay in case suit is brought upon this bond, such reasonable attorney's fees to Agency as shall be fixed by the court.
SECOND PAGE OF PAYMENT BOND

This bond shall inure to the benefit of Agency and any and all persons, companies, and corporations and their respective assigns entitled to file claims under applicable State law, including but not limited to, California Civil Code Section 3194, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of said Contract or to the work to be performed there under or the specifications accompanying the same shall, in any way, affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition to the terms of the Contract or to the work or to the specifications. Said Surety hereby waives the provisions of Sections 2819 and 2845 of the Civil Code of the State of California.

As a part of the obligation secured hereby and in addition to the amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by Agency in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

IN WITNESS WHEREOF, the above bounden parties have executed this instrument under their seals this 22nd day of July, 2016, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

Ferreira Construction Co., Inc.
da Ferreira Coastal Construction Co.
Principal (print name)

Signature for Principal

(Corporate Seal)
Fidelity and Deposit Company of Maryland
Surety (print name)

[Signature]

Signature for Surety
Theresa J. Foley
Attorney-In-Fact

Surety address

1400 American Lane

Schaumburg, Illinois 60196

ATTACH POWER-OF-ATTORNEY AND NOTARIAL ACKNOWLEDGEMENT OF SURETY BELOW
ACKNOWLEDGEMENT OF CONTRACTOR, IF A CORPORATION

STATE OF CALIFORNIA
COUNTY OF

ON THE _______ DAY OF _________ 2016, BEFORE ME PERSONALLY CAME ____________________________, TO ME KNOWN, WHO BEING BY ME DULY SWORN, DID DEPOSE AND SAY THAT (S)HE RESIDES AT ____________________________, THAT (S)HE IS THE ____________________________________ OF Ferreira Construction Co., Inc. dba Ferreira Coastal Construction Co. THE CORPORATION DESCRIBED IN AND WHICH EXECUTED THE ABOVE INSTRUMENT; AND THAT (S)HE SIGNED HIS/HER NAME THERETO BY ORDER OF THE BOARD OF DIRECTORS OF SAID CORPORATION.

________________________________________
Notary Public

ACKNOWLEDGEMENT OF SURETY

STATE OF NEW YORK
COUNTY OF NASSAU

ON THE 22nd DAY OF July 2016 BEFORE ME PERSONALLY CAME Theresa J Foley TO ME KNOWN, WHO, BEING BY ME DULY SWORN, DID DEPOSE AND SAY THAT HE IS THE ATTORNEY-IN-FACT OF Fidelity and Deposit Company of Maryland THE CORPORATION DESCRIBED IN AND WHICH EXECUTED THE ABOVE INSTRUMENT; THAT HE KNOWS THE SEAL OF SAID CORPORATION; THAT ONE OF THE SEALS AFFIXED TO THE FOREGOING INSTRUMENT IS SUCH SEAL; THAT IT WAS SO AFFIXED BY ORDER OF THE BOARD OF DIRECTORS OF SAID CORPORATION; AND THAT HE SIGNED HIS NAME THERETO BY LIKE ORDER.

________________________________________
Patricia V Paulo
Notary Public

PATRICIA V. PAULO
NOTARY PUBLIC, State of New York
No. 01PA6119966
Qualified in Nassau County
Commission Expires December 13, 2016
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the authenticity, accuracy, or validity of that document.

State of California
County of San Bernardino

On July 22nd 2016, before me, Danielle Dorise Alarid

Name of Notary Public

personally appeared Brandon Pensick

Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.

Signature

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

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

Description of Attached Document
Title or Type of Document: ______________________________ Document Date: ______________________________
Number of Pages: ______ Signer(s) Other Than Named Above: ______________________________

Capacity(ies) Claimed by Signer(s)

Signer’s Name: ______________________________

☐ Corporate Officer — Title(s): ______________________________
☐ Partner — L Limited L General
☐ Individual L Attorney In Fact
☐ Trustee L Guardian or Conservator
☐ Other: ______________________________

Signer Is Representing: ______________________________

Signer’s Name: ______________________________

☐ Corporate Officer — Title(s): ______________________________
☐ Partner — L Limited L General
☐ Individual L Attorney In Fact
☐ Trustee L Guardian or Conservator
☐ Other: ______________________________

Signer Is Representing: ______________________________

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EXTRACT FROM BY-LAWS OF THE COMPANIES

"Article V, Section 8, Attorneys-in-Fact. The Chief Executive Officer, the President, or any Executive Vice President or Vice President may, by written instrument under the attested corporate seal, appoint attorneys-in-fact with authority to execute bonds, policies, recognizances, stipulations, undertakings, or other like instruments on behalf of the Company, and may authorize any officer or any such attorney-in-fact to affix the corporate seal thereto; and may with or without cause modify or revoke any such appointment or authority at any time."

CERTIFICATE

I, the undersigned, Vice President of the ZURICH AMERICAN INSURANCE COMPANY, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that Article V, Section 8, of the By-Laws of the Companies is still in force.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the ZURICH AMERICAN INSURANCE COMPANY at a meeting duly called and held on the 15th day of December 1998.

RESOLVED: "That the signature of the President or a Vice President and the attesting signature of a Secretary or an Assistant Secretary and the Seal of the Company may be affixed by facsimile on any Power of Attorney...Any such Power or any certificate thereof bearing such facsimile signature and seal shall be valid and binding on the Company."

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at a meeting duly called and held on the 5th day of May, 1994, and the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seals of the said Companies,
this ______ day of JUL 22 2016, 20.

Michael Bond, Vice President
FIDELITY AND DEPOSIT COMPANY
OF MARYLAND
600 Red Brook Blvd., Suite 600, Owings Mills, MD 21117

Statement of Financial Condition
As Of December 31, 2015

ASSETS

<table>
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<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Bonds</td>
<td>$142,878,497</td>
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<tr>
<td>Stocks</td>
<td>$22,315,096</td>
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<tr>
<td>Cash and Short Term Investments</td>
<td>$337,835</td>
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<tr>
<td>Reinsurance Recoverable</td>
<td>$24,731,531</td>
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<tr>
<td>Other Accounts Receivable</td>
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<td><strong>TOTAL ADMITTED ASSETS</strong></td>
<td><strong>$210,198,923</strong></td>
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LIABILITIES, SURPLUS AND OTHER FUNDS

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<th>Description</th>
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<tbody>
<tr>
<td>Reserve for Taxes and Expenses</td>
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<tr>
<td>Ceded Reinsurance Premiums Payable</td>
<td>$40,466,309</td>
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<td>Securities Lending Collateral Liability</td>
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<td><strong>TOTAL LIABILITIES</strong></td>
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<tr>
<td>Capital Stock, Paid Up</td>
<td>$5,000,000</td>
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<tr>
<td>Surplus</td>
<td>$164,696,178</td>
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<tr>
<td>Surplus as regards Policyholders</td>
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</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$210,198,923</strong></td>
</tr>
</tbody>
</table>

Securities carried at $57,096,983 in the above statement are deposited with various states as required by law.

Securities carried on the basis prescribed by the National Association of Insurance Commissioners. On the basis of market quotations for all bonds and stocks owned, the Company's total admitted assets at December 31, 2015 would be $212,137,795 and surplus as regards policyholders $171,635,049.

I, DENNIS F. KERRIGAN, Corporate Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing statement is a correct exhibit of the assets and liabilities of the said Company on the 31st day of December, 2015.

[Signature]
Corporate Secretary

State of Illinois
City of Schaumburg  } SS:

Subscribed and sworn to, before me, a Notary Public of the State of Illinois, in the City of Schaumburg, this 15th day of March, 2016.

[Signature]
Notary Public
ACORD
CERTIFICATE OF LIABILITY INSURANCE

PRODUCER
Conner Strong & Buckelew
Two Liberty Place
50 S. 16th Street, Suite 3600
Philadelphia, PA 19102

INSURED
Ferreira Construction Co., Inc. dba
Ferreira Coastal Construction Co
16188 Vista Del Rio Ave
Chino, CA 91710

COVERAGES

CARESURY CERTIFICATE NUMBER: REVOLUTION NUMBER:

A GENERAL LIABILITY

GLD0193783400 07/01/2016 07/01/2017

B AUTOMOBILE LIABILITY

GAP0197837300 07/01/2016 07/01/2017

C EXCESS LIABILITY

NY16EXC378764IV 07/01/2016 07/01/2017

D EXCESS LIABILITY

EXC4100875 07/01/2016 07/01/2017

CERTIFICATE HOLDER
Inland Empire Utility Agency
6075 Kimball Ave
Chino, CA 91708

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

© 1988-2010 ACORD CORPORATION. All rights reserved.
Pollution = $5,000,000 Each Occurrence/$10,000,000 Aggregate
Policy Aggregate Limit = $10,000,000

RE: FCC 1663 RP-2 Drying Beds Repairs/AC Drainage Upgrades
Inland Empire Utility Agency its employees, agents, officers, directors, servants and volunteers are
listed as Additional Insured on a primary & non-contributory basis on the above-referenced General Liability
and Automobile Liability Policy if and to the extent required by written contract. A Waiver of Subrogation
applies as required and to the extent by written contract and permitted by law.
Additional Insured -- Automatic -- Owners, Lessees Or Contractors

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured: Ferreira Construction Company
Address (including ZIP Code):
31 Tannery Road
Branchburg, NJ 08876-6001

This endorsement modifies insurance provided under the:
Commercial General Liability Coverage Part

A. Section II – Who is An Insured is amended to include as an additional insured any person or organization whom you are required to add as an additional insured on this policy under a written contract or written agreement. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:
1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf,
in the performance of your ongoing operations or "your work" as included in the "products-completed operations hazard", which is the subject of the written contract or written agreement.
However, the insurance afforded to such additional insured:
1. Only applies to the extent permitted by law; and
2. Will not be broader than that which you are required by the written contract or written agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:
This insurance does not apply to:
"bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or failure to render, any professional architectural, engineering or surveying services including:

a. The preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
b. Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or the failure to render any professional architectural, engineering or surveying services.
C. The following is added to Paragraph 2, Duties In The Event Of Occurrence, Offense, Claim Or Suit of Section IV – Commercial General Liability Conditions:

The additional insured must see to it that:

1. We are notified as soon as practicable of an "occurrence" or offense that may result in a claim;
2. We receive written notice of a claim or "suit" as soon as practicable; and
3. A request for defense and indemnity of the claim or "suit" will promptly be brought against any policy issued by another insurer under which the additional insured may be an insured in any capacity. This provision does not apply to insurance on which the additional insured is a Named Insured if the written contract or written agreement requires that this coverage be primary and non-contributory.

D. For the purposes of the coverage provided by this endorsement:

1. The following is added to the Other Insurance Condition of Section IV – Commercial General Liability Conditions:

   Primary and Noncontributory Insurance

   This insurance is primary to and will not seek contribution from any other insurance available to an additional insured provided that:
   a. The additional insured is a Named insured under such other insurance; and
   b. You are required by written contract or written agreement that this insurance be primary and not seek contribution from any other insurance available to the additional insured.

2. The following paragraph is added to Paragraph 4.b. of the Other Insurance Condition of Section IV – Commercial General Liability Conditions:

   This insurance is excess over:

   Any of the other insurance, whether primary, excess, contingent or on any other basis, available to an additional insured, in which the additional insured on our policy is also covered as an additional insured on another policy providing coverage for the same "occurrence", offense, claim or "suit". This provision does not apply to any policy in which the additional insured is a Named Insured on such other policy and where our policy is required by a written contract or written agreement to provide coverage to the additional insured on a primary and non-contributory basis.

E. This endorsement does not apply to an additional insured which has been added to this policy by an endorsement showing the additional insured in a Schedule of additional insureds, and which endorsement applies specifically to that identified additional insured.

F. With respect to the insurance afforded to the additional insureds under this endorsement, the following is added to Section III – Limits Of Insurance:

   The most we will pay on behalf of the additional insured is the amount of insurance:
   1. Required by the written contract or written agreement referenced in Paragraph A. of this endorsement; or
   2. Available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

   This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

All other terms and conditions of this policy remain unchanged.
Waiver Of Subrogation (Blanket) Endorsement

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following is added to the Transfer Of Rights Of Recovery Against Others To Us Condition:

If you are required by a written contract or agreement, which is executed before a loss, to waive your rights of recovery from others, we agree to waive our rights of recovery. This waiver of rights shall not be construed to be a waiver with respect to any other operations in which the insured has no contractual interest.
Coverage Extension Endorsement

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

- Business Auto Coverage Form
- Motor Carrier Coverage Form

A. Amended Who Is An Insured

1. The following is added to the Who Is An Insured Provision in Section II – Covered Autos Liability Coverage:

   The following are also "insureds":
   
   a. Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow for acts performed within the scope of employment by you. Any "employee" of yours is also an "insured" while operating an "auto" hired or rented under a contract or agreement in an "employee's" name, with your permission, while performing duties related to the conduct of your business.

   b. Anyone volunteering services to you is an "insured" while using a covered "auto" you don't own, hire or borrow to transport your clients or other persons in activities necessary to your business.

   c. Anyone else who furnishes an "auto" referenced in Paragraphs A.1.a. and A.1.b. in this endorsement.

   d. Where and to the extent permitted by law, any person(s) or organization(s) where required by written contract or written agreement with you executed prior to any "accident", including those person(s) or organization(s) directing your work pursuant to such written contract or written agreement with you, provided the "accident" arises out of operations governed by such contract or agreement and only up to the limits required in the written contract or written agreement, or the limits of insurance shown in the Declarations, whichever is less.

2. The following is added to the Other Insurance Condition in the Business Auto Coverage Form and the Other Insurance – Primary and Excess Insurance Provisions Condition in the Motor Carrier Coverage Form:

   Coverage for any person(s) or organization(s), where required by written contract or written agreement with you executed prior to any "accident", will apply on a primary and non-contributory basis and any insurance maintained by the additional "insured" will apply on an excess basis. However, in no event will this coverage extend beyond the terms and conditions of the Coverage Form.

B. Amendment – Supplementary Payments

Paragraphs a.(2) and a.(4) of the Coverage Extensions Provision in Section II – Covered Autos Liability Coverage are replaced by the following:

(2) Up to $5,000 for the cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

(4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to $500 a day because of time off from work.
C. Fellow Employee Coverage

The Fellow Employee Exclusion contained in Section II - Covered Autos Liability Coverage does not apply.

D. Driver Safety Program Liability and Physical Damage Coverage

1. The following is added to the Racing Exclusion in Section II - Covered Autos Liability Coverage:

   This exclusion does not apply to covered "autos" participating in a driver safety program event, such as, but not limited to, auto or truck rodeos and other auto or truck agility demonstrations.

2. The following is added to Paragraph 2, in the Exclusions of Section III - Physical Damage Coverage of the Business Auto Coverage Form and Paragraph 2.b. in the Exclusions of Section IV - Physical Damage Coverage of the Motor Carrier Coverage Form:

   This exclusion does not apply to covered "autos" participating in a driver safety program event, such as, but not limited to, auto or truck rodeos and other auto or truck agility demonstrations.

E. Lease or Loan Gap Coverage

The following is added to the Coverage Provision of the Physical Damage Coverage Section:

Lease Or Loan Gap Coverage

In the event of a total "loss" to a covered "auto", we will pay any unpaid amount due on the lease or loan for a covered "auto", less:

a. Any amount paid under the Physical Damage Coverage Section of the Coverage Form; and

b. Any:

   (1) Overdue lease or loan payments at the time of the "loss";
   (2) Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;
   (3) Security deposits not returned by the lessor;
   (4) Costs for extended warranties, credit life insurance, health, accident or disability insurance purchased with the loan or lease; and
   (5) Carry-over balances from previous leases or loans.

F. Towing and Labor

Paragraph A.2. of the Physical Damage Coverage Section is replaced by the following:

We will pay up to $75 for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

G. Extended Glass Coverage

The following is added to Paragraph A.3.a. of the Physical Damage Coverage Section:

If glass must be replaced, the deductible shown in the Declarations will apply. However, if glass can be repaired and is actually repaired rather than replaced, the deductible will be waived. You have the option of having the glass repaired rather than replaced.

H. Hired Auto Physical Damage - Increased Loss of Use Expenses

The Coverage Extension for Loss Of Use Expenses in the Physical Damage Coverage Section is replaced by the following:

Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or written rental agreement. We will pay for loss of use expenses if caused by:
(1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";

(2) Specified Causes Of Loss only if the Declarations indicate that Specified Causes Of Loss Coverage is provided for any covered "auto"; or

(3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is $100 per day, to a maximum of $3000.

I. Personal Effects Coverage

The following is added to the Coverage Provision of the Physical Damage Coverage Section:

Personal Effects Coverage

a. We will pay up to $750 for "loss" to personal effects which are:

   (1) Personal property owned by an "insured"; and

   (2) In or on a covered "auto".

b. Subject to Paragraph a. above, the amount to be paid for "loss" to personal effects will be based on the lesser of:

   (1) The reasonable cost to replace; or

   (2) The actual cash value.

c. The coverage provided in Paragraphs a. and b. above, only applies in the event of a total theft of a covered "auto". No deductible applies to this coverage. However, we will not pay for "loss" to personal effects of any of the following:

   (1) Accounts, bills, currency, deeds, evidence of debt, money, notes, securities, or commercial paper or other documents of value.

   (2) Bullion, gold, silver, platinum, or other precious alloys or metals; furs or fur garments; jewelry, watches, precious or semi-precious stones.

   (3) Paintings, statuary and other works of art.

   (4) Contraband or property in the course of illegal transportation or trade.

   (5) Tapes, records, discs or other similar devices used with audio, visual or data electronic equipment.

Any coverage provided by this Provision is excess over any other insurance coverage available for the same "loss".

J. Tapes, Records and Discs Coverage

1. The Exclusion in Paragraph B.4.a. of Section III – Physical Damage Coverage in the Business Auto Coverage Form and the Exclusion in Paragraph B.2.c. of Section IV – Physical Damage Coverage in the Motor Carrier Coverage Form does not apply.

2. The following is added to Paragraph 1.a. Comprehensive Coverage under the Coverage Provision of the Physical Damage Coverage Section:

   We will pay for "loss" to tapes, records, discs or other similar devices used with audio, visual or data electronic equipment. We will pay only if the tapes, records, discs or other similar audio, visual or data electronic devices:

   (a) Are the property of an "insured"; and

   (b) Are in a covered "auto" at the time of "loss".

   The most we will pay for such "loss" to tapes, records, discs or other similar devices is $500. The Physical Damage Coverage Deductible Provision does not apply to such "loss".
K. Airbag Coverage

The Exclusion in Paragraph B.3.a. of Section III – Physical Damage Coverage in the Business Auto Coverage Form and the Exclusion in Paragraph B.4.a. of Section IV – Physical Damage Coverage in the Motor Carrier Coverage Form does not apply to the accidental discharge of an airbag.

I. Two or More Deductibles

The following is added to the Deductible Provision of the Physical Damage Coverage Section:

If an accident is covered both by this policy or Coverage Form and by another policy or Coverage Form issued to you by us, the following applies for each covered "auto" on a per vehicle basis:

1. If the deductible on this policy or Coverage Form is the smaller (or smallest) deductible, it will be waived; or
2. If the deductible on this policy or Coverage Form is not the smaller (or smallest) deductible, it will be reduced by the amount of the smaller (or smallest) deductible.

M. Physical Damage – Comprehensive Coverage – Deductible

The following is added to the Deductible Provision of the Physical Damage Coverage Section:

Regardless of the number of covered "autos" damaged or stolen, the maximum deductible that will be applied to Comprehensive Coverage for all "loss" from any one cause is $5,000 or the deductible shown in the Declarations, whichever is greater.

N. Temporary Substitute Autos – Physical Damage

1. The following is added to Section I – Covered Autos:

   Temporary Substitute Autos – Physical Damage

   If Physical Damage Coverage is provided by this Coverage Form on your own covered "autos", the following types of vehicles are also covered "autos" for Physical Damage Coverage:

   Any "auto" you do not own when used with the permission of its owner as a temporary substitute for a covered "auto" you do own but is out of service because of its:

   1. Breakdown;
   2. Repair;
   3. Servicing;
   4. "Loss"; or
   5. Destruction.

2. The following is added to the Paragraph A. Coverage Provision of the Physical Damage Coverage Section:

   Temporary Substitute Autos – Physical Damage

   We will pay the owner for "loss" to the temporary substitute "auto" unless the "loss" results from fraudulent acts or omissions on your part. If we make any payment to the owner, we will obtain the owner’s rights against any other party.

   The deductible for the temporary substitute "auto" will be the same as the deductible for the covered "auto" it replaces.

O. Amended Duties In The Event Of Accident, Claim, Suit Or Loss

Paragraph a. of the Duties In The Event Of Accident, Claim, Suit Or Loss Condition is replaced by the following:

   a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident", claim, "suit" or "loss". However, these duties only apply when the "accident", claim, "suit" or "loss" is known to you (if you are an individual), a partner (if you are a partnership), a member (if you are a limited liability company) or an executive officer or insurance manager (if you are a corporation). The failure of any
agent, servant or employee of the "insured" to notify us of any "accident", claim, "suit" or "loss" shall not invalidate the insurance afforded by this policy.

Include, as soon as practicable:

(1) How, when and where the "accident" or "loss" occurred and if a claim is made or "suit" is brought, written notice of the claim or "suit" including, but not limited to, the date and details of such claim or "suit";

(2) The "insured's" name and address; and

(3) To the extent possible, the names and addresses of any injured persons and witnesses.

If you report an "accident", claim, "suit" or "loss" to another insurer when you should have reported to us, your failure to report to us will not be seen as a violation of these amended duties provided you give us notice as soon as practicable after the fact of the delay becomes known to you.

P. Waiver of Transfer Of Rights Of Recovery Against Others To Us

The following is added to the Transfer Of Rights Of Recovery Against Others To Us Condition:

This Condition does not apply to the extent required of you by a written contract, executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by such contract. This waiver only applies to the person or organization designated in the contract.

Q. Employee Hired Autos – Physical Damage

Paragraph b. of the Other Insurance Condition in the Business Auto Coverage Form and Paragraph f. of the Other Insurance – Primary and Excess Insurance Provisions Condition in the Motor Carrier Coverage Form are replaced by the following:

For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

(1) Any covered "auto" you lease, hire, rent or borrow; and

(2) Any covered "auto" hired or rented under a written contract or written agreement entered into by an "employee" or elected or appointed official with your permission while being operated within the course and scope of that "employee's" employment by you or that elected or appointed official's duties as respect their obligations to you.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

R. Unintentional Failure to Disclose Hazards

The following is added to the Concealment, Merepresentation Or Fraud Condition:

However, we will not deny coverage under this Coverage Form if you unintentionally:

(1) Failed to disclose any hazards existing at the inception date of this Coverage Form; or

(2) Made an error, omission, improper description of "autos" or other misstatement of information.

You must notify us as soon as possible after the discovery of any hazards or any other information that was not provided to us prior to the reception of this policy.

S. Hired Auto – World Wide Coverage

Paragraph 7a.(5) of the Policy Period, Coverage Territory Condition is replaced by the following:

(5) Anywhere in the world if a covered "auto" is leased, hired, rented or borrowed for a period of 60 days or less,

T. Bodily Injury Redefined

The definition of "bodily injury" in the Definitions Section is replaced by the following:

"Bodily injury" means bodily injury, sickness or disease, sustained by a person including death or mental anguish, resulting from any of these at any time. Mental anguish means any type of mental or emotional illness or disease.
U. Expected Or Intended Injury

The Expected Or Intended Injury Exclusion in Paragraph B. Exclusions under Section II – Covered Auto Liability Coverage is replaced by the following:

Expected Or Intended Injury

"Bodily injury" or "property damage" expected or Intended from the standpoint of the "insured". This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

V. Physical Damage – Additional Temporary Transportation Expense Coverage

Paragraph A.4.a. of Section III – Physical Damage Coverage is replaced by the following:

4. Coverage Extensions

a. Transportation Expenses

We will pay up to $50 per day to a maximum of $1,000 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy’s expiration, when the covered "auto" is returned to use or we pay for its "loss".

W. Replacement of a Private Passenger Auto with a Hybrid or Alternative Fuel Source Auto

The following is added to Paragraph A. Coverage of the Physical Damage Coverage Section:

In the event of a total "loss" to a covered "auto" of the private passenger type that is replaced with a hybrid "auto" or "auto" powered by an alternative fuel source of the private passenger type, we will pay an additional 10% of the cost of the replacement "auto", excluding tax, title, license, other fees and any aftermarket vehicle upgrades, up to a maximum of $2500. The covered "auto" must be replaced by a hybrid "auto" or an "auto" powered by an alternative fuel source within 60 calendar days of the payment of the "loss" and evidenced by a bill of sale or new vehicle lease agreement.

To qualify as a hybrid "auto", the "auto" must be powered by a conventional gasoline engine and another source of propulsion power. The other source of propulsion power must be electric, hydrogen, propane, solar or natural gas, either compressed or liquified. To qualify as an "auto" powered by an alternative fuel source, the "auto" must be powered by a source of propulsion power other than a conventional gasoline engine. An "auto" solely propelled by biofuel, gasoline or diesel fuel or any blend thereof is not an "auto" powered by an alternative fuel source.

X. Return of Stolen Automobile

The following is added to the Coverage Extension Provision of the Physical Damage Coverage Section:

If a covered "auto" is stolen and recovered, we will pay the cost of transport to return the "auto" to you. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage.

All other terms, conditions, provisions and exclusions of this policy remain the same.
WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.) This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement

Effective Policy No. WC-0197874-00

Endorsement No.

7-1-2016

Premium $

Insured: Ferreira Construction Company

Insurance Company: Zurich American Insurance Company

Countersigned by __________________________
Date: August 17, 2016

To: The Honorable Board of Directors

Through: Engineering, Operations, and Biosolids Management Committee (8/10/16)

From: P. Joseph Grindstaff
General Manager

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

Shaun Stone
Manager of Engineering

Subject: RP-1/RP-5 Expansion Preliminary Design Report (PDR) Update

RECOMMENDATION

This is an informational item for the Board of Directors.

BACKGROUND

On January 20, 2016, the Board of Directors awarded the Contract for Engineering Preliminary Design Services for the RP-1/RP-5 Expansion Preliminary Design Report (PDR) to Parsons Water & Infrastructure Inc. The Parsons/Agency project technical team initiated work on the first series of preliminary predesign technical memorandums, which included:

1. Decommissioning of Carbon Canyon Water Recycling Facility (CCWRF)
2. Elimination of Primary Effluent Flow Equalization
3. Onsite Centrate Treatment and Offsite Recycle Flow Discharge
4. RP-5 Liquids Treatment Alternative Technology, Secondary Treatment
5. Ultimate Expansion of RP-5

On May 11, 2016, Agency staff conducted the first Board Workshop covering the topics of the first series of technical memorandums and provided the following recommendations:

- Maintain operations of CCWRF indefinitely while completing the appropriate level of repair and refurbishment asset management projects to ensure safe and compliant operation of the facility.
- RP-5 Secondary Treatment will be accomplished through a membrane bio-reactor (MBR) process, which will simplify operations of the facility and improve effluent water quality.
Under the current expansion project, fully expand RP-5 to 30 MGD, ultimate flow of the facility with CCWRF in operation, as this approach provided the lowest lifecycle cost for the ultimate expansion of the facility.

Since the first Board Workshop, the Parsons/Agency project technical team has begun work on the second series of technical memorandums for the PDR. The second series of technical memorandums will provide much of the basis for the treatment processes of the new facilities and is detailed in Table 1 below.

<table>
<thead>
<tr>
<th>Number</th>
<th>Topic</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>RP-5 Liquids Treatment</td>
<td>Influent Pump Station, Screening, Grit Removal, Primary Clarification, Disinfection, Condition Assessment, &amp; Odor Control</td>
</tr>
<tr>
<td>2</td>
<td>RP-5 Solids Treatment</td>
<td>Solids Thickening, Digestion, Dewatering, &amp; Digester Gas Conveyance/Storage/Safety Flaring</td>
</tr>
<tr>
<td>3</td>
<td>Food Waste</td>
<td>Comparative Analysis of RP-1, RP-5, &amp; RP-5 Solids Handling Facility including Receiving, Digestion, Dewatering, &amp; Digester Gas Usage</td>
</tr>
<tr>
<td>4</td>
<td>Digester Gas Usage</td>
<td>Comparative Analysis of Internal Combustion Engines (Existing/New), Micro Turbines, Natural Gas Pipeline Injection, &amp; CNG Vehicle Fuel including potential for future phasing</td>
</tr>
<tr>
<td>5</td>
<td>Electrical</td>
<td>RP-5 Power Feed, Power Distribution Center, &amp; Power Centers</td>
</tr>
<tr>
<td>6</td>
<td>Offsite Facilities</td>
<td>RP-2 Decommissioning Plan, RP-2 Lift Station Relocation, Inland Empire Brine Line Discharge Station Relocation</td>
</tr>
</tbody>
</table>

The major recommendations resulting from the second series of technical memorandums will be presented to the Board of Directors through the RP-1 & RP-5 Expansion PDR Board Workshop No. 2 to be conducted in October 2016.

This PDR is consistent with the Agency’s Business Goal of Wastewater Management Capacity objective that IEUA will maintain capacity within systems and facilities to meet essential service demands and to protect public health and environment.

**PRIOR BOARD ACTION**

On January 20, 2016, the Board of Directors approved the consulting engineering services contract award for the RP-1/RP-5 Expansion PDR to Parsons Water & Infrastructure Inc. for the not-to-exceed amount of $2,431,598.
IMPACT ON BUDGET

The April 2016 approved TYCIP budgets for Project No. EN19001, RP-5 Liquids Treatment Expansion, and Project No. EN19006, RP-5 Solids Treatment Facility, are $125,000,000 and $136,000,000, respectively. With the recommendations provided during the first Board Workshop, it is anticipated that the project budget for the RP-5 Liquids Treatment Expansion, Project No. EN19001, will increase to $158,000,000. The project cost will continue to be refined as the PDR progresses to completion.

There are no budget impacts to the current phase of the project.

PJG:CB:SS:jm
RP-5 Expansion PDR Update
Project Nos. EN16025 & EN16028
August 2016
Board Workshop No. 1

Decommissioning of CCWRF
- CCWRF to Remain in Operation

Elimination of RP-1 Primary Effluent Equalization
- ~9.0 MGD Secondary Capacity or Bypass to RP-5

RP-5 Secondary Treatment System Alternatives
- Full MBR System

Ultimate Expansion of RP-5
- Expand to 30 MGD

Onsite Centrate Treatment
- Secondary Treatment is low cost alternative
Current Project Tasks

- Liquids Treatment
- Solids Treatment
- Food Waste
- Digester Gas & Renewable Energy
- Electrical and I&C
- Offsite Facilities

Board Workshop No. 2: October 2016
# Project Schedule

<table>
<thead>
<tr>
<th>Current Project</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>PDR Engineering Services Contract Award</td>
<td>Jan. 20, 2016</td>
</tr>
<tr>
<td>Preliminary Design Report Completion</td>
<td>Mar. 15, 2017</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>RP-5 Expansion</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design Engineering Services Contract Award</td>
<td>Jun. 21, 2017</td>
</tr>
<tr>
<td>Construction Contract Award</td>
<td>Nov. 20, 2019</td>
</tr>
<tr>
<td>Construction Completion</td>
<td>Nov. 16, 2022</td>
</tr>
</tbody>
</table>
### Project Cost

<table>
<thead>
<tr>
<th>Description</th>
<th>WFMP/TYCIP Budget</th>
<th>Projected Budget at PDR Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>RP-5 Expansion PDR</td>
<td>$5.0M</td>
<td>$3.5M</td>
</tr>
<tr>
<td>RP-5 Liquids Treatment Expansion</td>
<td>$125M</td>
<td>$158M</td>
</tr>
<tr>
<td>RP-5 Solids Treatment Facility</td>
<td>$136M</td>
<td>$136M</td>
</tr>
<tr>
<td>Total Expansion Budget</td>
<td>$266M</td>
<td>$298M</td>
</tr>
</tbody>
</table>

This PDR is consistent with the *Agency’s Business Goal of Wastewater Management Capacity* objective that IEUA will maintain capacity within systems and facilities to meet essential service demands and to protect public health and environment.
Laboratory Activities

- FY1516 Samples and Analyses
  - Samples: 18,031 (38% Compliance related samples)
  - Analyses: 62,209 (52% Compliance related analyses)

- NPDES
  - Supporting Environmental Compliance group on RP5 Dioxin investigation.

- GWR
  - Declez Basin start-up

- Training
  - Sampling and Chain of Custody training for sample collectors.

Milena presenting Sampling and COC Protocols
Customer Service
Meeting IEUA Needs

- **FY 16/17 KPIs**

<table>
<thead>
<tr>
<th>Performance Indicator</th>
<th>Goal</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sample Turnaround Time</td>
<td>Compliance 18 days</td>
<td>17 days</td>
</tr>
<tr>
<td>Process Control</td>
<td>1 day</td>
<td>&lt;1 day</td>
</tr>
</tbody>
</table>

Meet sample holding times 99%

- **Special Projects**

  - Technical Services Department
    - Struvite prevention product testing
  - Pretreatment and Source Control
    - Brine line solids discrepancy follow-up study
Laboratory Certification
California – Environmental Laboratory Accreditation Program (ELAP)

- **IEUA Laboratory Certification**
  - Site visit to occur August or September 2016
  - 100% acceptable results on 2016 Performance Evaluation samples

- **ELAP Reorganization**
  - Increased fees
  - Staffing: Training current and new inspectors
  - Policies: 15 new policies
  - Environmental Laboratory Technical Advisory Committee (ELTAC)
  - Evaluating alternate regulations
  - September 2016 present selection to SWRCB
  - Emerging constituents
Water Quality Laboratory
Project EN15008

Coming soon to a wastewater treatment plant near you!
INFORMATION
ITEM
2C
EN15055 – 1630 E. and W. Recycled Water Pump Station Surge Protection

- Contractor: J. R. Filanc
- Current Contract (Construction): $729K
- Total Project Budget: $1.59M
- Scope of Work: Replace existing air compressors and install surge tank
- Current Activities:
  - Install surge tank
  - Install 12-in RW line and backfill
- Contract Completion: October 2016
- Percent Complete: 50%
- Focus Points:
  - Pressure Test 12-in RW line
  - Block wall installation
Contractor: New Millennium Construction Services
Current Contract (Construction): $52,890 (NTE)
Total Project Budget: $84,000
Scope of Work: Relocate Building B Reproduction Center and convert into Permit/Plan Check Office
Current Activities:
  - Shop Drawing Submittal
  - Plan Check at City of Chino
Contract Completion: November 2016
Percent Complete: 4%
Focus Point:
  - Submittal reviews
  - Schedule review
RP-5 Energy Storage

- Engineering Consultant: Black and Veatch
- Current Contract (Construction): Power Purchase Agreement
- Total Project Budget: $0 (Internal labor only)
- Scope of Work: Installation of 500kW battery storage and integration of load shaping software
- Current Activities:
  - Completing SCE interconnection agreement
- Anticipated Completion: August 2016
- Percent Complete: 99%
- Focus Point:
  - SCE interconnection coordination
EN14018 – RP-4 Chlorine Injection Facilities

- Engineering Consultant: IDS Group
- Current Contract (Design): $252K
- Total Project Budget: $2.3M
- Scope of Work: Construct new disinfection facility and rehabilitation of the sludge building
- Current Activities:
  - Final design review
  - Advertise for bid to pre-qualified contractors
- Construction Completion: November 2017
- Percent Complete: 100%
- Focus Points:
  - Advertise for bids
  - Pre-bid conference/bid opening
  - Award of construction contract
EN13001 – San Sevaine Basin

- Engineering Consultant: Dudek & Associates
- Current Contract (Design): $364K
- Total Project Budget: $6.4M
- Scope of Work: Pipe and pump station improvements to enhance groundwater recharge
- Current Activities:
  - Final 100% design review
  - Process Fish and Wildlife, RWQCB, and Army Corp permits
- Construction Completion: December 2017
- Percent Complete: 100%
- Focus Point:
  - SBFCD permit application
  - Grant Quarterly Reports
EN16024 – RP-1 Mixed Liquor Return Pumps

- Engineering Consultant: RMC Water and Environment
- Current Contract (Design): $468K
- Total Project Budget: $6.1M
- Scope of Work: Install mixed liquor return pumps/VFDs and flowmeter in the aeration basins
- Current Activities:
  - Open bids August 16, 2016
- Construction Completion: January 2018
- Percent Complete: 100%
- Focus Point:
  - Award the construction contract in September

Aeration Basin – 3D Design