



Special Board Meeting Agenda

August 3, 2017 at 10:00 a.m.

156 S. Broadway, Turlock, CA, Second Floor, Yosemite Conference Room

Chair, Gary Soiseth
Vice Chair, Chris Vierra
Director, Amy Bublak
Director, Ken Lane

Interim General Manager, Michael Brinton
Interim Legal Counsel, Phaedra A. Norton
Board Secretary, Tish Foley

NOTICE REGARDING NON-ENGLISH SPEAKERS: The Stanislaus Regional Water Authority (SRWA) meetings are conducted in English and translation to other languages is not provided. Please make arrangements for an interpreter if necessary.

EQUAL ACCESS POLICY: If you have a disability which affects your access to public facilities or services, contact the Board Secretary. The Board is committed to taking all reasonable measures to provide access to its facilities and services. Please allow sufficient time for the Board to process and respond to your request.

NOTICE: Pursuant to California Government Code Section 54954.3, any member of the public may directly address the Board on any item appearing on the agenda, including Consent Calendar and Scheduled Matters, before or during the Board's consideration of the item.

AGENDA PACKETS: Prior to the Stanislaus Regional Water Authority Board meeting, a complete Agenda Packet is available for review on the SRWA's website at www.stanrwa.org and in the Board Secretary's Office at 156 S. Broadway, Suite 270, Turlock, during normal business hours. Materials related to an item on this Agenda submitted to the Board after distribution of the Agenda Packet are also available for public inspection in the Board Secretary's Office. Such documents may be available on the SRWA's website subject to staff's ability to post the documents before the meeting.

1. A. CALL TO ORDER
- B. SALUTE TO THE FLAG
2. RECOGNITION, APPOINTMENTS, ANNOUNCEMENTS & PRESENTATIONS: None
3. A. SPECIAL BRIEFINGS: None
- B. STAFF UPDATES
 1. Interim General Manager Updates (*Brinton*)
 2. Finance Director Report (*Jacobs-Hunter*)
- C. CONSULTANT UPDATES
 1. West Yost Associates will provide the Board with a project status update. (*Nakano*)
- D. PUBLIC PARTICIPATION: This time is set aside for members of the public to address the Board concerning any item that has been described in the notice for the meeting, including Consent Calendar items, before or during consideration of that item. You will be allowed five (5) minutes for your comments. If you wish to speak regarding an item on the agenda, you may be asked to defer your remarks until the Board addresses the matter.
4. DECLARATION OF CONFLICTS OF INTEREST AND DISQUALIFICATIONS

5. **CONSENT CALENDAR:** Information concerning the Consent items listed below has been forwarded to each Board member prior to this meeting for study. Unless the Chair, a Board member, or member of the audience has questions concerning the Consent Calendar, the items are approved at one time by the Board. The action taken by the Board in approving the Consent items is set forth in the explanation of the individual items.

A. *Motion:* Accepting minutes of Special Meeting of July 7, 2017

B. *Motion:* Approving Amendment No. 4 to the Agreement for Program Management Services with West Yost Associates for services required to bridge the period between Phase 1 and Phase 2 of the Project, as set forth in Attachment A, in an amount not to exceed Two Hundred Seventy-Three Thousand Two Hundred Fifty-Five and No/100ths Dollars (\$273,255.00) which includes a twenty percent (20%) contingency

C. *Resolution:* Appropriating \$273,255 to account number 950-53-552.43060_012 "Contract Services-Program Management Services" to be funded via contributions from SRWA participating agencies

6. **PUBLIC HEARINGS:** None

7. **SCHEDULED MATTERS**

A. Request to concur with the recommendations of the Executive Technical Advisory Committee (Exec TAC) and the Staff Technical Advisory Committee (TAC) to plan for an initial 15 million gallons per day (mgd) capacity water treatment plant that will provide approximately 10 mgd of treated surface water supply to the City of Turlock (Turlock) and 5 mgd to the City of Ceres (Ceres) (*West Yost*)

Recommended Action:

Motion: Concurring with the recommendations of the Executive Technical Advisory Committee (Exec TAC) and the Staff Technical Advisory Committee (TAC) to plan for an initial 15 million gallons per day (mgd) capacity water treatment plant that will provide approximately 10 mgd of treated surface water supply to the City of Turlock (Turlock) and 5 mgd to the City of Ceres (Ceres)

8. **MATTERS TOO LATE FOR THE AGENDA**


9. **BOARD ITEMS FOR FUTURE CONSIDERATION**

10. **BOARD COMMENTS:** Board members may provide a brief report on notable topics of interest. The Brown Act does not allow discussion or action by the legislative body.

11. **NEXT MEETING DATE:** August 24, 2017 - Regular Meeting

12. **ADJOURNMENT**

The foregoing meeting is hereby called by Chair Soiseth at the above mentioned date and time pursuant to California Government Code §54956.



Gary Soiseth, Chair



To: SRWA Board

From: Michael Brinton, Interim General Manager

Subject: Interim General Manager Report

The members of the Technical Advisory Committee (TAC) have continued to meet with West Yost Associates to support the continued development of the Project. The items covered since the last SRWA Board meeting includes the following:

- Completed staff report and presentation on initial project capacity, project cost and residential customer rate impacts
- Coordinated with Horizon regarding wet well environmental documentation and permitting
- Submitted permit application letter to Central Valley Flood Protection Board
- Finalized letter for permanent pipeline easement through state property
- Completed May and June Status Reports
- Continued analysis of raw water samples
- Completed appraisals for the easements/fee title needed for wet well construction
- Finalized job description and request for proposals for the General Manager position
- Talked with the Wildlife Conservation Board about the Streamflow Enhancement grant funding opportunity
- Prepared the scope and budget for the bridge period between Project Phases 1 and 2
- Received unanimous approval at Assembly committee hearing on SB 373
- Finalized Treatment Process TM No. 2
- Discussed the extent and timing of the required Watershed Sanitary Survey with DDW
- Met with Division of Financial Assistance staff to discuss Drinking Water State Revolving Fund (SRF) loan application
- Attended State Water Resources Control Board and California Water Commission meetings regarding grant and loan updates

Mr. Nakano will provide a more in depth review of these items. I will be happy to answer any questions.



1. A. **CALL TO ORDER:** Chair Soiseth called the meeting to order at 10:00 a.m.
PRESENT: Director Bublak, Director Lane, Vice Chair Vierra, Chair Soiseth
ABSENT: None

B. **SALUTE TO THE FLAG**
2. **RECOGNITION, APPOINTMENTS, ANNOUNCEMENTS & PRESENTATIONS:** None
3. A. **SPECIAL BRIEFINGS:** None

A. **STAFF UPDATES:**
 1. Interim General Manager Mike Brinton provided an update of items discussed at recent Technical Advisory Committee (TAC) meetings, including:
 - Completed tax questionnaire as part of the SRF financial application package
 - Made modifications to the Treatment Process Alternative Technical Memorandum 2
 - Continued discussions with Stanislaus County Building Department
 - Continued to coordinate and work with CVFPW (flood control) representatives on the issue of the seasonal construction constraints for the wet well construction
 - Continued preparation of Streambed Alteration Agreement permit application for CDFW
 - Continued collection of raw water samples and laboratory testing analysis of samples
 - Updated construction cost estimates for the alternative 15 mgd and 30 mgd treatment plant sizes
 - Updated the potential monthly average customer bill impact for the 30 mgd treatment plant option
 - Developed permitting schedule for treatment plant and pipeline construction
 - Met with property owner regarding access to Nazareno property
 - Completed work on new, refreshed SRWA logo
 - Prepared letter regarding wetland delineation to USACE
 - Completed review of draft IS/MND
 - Sent letter to property owners regarding on site surveys
 - Developed milestone project schedule summary
 - Prepared permit application package for CVFPB
 - Prepared documents for CVFPB detailing project phasing and construction methods
 2. Kellie Jacobs-Hunter, Finance Director, thanked Marie Lorenzi for her assistance and congratulated her on her retirement. A budget item will be presented later in this agenda.

B. CONSULTANT UPDATES:

1. Lindsay Smith of West Yost Associates provided a project status update including the following:
 - Recommended treatment trains for further evaluation
 - Initial Project capacity: 15 mgd
 - Assembly hearing on SB 373 to authorize use of design-build procurement scheduled for July 12th
 - General Manager recruitment scheduled for Board action on August 24th
 - Property acquisition
 - i. Appraisal reports completed
 - ii. Preparing written offer for Nazareno Property
 - Environmental
 - i. Wet Well IS/MND screen check
 - ii. Admin draft EIR scheduled for end of July 2017
 - iii. Fish & Wildlife Streambed Alteration Agreement
 - iv. Army Corp Section 404 Letter of Permission
 - Central Valley Flood Protection Board encroachment permit for Wet Well
 - Wildlife Conservation Board grant funding opportunities
 - Planning for Phase 2, anticipated start September 2017
 - Continued raw water sampling

C. PUBLIC PARTICIPATION: None

4. DECLARATION OF CONFLICTS OF INTEREST AND DISQUALIFICATIONS: None

5. CONSENT CALENDAR:

Action: Motion by Director Bublak, seconded by Director Lane, to adopt the consent calendar and approve the minutes of the Regular Meeting of May 25, 2017. Motion carried 4/0 by the following vote:

Director Lane	Director Bublak	Vice Chair Vierra	Chair Soiseth
Yes	Yes	Yes	Yes

6. PUBLIC HEARINGS: None

7. SCHEDULED MATTERS:

- A. The Board was asked to consider supporting the Association of California Water Agencies' Policy Statement on Bay-Delta Flow Requirements as taking a stance on this legislation now will directly impact the SRWA Project. Key points of the legislation were discussed and the Board agreed that it would be appropriate to take this policy position.

Discussion: None

Chair Soiseth opened public participation. There being no public response, Chair Soiseth closed public participation.

Action: Resolution 2017-007 supporting the Association of California Water Agencies’ (ACWA) Policy Statement on Bay-Delta Flow Requirements was introduced by Director Lane, seconded by Bublak, and carried 4/0 by the following vote:

Director Lane	Director Bublak	Vice Chair Vierra	Chair Soiseth
Yes	Yes	Yes	Yes

- B. Lyndsay Smith of West Yost Associates presented the report on the request to concur with the Executive TAC and TAC’s recommendation to proceed with further evaluation of a conventional water treatment process featuring ozonation and granular media filters, and allowing consideration of such processes by proposers for the future design and construction of the water treatment plant.

The TAC and Project Management (PM) Team have continued to refine and evaluate available water treatment processes for the SRWA Surface Water Supply Project. A summary of major topics discussed in TM 2 and during the workshops, as well as an outline of the TAC and PM Team’s findings, was provided and discussed, including:

- Initial Source Water Sampling and Bench Testing Results
- Winter 2017 and Historical Tuolumne River Flows
- Development of Refined Treatment Train Alternatives
- Comparison of Unit Processes and Treatment Trains
- Risk Assessment and Recommendations

The PM Team provided assessments of the relative probability of such issues arising under each alternative. Based on TAC and PM Team discussion of these risks, in conjunction with comparison of planning-level cost information, the TAC identified the following treatment process requirements:

1. Select a treatment train that utilizes ozone treatment
2. Select a treatment train that utilizes free chlorine for secondary disinfection (i.e., do not utilize chloramines)
3. Do not pursue direct filtration further

Based on TAC feedback on March 30, 2017, two treatment train alternatives (conventional treatment with pre-ozonation [Train 1], and membrane filtration with ozonation [Train 6]) were initially identified for further consideration, including an assessment of estimated operation and maintenance costs and a more detailed evaluation of the risks of exceeding regulatory limits for disinfection byproducts. The PM Team then developed additional information which indicated that treatment Train 6 could present significant risks associated with compliance with regulatory limits for disinfection byproducts, in addition to having higher estimated operation and maintenance costs than Train 1.

After presentation and discussion of this information on May 16, 2017, the TAC and PM Team agreed that further evaluation of treatment processes should include Train 1 and Train 2 (which differs from Train 1 only in the relative sequence of ozonation in the treatment process) and variants thereof. Such evaluation will include the development of preliminary design criteria, site layouts and construction schedules; and development of refined cost estimates for operation and maintenance.

The estimated water treatment plant capital costs of the two alternatives initially recommended for further evaluation (Trains 1 and 6) are within approximately four percent

(4%) of one another. Monthly single family water bills for the same alternatives were estimated to be within approximately one percent (1%) of one another.

Although narrowing the acceptable alternatives to Trains 1 and 2 necessarily limits the types of proposals which may be developed by Design-Build proposers, it is expected that ongoing source water sampling and bench testing activities will identify acceptable variations of Trains 1 and 2 that will encourage innovation and price competition among proposers.

Chair Soiseth opened public participation. There being no public response, Chair Soiseth closed public participation.

Action: Motion by Vice Chair Vierra, seconded by Director Lane, to concur with the Executive TAC and TAC’s recommendation to proceed with further evaluation of a conventional water treatment process featuring ozonation and granular media filters, and allowing consideration of such processes by proposers for the future design and construction of the water treatment plant. Motion carried 4/0 by the following vote:

Director Lane	Director Bublak	Vice Chair Vierra	Chair Soiseth
Yes	Yes	Yes	Yes

- C. Lyndsay Smith of West Yost Associates presented the report on the request to declare intention to seek reimbursement for expenditures paid prior to the issuance of the obligations or the approval by the State Water Board (Drinking Water State Revolving Fund (SRF) Program) for the SRWA Surface Water Supply Project (Project) funds in the maximum principal amount of \$275,654,000.

Discussion: This Board action is required as part of the application process with SRF to obtain low-interest loan funding. The tax questionnaire is used by SRF to determine whether SRWA Participating Cities are eligible to receive funds from tax-exempt revenue bond sales. The cost estimate is a high-level number and does not include all the Project costs. It is a best-guess estimate so the State understands the quantity of bonds that would have to be sold for this Project. West Yost will present cost specifics for the Board’s consideration in July or August.

Chair Soiseth opened public participation. There being no public response, Chair Soiseth closed public participation.

Action: Resolution 2017-008 declaring intention to seek reimbursement of water supply project expenditures from the Drinking Water State Revolving Fund Program was introduced by Director Lane, seconded by Vice Chair Vierra, and carried 4/0 by the following vote:

Director Lane	Director Bublak	Vice Chair Vierra	Chair Soiseth
Yes	Yes	Yes	Yes

- D. Marie Lorenzi presented the report requesting the adoption of the Annual Budget for the Stanislaus Regional Water Authority for the 2017-18 Fiscal Year and adopting a minimum cash reserve target for 2017-18.

Discussion: Marie presented a breakdown of the Project’s projected revenue and expenditures for FY 2017-18. A total of \$1.3 million in allocations was shown for Participating Cities and the Turlock Irrigation District. In addition to the budget, this action will also authorize the Finance Director to adjust the 2017-18 appropriations related to consultant contracts without bringing formal action back before the Board. If any of these contracts are amended beyond the approved contract amount at June 30, 2017, that action would also require a budget adjustment. A target reserve for the SRWA of three months’ of expenditures is being recommended.

Chair Soiseth opened public participation. There being no public response, Chair Soiseth closed public participation.

Action: **Resolution 2017-009** adopting the Annual Budget for the Stanislaus Regional Water Authority for the 2017-18 Fiscal Year and adopting a minimum cash reserve target for 2017-18 was introduced by Director Bublak, seconded by Lane, and carried 4/0 by the following vote:

Director Lane	Director Bublak	Vice Chair Vierra	Chair Soiseth
Yes	Yes	Yes	Yes

- 8. **MATTERS TOO LATE FOR THE AGENDA:** None
- 9. **BOARD ITEMS FOR FUTURE CONSIDERATION:** None
- 10. **BOARD COMMENTS:** None
- 11. **NEXT MEETING DATE:** July 27, 2017 - Regular Meeting
- 12. **CLOSED SESSION:** None
- 13. **ADJOURNMENT:** Motion by Director Bublak, seconded by Director Lane, to adjourn at 10:28 a.m. Motion carried 4/1.

Respectfully submitted,

DRAFT

Tish Foley, Board Secretary



From: Michael Brinton, Interim General Manager

1. ACTION RECOMMENDED:

Motion: Approving Amendment No. 4 to the Agreement for Special Services with West Yost Associates for services required to bridge the period between Phase 1 and Phase 2 of the Project, as set forth in Attachment A, in an amount not to exceed Two Hundred Seventy-Three Thousand Two Hundred Fifty-Five and No/100ths Dollars (\$273,255.00) which includes a twenty percent (20%) contingency

Resolution: Appropriating \$273,255 to account number 950-53-552.43060_012 "Contract Services-Program Management Services" to be funded via contributions from SRWA participating agencies

2. DISCUSSION OF ISSUE:

The TAC and Executive Technical Advisory Committee (Exec TAC) prioritized recruitment and selection of a General Manager for the SRWA, and hopes to have this individual under contract in late August or early September. Because the General Manager will play a significant role in the Project, the TAC and Exec TAC decided to delay commencement of the next phase of the Project (referred to as Phase 2) until the General Manager is able to participate in providing input and assistance to finalize the Phase 2 scope and budget. Phase 2 is envisioned to carry the Project through execution of the design-build contract and is currently scheduled for completion in June 2019.

The TAC and Exec TAC believe that it is critical to continue moving the Project forward so as not to lose momentum, particularly on those schedule-sensitive project tasks and, therefore, asked West Yost to develop a scope and budget to continue work on key Project tasks. The attached scope and budget assumes that Phase 2 will commence on October 1, 2017. Accordingly, the bridge scope attached is for the period of July 1, 2017 through December 31, 2017. All activities completed during this bridge period will be utilized as part of Project Phase 2.

Some highlights of the attached scope include:

- Regular meetings with the Project team (including the TAC, Exec TAC, and Board).
- Continued support for the environmental documentation process, including permitting for the wet well project.

- Non-environmental permitting and utility coordination, mainly for the wet well project.
- Funding opportunity tracking, continued coordination with State Revolving Fund loan program staff, and the preparation of a grant application with the Wildlife Conservation Board.
- Supporting TID's water right modification efforts.
- Preparing for topographic surveying and mapping of the finished water transmission mains to Ceres and Turlock (with the flight not included in this bridge scope of work, but scheduled to occur in October).
- Begin refinement of the water treatment plant design criteria to ensure the delay in Phase 2 commencement does not impact the overall Project schedule.
- Continue discussions with the design-build community.
- Provide as-needed assistance to Cities' rate consultants in support of the upcoming 218 process.
- Twenty percent contingency to address out-of-scope tasks and potentially accommodate a time extension should the Phase 2 scope and budget not be finalized by September 30, 2017.

All work will be done on a time-and-materials basis with a not-to-exceed amount identified below.

3. FISCAL IMPACT / BUDGET AMENDMENT:

The attached bridge period scope is estimated to cost \$502,285, including the TAC-requested 20% contingency mentioned above. There is \$229,030 remaining in West Yost's current contract (outside of the Phase 1 activities that are still being performed) that will be reallocated to the attached scope of work, therefore, the resultant requested contract amendment amount is \$273,255. Because the SRWA fiscal year 2017-2018 budget was previously adopted, a budget amendment is also being requested as a separate Board item.

4. INTERIM GENERAL MANAGER'S COMMENTS:

Supports moving forward with the budget amendment to allow the Project to continue to progress until the Phase 2 scope and budget are finalized.

5. ENVIRONMENTAL DETERMINATION:

N/A

6. ALTERNATIVES:

The Board may reject the proposed amendment, propose an alternative scope and budget, or request that the TAC further evaluate the scope and budget and bring this item back to the Board for future consideration.



AMENDMENT NO. 4
to the
AGREEMENT FOR SPECIAL SERVICES
between
STANISLAUS REGIONAL WATER AUTHORITY
and
WEST YOST ASSOCIATES
for
PROGRAM MANAGEMENT SERVICES

THIS AMENDMENT, dated August 3, 2017, is entered into by and between the **STANISLAUS REGIONAL WATER AUTHORITY**, a Joint Powers Authority of the State of California, hereinafter referred to as “SRWA” and **WEST YOST ASSOCIATES**, a Consulting Engineering Firm, hereinafter referred to as “CONSULTANT”.

WHEREAS, the parties hereto previously entered into an agreement dated April 13, 2016, whereby **CONSULTANT** will perform program management services (hereinafter the “Agreement”); and

WHEREAS, the Agreement was amended (“Amendment No. 1”) on September 22, 2016, in the amount of One Hundred Five Thousand and No/100 Dollars (\$105,000); and

WHEREAS, the Agreement was amended (“Amendment No. 2”) on November 10, 2016, in the amount of Two Hundred Fifty-Five Thousand Two Hundred and Thirty-Two and No/100 Dollars (\$255,232); and

WHEREAS, the Agreement was amended (“Amendment No. 3”) on January 26, 2017, in the amount of One Hundred Seventy-Seven Thousand Two Hundred Six Dollars (\$177,206); and

WHEREAS, the parties have identified the need to delay commencement of Phase 2 of the Project until the General Manager has been selected, therefore requiring additional work from **CONSULTANT** to bridge the period between Phase 1 and Phase 2 of the Project.

NOW, THEREFORE, the parties hereto mutually agree to amend said Agreement as follows:

1. Paragraph 1 of the Agreement is amended to read as follows:

"1. SCOPE OF SERVICES: CONSULTANT shall undertake and complete the preparation of the scope of work as set forth and described in the documents attached to the Agreement as Exhibit A, and the additional scope of work as set forth and described in the documents attached to Amendment No. 1, 2 and 3, and the additional scope of work as set forth and described in the documents attached to this Amendment No. 4 as Attachment A. The CONSULTANT shall perform the services as described in Exhibit A attached to the Agreement, Attachment A attached to Amendment No. 1, Attachment A attached to Amendment No. 2, Attachment A attached to Amendment No. 3, and Attachment A attached to this Amendment No. 4 in a manner compatible with the standards of its profession, and shall produce a fully complete project that is acceptable to the SRWA."

2. Paragraph 4 of the Agreement is amended to read as follows:

"4. COMPENSATION: SRWA agrees to pay CONSULTANT additional compensation in the amount of **Two Hundred Seventy-Three Thousand Two Hundred Fifty-Five and No/100^{ths} Dollars (\$273,255.00)** in accordance with Attachment B attached hereto and made a part hereof. The compensation for completion of all items of work, as set forth in the Agreement, Amendment No. 1, Amendment No. 2, Amendment No. 3, and Amendment No. 4 shall not exceed **Two Million Eight Hundred Eighteen Thousand One Hundred Sixty-Five and No/100 Dollars (\$2,818,165.00)** which includes a twenty percent (20%) contingency for Amendment No. 4. Such maximum amount shall be compensation for all of CONSULTANT's expenses incurred in the performance of the Agreement, Amendment No. 1, Amendment No. 2, Amendment No. 3, and this Amendment No. 4."

3. Paragraph 5 of the Agreement is amended to read as follows

"5. TERM: This Agreement shall become effective April 15, 2016, and end upon satisfactory completion, as determined by the SRWA, of the entire Scope of Work as set forth in the Agreement, Amendment No. 1, Amendment No. 2, Amendment No. 3, and this Amendment No. 4. Amendment No. 4 is anticipated to span the period from July 2, 2017, through September 30, 2017."

All other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by and through their respective officers thereunto duly authorized.

**STANISLAUS REGIONAL WATER
AUTHORITY, a Joint Powers Authority**

By: _____

Gary Soiseth
Board Chair

Date: _____

**WEST YOST ASSOCIATES,
a Consulting Engineering Firm**

By: _____

Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

By: _____

Phaedra A. Norton
Interim General Counsel

Date: _____

ATTEST:

By: _____

Tish Foley
Board Secretary

Date: _____



Stanislaus Regional Water Authority
Surface Water Supply Project



**Proposed Phase 1/Phase 2 Bridge Scope of Work
(July 1 -Sept 30, 2017)**

- **Task 1.01: Exec TAC and TAC Meetings**
 - Once monthly Exec TAC Meetings (i.e. 3 Executive TAC meetings)
 - Twice monthly TAC Meetings (i.e. 6 TAC meetings)
 - Weekly Calls with GM (i.e. 13 calls)
 - Program Manager's Coordination with Task Managers on matters related to Exec TAC and TAC meetings
 - Assumptions:
 - Attendance by Program Manager (PM) and Deputy PM (attendance by other PM team members is identified under each relevant work task)
 - Two hours per week allocated for communication and coordination with TAC between meetings
 - 16 hours dedicated to integration of new GM
- **Task 1.04: Project Controls**
 - Monthly Program Status Reports, including Executive Summary for Board, schedule and budget updates
- **Task 1.06: SRWA Board Meetings**
 - Once monthly Board Meetings
 - Prepare consultant's update presentations at Board meetings
 - Review and provide comments on the draft GM Report to the Board
 - Assumption:
 - Board meetings occur on same day as TAC meeting
- **Task 4.01: Environmental Documentation and Permitting Technical Support to Horizon**
 - Engineering and technical support to SRWA and Horizon:
 - Wet well IS/MND
 - Wet well environmental permits and negotiations
 - Overall project administrative draft and screen-check draft EIR
 - Capture and track environmental permits, timing, and costs in the Permit Matrix Table
 - Participation in one (1) site visits with Horizon
 - Participation in up to two (2) meetings with natural resource agencies, as-needed and at request of environmental consultant
 - Assumes no assistance required for EIR-related environmental permits before September 30th, 2017
- **Task 5.01: Non-Environmental Permits/Agreements/Utility Coordination**
 - Update Permit Matrix Table
 - Update Permit Costs and Schedule Table
 - Continue coordination with agencies for wet well permits

- CVFPB encroachment permit
 - CDFW / Fox Grove Park access agreement
 - Stanislaus County encroachment permit, access coordination
 - Participate in kickoff electrical infrastructure coordination meeting with TID
 - Up to four (4) meetings with above agencies
- **Task 6.01: Funding Tracking and Support**
 - Updates to Funding Opportunities Tracking Log
 - Coordination with The Gualco Group on funding opportunities
 - Attend up to one (1) meeting with funding agencies, other than SRF (captured in 6.02)
 - One quarterly funding update memo to TAC
- **Task 6.02: SRF Application and Process Support**
 - Coordination of Environmental Package with Horizon
 - Coordination with SWRCB DFA staff regarding TID lease agreement for District Delivery Facilities; including one (1) meeting with DFA staff to discuss this topic
 - Tax questionnaire preparation and submittal with assistance from SRWA accounting staff
 - One (1) meeting with SWRCB DFA staff to discuss the environmental package
- **Task 6.03: Funding Application**
 - Development of Streamflow Enhancement Grant application
- **Task 8.00: Technical Support and Review of TID's Water Right Modifications**
 - Technical support for the change in use modification of the TID water right
 - Attend up to two (2) meetings with TID and SRWA
- **Task 9.06: Transmission Mains Preliminary Design for Ceres Transmission Main**
 - New topographic survey
 - Establish Survey Control Network
 - Preparation for Topographic Survey and Mapping (flight to occur in October)
- **Task 9.07: Transmission Mains Preliminary Design for Turlock Transmission Main**
 - New topographical survey
 - Establish Survey Control Network
 - Preparation for Topographic Survey and Mapping (flight to occur in October)
- **Task 11.04: Water Treatment Plant Preliminary Design**
 - Begin refinement and further development of WTP design criteria (to assist in the future determination of design guidelines for DB firms, O&M cost development, preliminary site layouts, and construction schedule impacts) to prevent a project schedule impact
 - Does not include deliverables (e.g., TMs)
- **Task 12.01: Project Delivery**
 - Outreach to DB community
 - Up to two (2) meetings with SRWA legal counsel regarding base Service Contract and procurement advisor
- **Task 13: Discussions with Potential Water Contractors**
 - Support evaluation and interaction with potential water contractors
 - One (1) meeting with potential water contractors
- **Task 14: Master Project Schedule Maintenance**
 - Schedule tracking and updating
 - Monthly schedule summary updates to TAC

- **Task 15.01: Capital Cost Estimates and Cost Sharing Allocations**
 - Update the Project cost allocation spreadsheet
 - Develop cash flow spreadsheet model
 - Program budget tracking
- **Task 17.00: Scope for Next Phase**
 - Phase 2 scope development
- **Task 18.00: Rate Evaluation Technical Support**
 - Allowance for on-call technical support to Cities' rate consultants
- **Task 20.00: Engineering Contingency**
 - As-needed out-of-scope engineering work as defined by Budget Modification Requests and as requested by GM

Continuation Phase 1 Tasks - Scope of Work

- **Task 2.00: Assist with SRWA General Manger Selection**
 - Assist with final selection of GM
 - Perform reference checks
 - Interview attendance (if requested)
- **Task 7.02: Water Quality Sampling Plan**
 - Preparation of 12-month sampling report and associated coordination with DDW
- **Task 7.03: Water Quality Sampling and Analysis**
 - Previously authorized source water characterization study and bench testing activities
- **Task 9.01: ROW Acquisition-Related to Raw Water Facilities**
 - Previously authorized ROW acquisition services for raw water facilities, excluding raw water pipeline through WTP
- **Task 12.01: Project Delivery**
 - Draft Procurement Guidance Document
- **Task 16.00: Project Definition TM**
 - Complete Project Definition TM
- **Task 19.00: Public Outreach**
 - Prepare key message points and develop collateral materials to support Prop 218 process for both cities
 - Website refresh, webmaster transfer, and maintenance and content updates (TBD depending on SRWA direction)

ATTACHMENT B

SRWA Surface Water Supply Project
Phase 1 Actual Expenditures and Bridge Phase 1/Phase 2 Tasks

Task No.	Task Name ⁽⁶⁾	Phase 1 Budget ⁽¹⁾	Phase 1 Expenditures Thru June 30, 2017 ⁽⁵⁾	Phase 1 Budget Remaining as of July 1, 2017 ⁽⁵⁾	Continuation Phase 1 Tasks ⁽⁴⁾	Budget Available for Use in Bridge Phase 1/Phase 2	Bridge Phase 1 /Phase 2 Contract Amendment Amount	Bridge Phase 1 /Phase 2 Tasks ⁽³⁾	Notes on Continuation Phase 1 Tasks
1.00	Program Management and Administration	\$418,790	\$379,324	\$39,466	\$0	\$39,466	\$86,648	\$86,648	
1.01	Executive TAC and TAC Meetings	\$709,039	\$109,039	\$0	\$0	\$0	\$67,240	\$0	
1.02	Quick Start Plan	\$11,801	\$11,801	\$0	\$0	\$0	\$0	\$0	
1.03	Program Management Plan	\$98,597	\$63,639	\$34,952	\$0	\$34,952	\$0	\$0	
1.04	Program Controls	\$133,416	\$131,423	\$1,993	\$0	\$1,993	\$14,995	\$14,995	
1.05	Coordination of Subconsultants	\$13,248	\$11,501	\$1,747	\$0	\$1,747	\$0	\$0	
1.06	SRWA Board Meetings	\$50,155	\$50,074	\$81	\$0	\$81	\$10,613	\$10,613	
1.07	Technical Document Review	\$2,540	\$1,847	\$693	\$0	\$693	\$0	\$0	
2.00	Assist with SRWA General Manager Selection ⁽⁸⁾	\$11,440	\$7,442	\$3,998	\$0	\$3,998	\$0	\$0	Complete GM selection process
3.00	Supply and Demand	\$20,134	\$20,134	\$0	\$0	\$0	\$0	\$0	
4.00	CEQA Technical Assistance	\$44,028	\$38,605	\$5,423	\$0	\$5,423	\$45,541	\$45,541	
4.01	Environmental Documentation and Permitting Technical Support to Horizon	\$44,028	\$38,605	\$5,423	\$0	\$5,423	\$45,541	\$45,541	
4.02	RFP Technical Appendices	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5.00	Regulatory Permitting	\$88,165	\$61,778	\$26,387	\$0	\$26,387	\$27,178	\$27,178	
5.01	Non-Environmental Permits/Agreements/Utility Coordination	\$88,165	\$61,778	\$26,387	\$0	\$26,387	\$27,178	\$27,178	
5.02	RFP Technical Appendices	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5.03	Watershed Sanitary Survey	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
6.00	Funding: Tracking and Support	\$81,748	\$81,682	\$86	\$0	\$86	\$63,206	\$63,206	
6.01	Funding: Tracking and Support	\$81,748	\$81,682	\$86	\$0	\$86	\$63,206	\$63,206	
6.02	SRF Application and Process Support	\$66,748	\$66,664	\$84	\$0	\$84	\$13,956	\$13,956	
6.03	Funding Application	\$15,000	\$14,999	\$1	\$0	\$1	\$11,926	\$11,926	
6.04	Project Alternatives Analysis	\$0	\$0	\$0	\$0	\$0	\$37,324	\$37,324	
7.00	Water Quality and Raw Water Intake	\$361,512	\$231,672	\$129,840	\$117,244	\$12,596	\$0	\$0	
7.01	Available Water Quality Reports	\$34,491	\$34,474	\$17	\$0	\$17	\$0	\$0	Preparation of 12-month sampling report and coord w/ DDW
7.02	Water Quality Sampling Plan	\$106,797	\$88,086	\$18,712	\$18,712	\$0	\$0	\$0	
7.03	WQ Sampling and Analysis	\$78,629	\$82,086	\$96,533	\$96,533	\$0	\$0	\$0	Continuation of source water sampling and lab analysis
7.04	IG Development and Testing Oversight	\$41,595	\$27,017	\$14,578	\$2,000	\$12,578	\$0	\$0	Finalize infiltration gallery development specifications
7.05	RWPS Prediction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
8.00	Technical Support and Peer Review of TID's Water Right Modifications	\$16,008	\$6,942	\$9,066	\$0	\$9,066	\$16,028	\$16,028	
9.00	ROW Acquisition and Pipeline Preliminary Design	\$334,860	\$167,474	\$167,386	\$142,685	\$24,501	\$52,439	\$52,439	Finalize ROW management plan and complete ROW acquisition services for raw water facilities, excluding pipeline thru WTP
9.01	ROW Acquisition Related to Raw Water Facilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
9.02	ROW Acquisition Related to Ceres Finished Water Transmission Main	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
9.03	ROW Acquisition Related to Turlock Finished Water Transmission Main	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
9.04	RFP Technical Appendix 1 - Property and Easement Data	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
9.05	Preliminary Design for Raw Water Transmission Main	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
9.06	Preliminary Design for Ceres Finished Water Transmission Main	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
9.07	Preliminary Design for Turlock Finished Water Transmission Main	\$0	\$0	\$0	\$0	\$0	\$27,230	\$27,230	
10.00	Hydraulic Evaluations	\$102,248	\$100,165	\$2,083	\$0	\$2,083	\$37,209	\$37,209	
10.01	Hydraulic Transient Analysis for Raw and Treated Water PS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
10.02	Ceres As-Needed Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
10.03	Turlock As-Needed Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
10.04	Hydraulic Model Support for Integration Study	\$0	\$0	\$0	\$0	\$0	\$0	\$0	

Task No	Task Name ^(b)	Phase 1 Budget ^(c)	Phase 1 Expenditures Thru June 30, 2017 ^(d)	Phase 1 Budget Remaining as of July 1, 2017 ^(e)	Continuation Phase 1 Tasks ^(f)	Budget Available for Use in Bridge Phase 1 /Phase 2	Bridge Phase 1 /Phase 2 Tasks ^(g)	Bridge Phase 1 /Phase 2 Contract Amendment Amount	Notes on Continuation Phase 1 Tasks
11.00	Treatment Process	\$554,769	\$428,808	\$125,961	\$125,129	\$832	\$35,916		
11.01	Treatment Process Goals	\$74,727	\$73,895	\$832	\$0	\$832	\$0		
11.02	Process Alternatives Evaluation	\$480,042	\$354,913	\$125,129	\$125,129	\$0	\$0		Continuation of bench testing activities
11.03	Integration Study	\$0	\$0	\$0	\$0	\$0	\$0		
11.04	WTP Pre-design	\$0	\$0	\$0	\$0	\$0	\$35,316		
11.05	OTC Preliminary Design	\$0	\$0	\$0	\$0	\$0	\$0		
12.00	Project Procurement	\$58,896	\$34,813	\$24,083	\$24,083	\$0	\$11,382		Preparation of draft Procurement Guidance Document
12.01	RFQ Development	\$0	\$0	\$0	\$0	\$0	\$0		
12.02	SOQ Evaluation	\$0	\$0	\$0	\$0	\$0	\$0		
12.03	RFP Development	\$0	\$0	\$0	\$0	\$0	\$0		
12.04	ICS and Proposal Evaluation	\$0	\$0	\$0	\$0	\$0	\$0		
12.05	Contract Negotiation	\$0	\$0	\$0	\$0	\$0	\$0		
13.00	Discussion with Potential Water Contractors/Project Partners	\$25,376	\$1,537	\$23,839	\$0	\$23,839	\$9,624		
14.00	Master Project Schedule	\$28,422	\$28,358	\$64	\$0	\$64	\$12,074		
15.00	Cost Estimating, Cash Flow & Cost Sharing Allocations	\$105,342	\$104,920	\$422	\$0	\$422	\$24,929		
15.01	Cash Flow and Cost Sharing Allocations	\$4,463	\$4,463	\$0	\$0	\$0	\$24,929		
15.02	Construction Cost Estimates	\$100,879	\$100,457	\$422	\$0	\$422	\$0		
15.03	OMB Cost Estimates	\$0	\$0	\$0	\$0	\$0	\$0		
15.04	Life-Cycle Cost Analysis	\$0	\$0	\$0	\$0	\$0	\$0		
16.00	Project Definition TM	\$24,976	\$127	\$24,849	\$24,849	\$0	\$0		Complete Project Definition TM
17.00	Scope for Next Phase	\$14,465	\$14,418	\$47	\$0	\$47	\$24,343		
18.00	Rate Evaluation Support	\$66,162	\$38,294	\$27,868	\$0	\$27,868	\$9,664		
19.00	Public Outreach								Prepare key message points and develop collateral materials to support Prop 218 process for both cities. Website refresh and maintenance
20.00	Engineering Contingency	\$131,418	\$60,827	\$80,591	\$80,591	\$0	\$0		
	TOTAL	\$2,544,910	\$1,793,600	\$751,310	\$522,279	\$229,030	\$502,285	\$273,255	

^(b) Including contract amendments approved prior to July 17, 2017 and any approved Budget Transfer Requests to move budget between tasks.

^(c) Actual Phase 1 expenditures through June 30, 2017

^(d) Phase 1 budget remaining as of July 1, 2017

^(e) Phase 1 tasks scoped to continue beyond June 30, 2017

^(f) Bridge Phase 1/Phase 2 budget does not include continuation Phase 1 tasks. Yellow highlighted cells are those tasks with recommended scope for the Interim Phase 1/Phase 2 Bridge period.

^(g) Gray text designates Phase 2 tasks that will not commence as part of the Phase 1/Phase 2 Bridge scope



BEFORE THE BOARD OF THE STANISLAUS REGIONAL WATER AUTHORITY

**IN THE MATTER OF APPROPRIATING
\$273,255 TO ACCOUNT NUMBER
950-53-552.43060_012 "CONTRACT
SERVICES - PROGRAM MANAGEMENT
SERVICES" TO BE FUNDED VIA EQUAL
CONTRIBUTIONS FROM SRWA
PARTICIPATING AGENCIES**

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}
}
}
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RESOLUTION NO. 2017-XXX

WHEREAS, on March 24, 2016 the SRWA Board selected West Yost Associates as the best qualified consultant to provide Program Management Services for the SRWA; and

WHEREAS, by a separate action, the SRWA Board approved an agreement between the SRWA and West Yost Associates for Program Management Services in an amount not to exceed \$2,007,472; and

WHEREAS, the SRWA Board approved Amendment 1 on September 22, 2016 in the amount of \$105,000; Amendment 2 on November 10, 2016 in the amount of \$255,232; Amendment 3 on January 26, 2017 in the amount of \$177,206; and

WHEREAS, on August 3, 2017 the SRWA Board approved Amendment 4 to the Program Management Services Agreement for additional services to bridge between Phase 1 and Phase 2 until the scope and budget for Phase 2 can be finalized, for a total of Five Hundred Two Thousand Two Hundred Eight-Five Dollars (\$502,285) to perform this work, including a twenty percent (20%) contingency; and

WHEREAS, this work was not included when the 2016-17 budget was prepared and there are insufficient funds remaining in the contract, therefore a budget amendment is now necessary in the amount of Two Hundred Seventy-Three Thousand Two Hundred Fifty-Five Dollars (\$273,255).

NOW, THEREFORE, BE IT RESOLVED by the Board of the Stanislaus Regional Water Authority does hereby appropriate \$273,255 to account number 950-53-552.43060_012 "Contract Services - Program Management Services". The cost for this appropriation will be split evenly 50/50 between the current SRWA participating agencies in accordance with the JPA Agreement.

PASSED AND ADOPTED at a regular meeting of the Board of the Stanislaus Regional Water Authority this 3rd day of August, 2017, by the following vote:

AYES:
NOES:
NOT PARTICIPATING:
ABSENT:

ATTEST:

Tish Foley, Board Secretary



From: Technical Advisory Committee (TAC)

Prepared by: Monique Day, West Yost Associates Program Management Team

1. ACTION RECOMMENDED:

Motion: Concurring with the recommendations of the Executive Technical Advisory Committee (Exec TAC) and the Staff Technical Advisory Committee (TAC) to plan for an initial 15 million gallons per day (mgd) capacity water treatment plant that will provide approximately 10 mgd of treated surface water supply to the City of Turlock (Turlock) and 5 mgd to the City of Ceres (Ceres)

2. DISCUSSION OF ISSUE:

The Surface Water Supply Project (Project) currently being planned includes the following regional facilities: an infiltration gallery beneath the Tuolumne River, a wet well and raw water pump station, a raw water transmission main, Water Treatment Plant (WTP), a finished water transmission main to Ceres, and a finished water transmission main to Turlock. Local facilities included in the Project for Ceres and Turlock include terminal storage tanks, pump stations, and distribution system upgrades and infrastructure modifications specific to each city which will allow the integration of this new supply of drinking water into each distribution system.

The raw water pump station will consist of 15 mgd of initial pumping capacity, but will be designed to accommodate an ultimate capacity of 65 mgd (to accommodate potential future Turlock Irrigation District (TID) diversions in addition to SRWA's ultimate build-out capacity of 45 mgd).

The raw water transmission main, which will convey raw water from the raw water pump station near the Tuolumne River to the WTP and the Ceres Main Canal, will have 45 mgd of capacity (consistent with the Project build-out capacity) and is expected to be 60-inches (in) in diameter and approximately 3,900 feet (ft) long.

Consistent with SRWA Board direction, the WTP will include a conventional treatment process with ozone disinfection. The WTP initial capacity will be 15 mgd, with 5 mgd allocated to the City of Ceres and 10 mgd allocated to the City of Turlock.

The Ceres finished water transmission main will convey finished water from the WTP to the Ceres terminal tank at the Ceres River Bluff Regional Park. This pipeline will

have 15 mgd of capacity (consistent with Ceres' portion of the Project build-out capacity) and is expected to be 30-in diameter and approximately 29,000 ft (5.5 miles) long. This pipe will extend from the WTP south along Aldrich Road parallel to the Turlock finished water main, then head west and southwest along the north edge of the Ceres Main Canal past the intersection of Hatch Road and Faith Home Road to the terminal tank.

The finished water transmission main to Turlock, which will convey finished water from the WTP to the Turlock terminal tank in the northeastern corner of the City, will have 30 mgd of capacity (consistent with Turlock's portion of the Project build-out capacity) and is expected to be 42-in diameter and approximately 38,000 ft (7.2 miles) long. This pipe will head south on Aldrich Road, east on John Fox Road, south on Berkeley Road, east on Taylor Road, then south on North Quincy Avenue.

The local facilities in Ceres will accommodate an initial capacity from the regional Project of 5 mgd. The facilities will include a 2 million gallon (MG) terminal tank, an associated 14 mgd booster pump station, and 5,300 ft of 24-in distribution pipe along E. Hatch Road, 700 ft of 16-in pipe along E. Hatch Road, and 2,000 ft of 16-in pipe along E. Hatch Road.

The local facilities in Turlock will accommodate an initial capacity from the regional Project of 10 mgd. The facilities will include a 2.5 MG terminal tank, an associated 20 mgd booster pump station, and 4,000 ft of 24-in distribution pipe along E. Taylor Road, 700 ft of 24-in pipe along Colorado Avenue, 4,100 ft of 24-in pipe along N. Quincy Road, 1,200 ft of 42-in pipe between the terminal tank and N. Quincy Road, 3,900 ft of 42-in pipe along N. Quincy Road, 5,100 ft of 36-in pipe along N. Quincy Road, and 8,000 ft of 30-in pipe along E. Canal Drive.

A cost estimate was developed for the Project with the facility parameters discussed above, for both regional and local Project facilities. This cost estimate is a planning-level estimate which includes the "soft costs" associated with the Project, such as engineering, environmental, legal, and administrative costs. The capital cost estimate assumes a mid-point of construction occurring on June 1, 2020, with a two percent annual inflation rate, and five percent construction contingency.

The total capital cost of the Project described above is estimated to be \$288 million. In developing a preliminary evaluation of how this capital cost impacts water rates, it is assumed that SRF financing is available for this Project with a two percent interest rate for a 30-year loan. In addition to SRF loan funding, staff is actively tracking and pursuing a variety of grant funding from various State and Federal programs. These programs include, but are not limited to, the Integrated Regional Water Management program offered through the California Department of Water Resources, the Stream Flow Enhancement Program offered through the California Wildlife Conservation Board, and the WaterSMART program offered through the U.S. Bureau of Reclamation.

The approximate allocation of the \$288 million capital Project cost between the Project partners is: Ceres - \$100 million, Turlock - \$182 million, and TID - \$6 million. The allocation of costs is preliminary and will be fine-tuned as the Project progresses.

A preliminary rate evaluation was conducted using the estimated capital Project cost, projected operation and maintenance (O&M) costs, and Ceres and Turlock capital, debt and distribution system O&M costs. This rate evaluation was also compared to an estimate of what a typical water bill would be if the Project were not built. This so called “no project” alternative forecasted water rates assuming the cities upgraded their groundwater systems to meet projected water demand and water quality requirements. The expected rate implications to the average residential customer’s monthly bill are as follows:

Ceres: The average bill would increase from \$42 per month in FY 2018 to \$78 per month in 2022. This represents an increase \$27 per month over the “no project” (groundwater only) alternative for which a typical bill is estimated to be \$51 per month in FY 2022;

Turlock: The average bill would increase from \$43 per month in FY 2018 to \$77 per month in 2022. This represents an increase \$25 per month over the “no project” (groundwater only) alternative for which a typical bill is estimated to be \$52 per month in FY 2022.

Proposition 218 generally limits public agencies to a five-year rate plan. However, to provide a complete picture, the rate consultant did perform 10-year rate projection for each city to better understand how water rates may be impacted once the WTP is operational. For Ceres, preliminary rate increases would be minimal for FY 23-27. For Turlock, some inflationary cost increases were calculated which resulted in a gradual increase to rates from \$78 in FY22 to \$83 per month in FY27.

3. FISCAL IMPACT / BUDGET AMENDMENT:

There will be not be any immediate fiscal impact to approving the initial WTP capacity. However, with this approval, staff will proceed with the next steps of planning and preliminary design that will lead to the design and construction of the facilities described above. Prior to proceeding with design and construction, much of which is anticipated to be performed by a design-build contractor, staff will seek additional approvals from the Board.

Furthermore, the approval of the initial WTP capacity and associated cost estimates allows the City Councils of Ceres and Turlock to proceed with their respective water rate setting processes under Proposition 218.

4. INTERIM GENERAL MANAGER'S COMMENTS:

Recommend approval.

5. ENVIRONMENTAL DETERMINATION:

The Project facility sizes described above are covered in the Administrative Draft EIR.

6. ALTERNATIVES:

The Board may select alternate Project facility sizes.