



SRWA
STANISLAUS REGIONAL
WATER AUTHORITY

156 S. Broadway, Ste. 270, Turlock, CA 95380

(209) 668-4142 (phone) (209) 668-5695 (fax)

Special Board Meeting Notice & Agenda

June 29, 2020 at 3:30 p.m.

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

Chair, Chris Vierra
Vice Chair, Amy Bublak
Director, Bret Durossette
Director, Gil Esquer
Director (alternate), Linda Ryno
Director (alternate), Nicole Larson

General Manager, Robert Granberg
Interim Legal Counsel, Richard P. Shanahan
Board Secretary, Allison Martin

NOTICE: THIS MEETING WILL BE HELD IN ACCORDANCE WITH EXECUTIVE ORDER N-29-20, ISSUED BY CALIFORNIA GOVERNOR GAVIN NEWSOM ON MARCH 17, 2020, THE RALPH M. BROWN ACT (CALIFORNIA GOVERNMENT CODE SECTION 54950, ET SEQ.), AND THE FEDERAL AMERICANS WITH DISABILITIES ACT.

THIS MEETING WILL NOT BE PHYSICALLY OPEN TO THE PUBLIC. MEMBERS OF THE PUBLIC MAY PARTICIPATE IN THE MEETING VIA THE FOLLOWING METHODS:

JOIN BY CLICKING ON THE MEETING LINK: <https://us02web.zoom.us/j/82724910297>

OR

JOIN BY ACCESSING THE ZOOM WEBSITE: <https://zoom.us/join>

WEBINAR ID: 827 2491 0297

OR

JOIN BY TELEPHONE: 669-900-6833

WEBINAR ID: 827 2491 0297

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 at the phone number set forth above. 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 (excluding any closed session materials) 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 at the address set forth above. Such documents may be available on the SRWA's website subject to staff's ability to post the documents before the meeting.

1. CALL TO ORDER

2. RECOGNITION, APPOINTMENTS, ANNOUNCEMENTS & PRESENTATIONS: None

3. A. SPECIAL BRIEFINGS: None

B. STAFF UPDATES

1. General Manager Update (*Granberg*)

C. 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*: Approving minutes of Regular Meeting of May 21, 2020

B. *Motion*: Accepting the Stanislaus Regional Water Authority audited Financial Statements for the fiscal year ended June 30, 2019, and related reports

6. PUBLIC HEARINGS: None

7. SCHEDULED MATTERS:

A. Adopt the annual budget for the Stanislaus Regional Water Authority for the 2020-21 Fiscal Year and Adopting a minimum cash reserve target for 2020-21 (*Granberg*)

Recommended Action:

Resolution: Adopting the annual budget for the Stanislaus Regional Water Authority for the 2020-21 Fiscal Year and Adopting a minimum cash reserve target for 2020-21

B. Approve a Design-Build Contract with CH2M Hill Engineers, Inc. for the Design and Construction of the Regional Surface Water Supply Project in the amount of \$195,400,357, and Related Guaranty Agreement, and Authorize the General Manager to approve certain change orders and other actions under the Design-Build Contract (*Granberg*)

Recommended Action:

Resolution: Approving a Design-Build Contract with CH2M Hill Engineers, Inc. for the Design and Construction of the Regional Surface Water Supply Project in the amount of \$195,400,357 and Related Guaranty Agreement

Resolution: Authorizing the General Manager to approve certain change orders and other actions under the Design-Build Contract

- C. Approve Amendment No. 1 to the Agreement with Bartkiewicz, Kronick & Shanahan for Ongoing Legal Services in Phase 3 of the Regional Surface Water Supply Project in the amount of \$204,600, and authorize the General Manager to execute the Amendment (*Granberg*)

Recommended Action:

Motion: Approving Amendment No. 1 to the Agreement with Bartkiewicz, Kronick & Shanahan for Ongoing Legal Services in Phase 3 of the Regional Surface Water Supply Project in the amount of \$204,600, and authorizing the General Manager to execute the Amendment

- D. Approve an Agreement with Horizon Water and Environment for Phase 3 CEQA/NEPA/Permitting Support Services for the Regional Surface Water Supply Project in an amount not to exceed \$460,024 (*Granberg*)

Recommended Action:

Motion: Approving an Agreement with Horizon Water and Environment for Phase 3 CEQA/NEPA/Permitting Support Services for the Regional Surface Water Supply Project in an amount not to exceed \$460,024

- E. Approve Amendment No. 8 to the Agreement for Special Services with West Yost Associates for Phase 3 Program Management Services for the Regional Surface Water Supply Project in an amount not to exceed \$7,431,642 (*Granberg*)

Recommended Action:

Motion: Approving Amendment No. 8 to the Agreement for Special Services with West Yost Associates for Phase 3 Program Management Services for the Regional Surface Water Supply Project in an amount not to exceed \$7,341,642

8. MATTERS TOO LATE FOR THE AGENDA

9. BOARD ITEMS FOR FUTURE CONSIDERATION

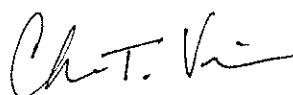
- 10. BOARD COMMENTS:** Board members may provide a brief report on notable topics of interest. The Brown Act does not allow discussion or action by the legislative body.

11. NEXT MEETING DATE: July 16, 2020, Regular meeting

12. CLOSED SESSION: None

13. ADJOURNMENT

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



Chris Vierra, Chair



- 1. **CALL TO ORDER:** Chair Vierra called the meeting to order at 3:33 p.m.
 PRESENT: Chair Vierra, Vice Chair Bublak, Director Durossette, Director Esquer
 ABSENT: None

- 2. **RECOGNITION, APPOINTMENTS, ANNOUNCEMENTS & PRESENTATIONS:** None

- 3. **A. SPECIAL BRIEFINGS:** None

B. STAFF UPDATES:

- 1. General Manager Robert Granberg provided an update on Major TAC and PM Team Work Focus Areas, including the Design-Build contract, TID water rights petition, wet well construction, Project funding/financing and the County encroachment permit. Upcoming tasks and milestones include the Design-Build contract re-pricing review and negotiation, and the award of the contract, the SRF application and the Fiscal Year 2020-21 budget.

The following members of the public spoke:

Milt Trieweler

- 2. Finance Director Marie Lorenzi provided an update on financial activity as of May 15, 2020. Revenue and expenses were reviewed.

- C. PUBLIC PARTICIPATION:** None

- 4. **DECLARATION OF CONFLICTS OF INTEREST AND DISQUALIFICATIONS:** None

5. CONSENT CALENDAR:

Action: Motion by Vice Chair Bublak, seconded by Director Esquer, approving the minutes for the Special Meeting of April 16, 2020. Motion carried 4/0 by the following vote:

Director Esquer	Director Durossette	Vice Chair Bublak	Chair Vierra
Yes	Yes	Yes	Yes

- 6. **PUBLIC HEARINGS:** None

7. SCHEDULED MATTERS:

- A. General Manager Robert Granberg requested approving final expenditures and accepting the completed Raw Water Pump Station, Phase 1 Project, and approving the Final Closeout Agreement and Release of Claims and authorizing and directing the General Manager to sign and implement the Agreement and Release, and authorizing the General Manager to record a notice of completion.

Discussion:

Chair Vierra opened public participation. No members of the public spoke. Chair Vierra closed public participation.

Action: Motion by Director Durossette, seconded by Director Esquer, approving final expenditures and accepting the completed Raw Water Pump Station, Phase 1 Project, and approving the Final Closeout Agreement and Release of Claims and authorizing and directing the General Manager to sign and implement the Agreement and Release, and authorizing the General Manager to record a notice of completion. Motion carried 4/0 by the following vote:

Director Esquer	Director Durossette	Vice Chair Bublak	Chair Vierra
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: June 18, 2020
- 12. CLOSED SESSION: None
- 13. ADJOURNMENT: Motion to adjourn at 3:59 p.m.

Respectfully submitted,

DRAFT

Allison Martin, Board Secretary



From: Marie Lorenzi, Finance Director

Prepared by: Marie Lorenzi, Finance Director

1. ACTION RECOMMENDED:

Motion: Accepting the Stanislaus Regional Water Authority audited Financial Statements for the fiscal year ended June 30, 2019, and related reports

2. DISCUSSION OF ISSUE:

The SRWA independent external auditor, Maze & Associates, completed the SRWA annual audit for the fiscal year ending June 30, 2019, copy attached.

The financial statements were prepared in accordance with Generally Accepted Accounting Principles (GAAP) by Finance Staff from the City of Turlock who provide accounting assistance to SRWA. The external auditors have the responsibility to audit these statements in accordance with GAAP with the goal of determining whether the financial statements are free of material misstatement. If this goal can be supported with the results of their audit, the external auditor will issue an unqualified or “clean” opinion. The completed financial statements contain an unqualified opinion.

Within the financial statements is a narrative section titled “Management’s Discussion and Analysis (MD&A)” (see page 3 in the statements). The MD&A provides the reader with an introduction, overview, and analysis of the SRWA basic financial statements. It tells the “number’s story” in words and helps explain the significance of the numbers in the financial statements which follow.

In addition to the financial statements, the Memorandum on Internal Controls and Required Communications are also attached. These documents provide additional information of which the auditors would like the SRWA Board to take note. The Memorandum on Internal Controls delineates area(s) of improvement in SRWA’s financial systems for consideration. The Required Communications provides the governing body with information regarding new accounting policies which may impact SRWA’s financial statements in the future, as well as various issues that the auditors are required, under professional auditing standards, to communicate with the governing body.

3. FISCAL IMPACT / BUDGET AMENDMENT:

Funds are budgeted for the independent audit services requirement. There is no additional fiscal impact.

4. GENERAL MANAGER'S COMMENTS:

Recommend approval.

5. ENVIRONMENTAL DETERMINATION:

N/A

6. ALTERNATIVES:

None, as staff is only asking for acceptance of these reports.

STANISLAUS REGIONAL WATER AUTHORITY
BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

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**STANISLAUS REGIONAL WATER AUTHORITY
BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019**

Table of Contents

	<u>Page</u>
<i>Independent Auditor's Report</i>	1
<i>Management's Discussion and Analysis</i>	3
<i>Basic Financial Statements:</i>	
Statement of Net Position.....	6
Statement of Revenues, Expenses and Change in Net Position	7
Statement of Cash Flows.....	8
Notes to Financial Statements.....	9
<i>Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards</i>	15

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Stanislaus Regional Water Authority
Turlock, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Stanislaus Regional Water Authority (the Authority) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of June 30, 2019, and the change in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2020 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Mane & Associates

Pleasant Hill, California
June 3, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following narrative provides an overview and analysis of the financial activities of the Stanislaus Regional Water Authority (the Authority) for the year ended June 30, 2019 with comparative information for June 30, 2018. It is provided in order to enhance the information in the financial audit and should be reviewed together with that report.

THE PURPOSE OF THE AUTHORITY

The Authority was established by the Cities of Ceres, Modesto and Turlock on September 26, 2011. In November 2015, the City of Modesto formally withdrew from membership in the Authority and in December 2015 the Authority's Bylaws as well as the Joint Powers Authority Agreement were amended to reflect this change. Currently only the Cities of Ceres and Turlock (Participants) are participating members of the Authority.

The Participants are interested in finding and evaluating surface water supply options and facilities to supplement the ground-water potable water sources currently serving the municipal and industrial water customers within their individual service areas. Each of the cities is authorized to develop, obtain, and serve a municipal and industrial water supply, pursuant to California law. The Participants are working with the Turlock Irrigation District (TID) to develop a Regional Surface Water Supply Project (RSWSP) that will provide a safe and reliable high quality surface water supply for the long-term drinking water needs of each participating City. The Participants have formed this Joint Powers Authority (JPA) for the purpose of making responsible decision related to the development and operation of the future RSWSP.

FINANCIAL HIGHLIGHTS

- At June 30, 2019, the Authority's assets exceed liabilities by \$11,980,268 (net position).
- Total net position increased by \$7,587,182 over the balance at June 30, 2018 of \$4,393,086.
- Total Authority operating revenues for 2018-19 were \$8,002,400 compared to operating expenses of \$458,481. The Authority also expended \$7,282,800 on project costs which were capitalized and are presented on the Statement of Net Position as "Capital assets not being depreciated".

THE BASIC FINANCIAL STATEMENTS

The basic financial statements comprise the Statement of Net Position and the Statement of Revenues, Expenses and Change in Net Position. The Statement of Net Position provides information about the financial position of the Authority as a whole, including all its capital assets and long-term liabilities. The Statement of Revenues, Expenses and Change in Net Position explains in detail the change in net position for the year.

The Statement of Net Position presents information on Authority's assets, liabilities and deferred outflows/inflows of resources; the difference between them representing Authority's net position. Net position includes the amount invested in capital assets.

The Statement of Revenues, Expenses and Change in Net Position presents information showing total revenues versus total expenses and shows how Authority's net position changed during the fiscal year. All revenues and expenses are recognized as soon as the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in the disbursement or collection of cash during future fiscal years.

**Stanislaus Regional Water Authority
Management's Discussion and Analysis (continued)
For the Year Ended June 30, 2019**

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes describe the nature of Authority's operations and significant accounting policies and clarify unique financial information.

The following is a condensed Statement of Net Position for the Authority as of June 30:

Statements of Net Position

	<u>2019</u>	<u>2018</u>
Assets		
Cash	\$ 1,740,786	\$ 141,706
Accounts receivable		404,000
Interest receivable	6,304	
Capital assets not being depreciated	11,654,496	4,371,696
Total assets	<u>13,401,586</u>	<u>4,917,402</u>
Liabilities		
Accounts payable	1,421,318	524,316
Total liabilities	<u>1,421,318</u>	<u>524,316</u>
Net position:		
Net investment in capital assets	11,654,496	4,371,696
Unrestricted	325,772	21,390
Total net position	<u>\$ 11,980,268</u>	<u>\$ 4,393,086</u>

The following is a condensed Statement of Revenues, Expenses and Change in Net Position for the years ended June 30:

Statements of Revenues, Expenses and Changes in Net Position

	<u>2019</u>	<u>2018</u>
Operating Revenues	\$ 8,002,400	\$ 2,330,184
Operating Expenses	<u>458,481</u>	<u>353,251</u>
Net Operating Income	7,543,919	1,976,933
Non-Operating Revenues	<u>43,263</u>	<u>696</u>
Change in net position	7,587,182	1,977,629
Net position, July 1	<u>4,393,086</u>	<u>2,415,457</u>
Net Position, June 30	<u>\$ 11,980,268</u>	<u>\$ 4,393,086</u>

**Stanislaus Regional Water Authority
Management's Discussion and Analysis (continued)
For the Year Ended June 30, 2019**

FINANCIAL ACTIVITIES OF THE AUTHORITY AS A WHOLE

This analysis focuses on the net position and changes in net position of the Authority's activities in the statement of net position and statement of revenues, expenses and change in net position.

As of June 30, 2019, total assets of \$13,401,586 were offset by liabilities of \$1,421,318. Assets primarily consist of \$11.7 million in capital assets. These represent contractual expenditures incurred in the development of the project including work required to prepare and issue the Environmental Impact Report; the development of the design, size and scope of the potential treatment facility; and the development of design and specifications as well as nine months of construction costs associated with the construction of a wet well to assist in determining the viability of underground infrastructure previously constructed. The wet well construction project was completed in March 2020.

The completion of these tasks will provide the Authority Board with the information and documents necessary to make final decisions related to the size and scope of the project and the type of water treatment facilities that the Authority may decide to construct as well as the environmental documents necessary to proceed with the project.

Operating revenues are used to fund operating expenses as well as the capitalized project costs. The Participants have entered into various cost sharing agreements which provide the methodology for allocating costs based on each Participant's beneficial use of the project. As the project progresses, these agreements are revisited to ensure that each Participant's beneficial use and corresponding proportional share of costs is appropriately assigned.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

These Financial Statements are intended to provide citizens, taxpayers, investors, and creditors with a general overview of the Authority's finances. Questions about this report should be directed to the City of Turlock, Finance Department, at 156 South Broadway, Suite 110, Turlock, CA 95380.

STANISLAUS REGIONAL WATER AUTHORITY
STATEMENT OF NET POSITION
JUNE 30, 2019

ASSETS

Current Assets

City of Turlock Investment Pool (Note 2)	\$1,740,786
Interest receivable	<u>6,304</u>
Total Current Assets	1,747,090

Non-Current Assets

Capital assets not being depreciated (Note 3)	<u>11,654,496</u>
Total Assets	<u>13,401,586</u>

LIABILITIES

Current Liabilities

Accounts payable	<u>1,421,318</u>
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NET POSITION

Investment in Capital Assets	11,654,496
Unrestricted	<u>325,772</u>
Total Net Position	<u><u>\$11,980,268</u></u>

See accompanying notes to the financial statements

STANISLAUS REGIONAL WATER AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND
CHANGE IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2019

OPERATING REVENUES	
Participant operating contributions	<u>\$8,002,400</u>
OPERATING EXPENSES	
Administrative services	229,948
Contractual services	<u>228,533</u>
Total Operating Expenses	<u>458,481</u>
Operating Income	7,543,919
NON-OPERATING REVENUES	
Interest income	<u>43,263</u>
Change in Net Position	7,587,182
Net Position, beginning of year	<u>4,393,086</u>
Net Position, end of year	<u><u>\$11,980,268</u></u>

See accompanying notes to the financial statements

STANISLAUS REGIONAL WATER AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from participants	\$8,406,400
Payments for administrative services	(233,966)
Payments to suppliers	<u>(232,506)</u>
Net Cash Provided by Operating Activities	<u>7,939,928</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	<u>(6,377,807)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income	<u>36,959</u>
Net Cash Flows	1,599,080
CASH AND INVESTMENTS AT BEGINNING OF YEAR	<u>141,706</u>
CASH AND INVESTMENTS AT END OF YEAR	<u><u>\$1,740,786</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating income	\$7,543,919
Change in assets and liabilities:	
Due from participants	404,000
Accounts payable	<u>(7,991)</u>
Net Cash Provided by Operating Activities	<u><u>\$7,939,928</u></u>
Total Net Position	
See accompanying notes to the financial statements	

STANISLAUS REGIONAL WATER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. *Description and Reporting Entity*

The Stanislaus Regional Water Authority (the Authority) was originally established by the Cities of Ceres, Modesto, and Turlock (Participants) on September 26, 2011. In November 2015, the City of Modesto formally withdrew from membership in the Authority. Subsequently, the Authority's governing documents were amended to reflect Modesto's withdrawal as well as to revise the functional administrative duties of the remaining participants and the composition of the Board of Director's, which now consists of two members of the City Council for each City participant.

The Participants are interested in finding and evaluating surface water supply options and facilities to supply water to the municipal and industrial customers within their service areas. Each of the Participants is authorized to develop, obtain, and serve a municipal and industrial water supply, pursuant to California law. The Participants are working with the Turlock Irrigation District (TID) to develop a Regional Surface Water Supply Project (RSWSP) that will provide a safe and reliable high-quality surface water supply for the long-term drinking water needs of each participating city. The Participants formed the Authority as a Joint Powers Authority (JPA) for the purpose of making responsible decisions related to the development and operation of the future RSWSP. Each Participant is responsible for its share of expenditures incurred by the Authority during a fiscal year pursuant to various funding/cost sharing agreements approved by the Authority's Board of Directors and each Participant's respective governing body.

Since December 2015, the City of Turlock assumed responsibility for the processing all financial transactions and accounting for the Authority. The following is a summary of the significant accounting policies.

B. *Basis of Presentation*

The Authority's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

C. *Fund Accounting*

The Authority is accounted for as an enterprise fund. This fund is a set of self-balancing accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues and expenses.

STANISLAUS REGIONAL WATER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. *Basis of Accounting and Measurement Focus*

Basis of accounting refers to when revenues and expenses are recognized. The Authority's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred, regardless of when cash changes hands. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Operating revenues are those revenues that are generated from the primary operations of the Authority. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the Authority. All other expenses are reported as non-operating expenses.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

E. *Fair Value Measurements*

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are inputs – other than quoted prices included within level 1 – that are observable for an asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for an asset or liability.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

F. *Use of Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

STANISLAUS REGIONAL WATER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

NOTE 2 – CASH AND INVESTMENTS

The Authority participates in the City of Turlock's cash and investment pool.

Cash and investments of the Authority are pooled with other City of Turlock funds. The Authority's portion of this pooled amount was \$1,740,786 at June 30, 2019. At June 30, 2019, the City's investment pool was unrated. The Authority can spend cash at any time without prior notice or penalty. Interest earned on pooled cash and investments is credited to each participant in the pool based on each participant's average quarterly cash and investment balance. Detailed information concerning the City of Turlock's pooled cash and investments, including information regarding the fair value of investments, may be found in the City of Turlock's Basic Financial Statements. As of June 30, 2019, the fair value of the Authority's position in the pool is the same as the value of its pool shares.

Fair Value Hierarchy

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The Authority's investment in the City's investment pool is not subject to the fair value hierarchy.

NOTE 3 – CAPITAL ASSETS

Capital assets acquired by the Authority are recorded at cost and are depreciated using the straight-line method over estimated useful lives. The Authority has set the capitalization threshold for reporting capital assets at \$5,000. Operating expenses include depreciation on all depreciable capital assets. Repairs and maintenance are charged to expense when the services are rendered.

During fiscal year 2017, the Authority began the Regional Surface Water Supply Project and during fiscal year 2019, costs totaling \$7,282,800 were incurred and project costs to date of \$11,654,496 have been recorded as construction in progress as of June 30, 2019.

STANISLAUS REGIONAL WATER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

NOTE 4 – NET POSITION

A. Net Position

Net Position is the excess of all assets and deferred outflows of resources over all liabilities and deferred inflows of resources. Net Position is divided into three captions and are described below:

Investment in Capital Assets describes the portion of Net Position which is represented by the current net book value of the capital assets.

Restricted describes the portion of Net Position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the Authority cannot unilaterally alter.

Unrestricted describes the portion of Net Position that does not meet the definition of “net investment in capital assets” or “restricted net position.”

NOTE 5 – RELATED PARTY TRANSACTIONS

The Authority reimburses the City of Turlock for administrative and other costs incurred by the City of Turlock on the Authority’s behalf. During the year ended June 30, 2019, contractual service expenditures of \$21,568 were allocated to the Authority from the City of Turlock.

NOTE 6 – COMMITMENTS AND CONTINGENCIES

Program Management and Other Contracts

The Authority had the following outstanding commitments at June 30, 2019 related to the Regional Surface Water Supply Project:

Wet Well Construction	\$2,700,336
Program Management	2,560,970
Wet Well Construction Contract Management	296,082
Environmental Impact Review	102,935
Wet Well Design	285
Audit Services	890

STANISLAUS REGIONAL WATER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

NOTE 7 – SUBSEQUENT EVENTS

Acquisition of the Water Treatment Plant Site from Turlock Irrigation District

The planned water treatment plant site is owned by TID and the Authority's agreement with TID provides that TID agrees to sell the treatment plant site, subject to a reservation of such easements for TID's pipelines to the treatment plant from the pump station and from the treatment plant to the Ceres Main Canal, to the Authority at a sales price of \$1,436,674. In April 2020, the Authority Board approved the acquisition of the site from TID. The site is a 47.9-acre parcel located near the new wet well facility.

Lease Concerning District Delivery Facilities for Regional Surface Water Supply Project

In April 2020, the Authority Board approved a lease with TID to convey leasehold rights in TID's delivery facilities and underlying real property to the Authority in order to facilitate the Authority's construction, operation, and maintenance of the facilities that will be located on TID property. The lease will expire in 2065. There will be no separate rent paid under the lease, rather, the water payments to be made by the Authority under the Water Sales Agreement will constitute consideration for the lease. The proposed lease contains standard and commercially reasonable lease terms, including the Authority's payment of fees, charges, etc. relating to its use of the property; Authority compliance with applicable law and regulations; indemnity; and, insurance.

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**INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Stanislaus Regional Water Authority
Turlock, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Stanislaus Regional Water Authority (the Authority), as of and for the year ended June 30, 2019, and have issued our report thereon dated June 3, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

We have also issued a separate Memorandum on Internal Control dated June 3, 2020, which is an integral part of our audit and should be read in conjunction with this report.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mane & Associates

Pleasant Hill, California
June 3, 2020

STANISLAUS REGIONAL WATER AUTHORITY
MEMORANDUM ON INTERNAL CONTROL
FOR THE YEAR ENDED JUNE 30, 2019

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STANISLAUS REGIONAL WATER AUTHORITY

MEMORANDUM ON INTERNAL CONTROL

For the Year Ended June 30, 2019

Table of Contents

	<u>Page</u>
<i>Memorandum on Internal Control</i>	1
Status of Prior Year Schedule of Other Matters	3

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MEMORANDUM ON INTERNAL CONTROL

To the Board of Directors
Stanislaus Regional Water Authority
Turlock, California

In planning and performing our audit of the basic financial statements of the Stanislaus Regional Water Authority (the Authority) as of and for the year ended June 30, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This communication is intended solely for the information and use of management, the Authority Board, others within the organization, and agencies and pass-through entities requiring compliance with *Government Auditing Standards*, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads 'Maze & Associates' in a cursive, flowing script.

Pleasant Hill, California
June 3, 2020

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MEMORANDUM ON INTERNAL CONTROL

**STATUS OF PRIOR YEAR
SCHEDULE OF OTHER MATTERS**

2016-01 Insurance/Bonds Provisions of the Joint Exercise of Powers Agreement

Article XIV, Insurance/Bonds, of the Authority's amended Joint Exercise of Powers Agreement includes the provision that the Authority "shall at all times maintain worker's compensation insurance and insurance against public liability and property damage to the extent reasonably necessary...Such insurance may be maintained in whole or in part in the form of self-insurance." And, Article XX, Participant Employees, indicates that "Each Participant shall assume all liability related to its employees who provide services in connection with this Agreement...However, the Authority may, in its sole discretion, procure a policy or policies of insurance in the types and amounts it deems appropriate. In the event such policy or policies of insurance are procured by the Authority, such insurance coverage shall be primary over any obligation of the Participant under this section."

The Authority has not obtained worker's compensation, liability or property damage insurance policies to date or documented the manner in which it is self-insured.

The Authority should review the need for insurance coverage as contemplated by Articles XIV and XX of the Agreement and formally document what policies are in place, not in place, or in what manner the Authority is self-insured.

Current Status (Prepared by Management):

The General Manager confirmed that for 2019/20, Turlock and Ceres each have coverage through the Central San Joaquin Joint Valley Risk Management Authority and by extension so does the Stanislaus Regional Water Authority.

The Authority continues to review its insurance needs and will bring any recommendations to the Board as the Authority's needs warrant.

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STANISLAUS REGIONAL WATER AUTHORITY
REQUIRED COMMUNICATIONS
FOR THE YEAR ENDED JUNE 30, 2019

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STANISLAUS REGIONAL WATER AUTHORITY

REQUIRED COMMUNICATIONS

For the Year Ended June 30, 2019

Table of Contents

	<u>Page</u>
<i>Required Communications</i>	1
Significant Audit Findings.....	1
<i>Accounting Policies</i>	1
<i>Unusual Transactions, Controversial or Emerging Areas</i>	1
<i>Accounting Estimates</i>	2
<i>Disclosures</i>	2
<i>Difficulties Encountered in Performing the Audit</i>	2
<i>Uncorrected Misstatements</i>	2
<i>Disagreements with Management</i>	2
<i>Management Representations</i>	2
<i>Management Consultations with Other Independent Accountants</i>	2
<i>Other Audit Findings or Issues</i>	3
Other Information Accompanying the Financial Statements.....	3

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REQUIRED COMMUNICATIONS

To the Board of Directors
Stanislaus Regional Water Authority
Turlock, California

We have audited the basic financial statements of the Stanislaus Regional Water Authority for the year ended June 30, 2019. Professional standards require that we communicate to you the following information related to our audit under generally accepted auditing standards, *Government Auditing Standards*.

Significant Audit Findings

Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in Note 1 to the financial statements.

No new accounting policies were adopted, and the application of existing policies was not changed during the year.

The following pronouncements became effective, but did not have a material effect on the financial statements:

GASB 88 – Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements

GASB 83 – Certain Asset Retirement Obligations

Unusual Transactions, Controversial or Emerging Areas

We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the Authority's financial statements was:

Estimated Fair Value of Investments: As of June 30, 2019, the Authority held approximately \$1.7 million of cash and investments in the City of Turlock's investment pool as measured by fair value as disclosed in Note 2 to the Financial Statements. Fair value is essentially market pricing in effect as of June 30, 2019. These fair values are not required to be adjusted for changes in general market conditions occurring subsequent to June 30, 2019.

Disclosures

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected Misstatements

Professional standards require us to accumulate all known and likely uncorrected misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We have no such misstatements to report to the Authority Board.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in a management representation letter dated June 3, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Information Accompanying the Financial Statements

We applied certain limited procedures to the required supplementary information that accompanies and supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the required supplementary information and do not express an opinion or provide any assurance on the required supplementary information.

This information is intended solely for the use of Authority Board and management and is not intended to be, and should not be, used by anyone other than these specified parties.

Mane & Associates

Pleasant Hill, California
June 3, 2020

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From: Marie Lorenzi, Finance Director

Prepared by: Marie Lorenzi, Finance Director

1. ACTION RECOMMENDED:

Resolution: Adopting the Annual Budget for the Stanislaus Regional Water Authority for the 2020-21 Fiscal Year and Adopting a minimum cash reserve target for 2020-21

2. DISCUSSION OF ISSUE:

In accordance with Article VII (F) of the Joint Powers Agreement (JPA), the Governing Board of the Stanislaus Regional Water Authority (SRWA) is hereby presented with the proposed 2020-21 annual budget for the SRWA. The proposed budget incorporates unexpended balances of existing contracts whose activities will carry into fiscal year 2020-21, with the projected costs associated with the award of a design-build contract for the Regional Surface Water Supply Project. The 2020-21 proposed budget also includes projected costs for legal and environmental components of the Project construction as well as the administrative functions necessary to carry out all the SRWA's contractual obligations.

Finally, in addition to the aforementioned contractual and administrative appropriations, the proposed budget contains appropriations for previously approved property purchases (infiltration gallery and site for water treatment plant) which could not be finalized prior to June 30, 2020.

Article XV(F) of the Joint Powers Agreement states that the following regarding SRWA's cash reserves:

The Governing Board shall determine on an annual basis, prior to the beginning of each fiscal year, a level of reasonable cash reserves to be accumulated by the Authority. This reserve shall be accumulated from revenues collected in excess of all actual costs of the Authority. Once the targeted reserve level is reached, all additional revenues collected in excess of the actual costs of the Authority shall be considered excess revenue and, subject to any limitation in any bond or other financing agreement, carried forward as revenue for the next fiscal year and serve to reduce each Participant's respective assessment for such subsequent fiscal year.

As it has for the past 3 years, Staff continues to recommend that the Board approve a minimum cash reserve sufficient to fund 3 months of projected expenditures. This process has worked well over the past three years and is consistent with provisions in the Phase 3 Funding Agreement approved earlier this year as the allocation methodology for costs associated with the treatment plant construction. As part of this Agreement, Staff will continue to send each participating agency an invoice for three (3) months projected cashflow needs at the beginning of each calendar quarter.

3. FISCAL IMPACT / BUDGET AMENDMENT:

The proposed 2020-21 fiscal year budget for the SRWA totals \$51,523,306. The following summarizes the major components of the 2020-21 proposed budget:

Portion of multi-year contracts anticipated to be expended in 2020-21:	
Design-build contract with CH2M Hill Engineers, Inc.	\$45,257,427
Project Management contract with West Yost Associates	2,879,920
Legal services contract (both general and specialized) with Bartkiewicz, Kronick & Shanahan	68,200
Phase 3 CEQA/NEPA/Permitting Support Services with Horizon Water and Environment	233,500
Other Costs projected for 2020-21:	
Property Acquisitions	2,430,255
General Manager Services with Granberg & Associates	300,000
Other project related costs	317,014
Other administrative expenses	36,990
Total 2020-21 proposed budget	<u>\$ 51,523,306</u>

Funding for the proposed budget is allocated among the City of Ceres, City of Turlock, and the Turlock Irrigation District based on the benefit each participant receives from each component of the project. Administrative costs are shared equally between Ceres and Turlock. Each agency's allocated costs will be funded using a combination of (1) grant funding obtained for the project as a whole, (2) State of California Revolving Fund loan proceeds, and (3) individual agency internal cash resources.

4. GENERAL MANAGER'S COMMENTS:

Recommend approval.

5. ENVIRONMENTAL DETERMINATION:

N/A

6. ALTERNATIVES:

The Board may approve amendments as desired to the proposed 2020-21 annual budget for the SRWA.



SRWA
 STANISLAUS REGIONAL
 WATER AUTHORITY

BEFORE THE BOARD OF THE STANISLAUS REGIONAL WATER AUTHORITY

**IN THE MATTER OF ADOPTING THE ANNUAL
 BUDGET FOR THE STANISLAUS REGIONAL
 WATER AUTHORITY FOR THE 2020-21 FISCAL
 YEAR AND ADOPTING A MINIMUM CASH
 RESERVE TARGET FOR 2020-21**

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RESOLUTION NO. 2020-

WHEREAS, the Finance Director presented the proposed 2020-21 fiscal year budget to the Stanislaus Regional Water Authority (SRWA) Board for their consideration; and

WHEREAS, the SRWA Board reviewed the submitted budget and desires to adopt the 2020-21 fiscal year budget as detailed in Exhibit A to this resolution; and

WHEREAS, contained in the proposed budget are appropriations for various contracts for project expenses approved by the Board for which the scope of work is anticipated to span more than one fiscal year; and

WHEREAS, Staff provided their best estimate as to the amount of the previously approved appropriation related to these contracts that should be carried from the 2019-20 fiscal year to the 2020-21 fiscal year; and

WHEREAS, in accordance with Article XV(F) of the Joint Powers Agreement, Staff recommends a targeted cash reserve level of three (3) months of expenditures as projected by the Finance Director in consultation with the Project Manager and General Manager.

NOW, THEREFORE, BE IT RESOLVED that the Board of the Stanislaus Regional Water Authority does hereby:

1. Adopt the annual budget for the SRWA for the 2020-21 fiscal year in the amount of \$51,523,306 as detailed in Exhibit A. The funding for these expenses is based on cost sharing methodologies approved by each participating agency in relative proportion to the benefit received from the project.
2. Approve a target cash reserve balance equal to three (3) months of expenditures as projected by the Finance Director in consultation with the Project Manager and General Manager and authorize the Finance Director to send invoices to the Cities of Ceres and Turlock and the Turlock Irrigation District for their proportionate share of projected expenditures.

PASSED AND ADOPTED at a special meeting of the Board of the Stanislaus Regional Water Authority this 29th day of June, 2020, by the following vote:

AYES:
NOES:
NOT PARTICIPATING:
ABSENT:

ATTEST:

Allison Martin, Board Secretary

Stanislaus Regional Water Authority
Proposed Budget for 2020-21

ATTACHMENT A

REVENUES

			Cummulative Through FY 2018-19	2019-20 Amended Budget	2019-20 Actual as of 6-17-2020	2019-20 Projected for Full Year	2020-21 Proposed Budget
950-53-552	33000	Interest Income	45,664.81	0			
950-53-552	34900	001 Member Agency Contributions Turlock, City of	6,755,687.50	4,376,174	3,598,100.00	3,598,100	34,991,090
950-53-552	34900	002 Member Agency Contributions Ceres, City of	5,445,697.10	3,534,217	2,013,600.00	2,013,600	13,258,880
950-53-552	34900	004 TID Contribution	1,278,865.77	699,296	594,500.00	594,500	923,335
		Total Revenues	13,525,915.18	8,609,687	6,206,200.00	6,206,200	49,173,306

EXPENSES

Pre-Treatment Plant Construction Project Expenses

950-53-552	43011	Gov't Relations / Public Affairs	149,447.10	0			
950-53-552	43060	000 Contract Services	640.00				
950-53-552	43060	012 Contract Services - Program Management Services	5,924,648.29	2,536,569	787,651.92	925,205	131,121
950-53-552	43060	022 Contract Services - Contractor Financial Evaluation	38,650.00			0	0
950-53-552	43060	023 Contract Services - Watershed Sanitary Survey	0.00	64,876	37,539.41	81,320	0
950-53-552	43195	Special Legal Counsel	323,789.14	277,170	88,973.15	93,975	38,500
950-53-552	43329	Environmental Services	533,849.41	26,985			0
950-53-552	43332	Permitting	23,087.17	12,000	12,173.00	12,173	7,000
950-53-552	43332	001 Permitting - Environmental Mitigation	0.00				
950-53-552	43332	002 Permitting - Water Rights Acquisition	75,836.96	35,000	(6,093.19)	1,500	20,000
950-53-552	45002	000 TID - electrical service			961.63	1,662	5,000
950-53-552	51001	Property Acquisition - faciity site	0.00	1,436,675		0	1,508,510
950-53-552	51001	Property Acquisition - infiltration gallery	0.00	739,445		0	739,445
950-53-552	51001	Property Acquisition - Geer Road easement	0.00			0	132,300
950-53-552	51001	Property Acquisition - delivery facilities				0	50,000
950-53-552	51800	001 SRWA Capital Projects Wet Well Design	421,420.55	47,981	48,074.72	48,075	
950-53-552	51801	001 Wet Well Construction - Construction Contract	4,597,064.00	2,700,336	2,334,524.00	2,475,007	0
950-53-552	51801	002 Wet Well Construction - Contract Management	316,608.67	296,082	225,258.52	231,260	0
950-53-552	51801	005 Wet Well Construction - Environmental Services	203,803.47	102,934	102,713.32	102,713	0

Treatment Plant Construction - SRF funding eligible

950-53-553	43060	012 Contract Services - Program Management Services					2,748,799
950-53-553	43195	Special Legal Counsel					29,700
950-53-553	43329	Environmental Services					233,500
950-53-553	43332	Permitting					71,014
950-53-553	43332	001 Permitting - Environmental Mitigation					214,000
950-53-553	51802	002 Regional Treatment Plant - Design/Build Contract					45,257,427

Stanislaus Regional Water Authority
Proposed Budget for 2020-21

ATTACHMENT A

				Cummulative Through FY 2018-19	2019-20 Amended Budget	2019-20 Actual as of 6-17-2020	2019-20 Projected for Full Year	2020-21 Proposed Budget
Administrative Expenses								
950-53-552	43055	002	Consultant Audit	13,250.00	5,480	4,890.00	5,480	4,740
950-53-552	43060	021	Contract Services - General Manager	220,445.69	299,110	151,071.03	166,070	300,000
950-53-552	43105	003	Interdepartmental Admin Support	23,165.12				
			Clerical	25,244.28	12,500	6,237.94	12,500	12,500
			Financial/Accounting	27,843.04	10,000	4,694.74	10,000	12,500
			Interim JPA Attorney	32,375.00				0
950-53-552	43106	001	Administrative Support Ceres - Interim General Manager	243,983.60				0
950-53-552	44001	000	Supplies General	331.57	500	0.00	500	500
950-53-552	44035		Photo Copies	356.58	500	16.53	500	500
950-53-552	44040	000	Postage General	1,327.56	500	11.84	500	500
950-53-552	47010		Bank Charges	576.43	100		100	750
950-53-552	47040	000	Dues Miscellaneous	1,875.00	3,700	3,680.00	3,700	4,000
950-53-552	47090	001	Testing & Recruitment - General Manager	2,426.00	0			0
950-53-552	47095	000	Training General	102.29	1,000			1,000
Total Expenses				13,202,146.92	8,609,443	3,802,378.56	4,172,240	51,523,306
Revenues (over) under Expenses				323,768.26	244.00	2,403,821.44	2,033,960.03	(2,350,000)
(Unexpended) Member Contributions						2,727,589.70	2,357,728	7,728



From: Robert Granberg, General Manager

Prepared by: Robert Granberg, General Manager

1. ACTION RECOMMENDED:

Resolution: Approving a Design-Build Contract with CH2M HILL Engineers, Inc. for the Design and Construction of the Regional Surface Water Supply Project in the amount of \$195,400,357 and Related Guaranty Agreement

Resolution: Authorizing the General Manager to approve certain change orders and other actions under the Design-Build Contract

2. DISCUSSION OF ISSUE:

On May 3, 2017, the SRWA Board authorized the use of Lump Sum Design-Build (“Design-Build” or “DB”) as the preferred project delivery method for the Regional Surface Water Supply Project (Project) facilities (including the balance of the raw water pump station, raw and finished water pipelines, a 15 million gallon per day water treatment plant (WTP), and replacement of the Aldrich Road bridge). This contracting mechanism is authorized by Public Contract Code sections 22160 to 22169 (the “Design-Build Statute”). The selection of Design-Build as the preferred procurement method followed a rigorous evaluation by the Technical Advisory Committee (TAC) and Executive TAC of project delivery alternatives. Design-Build is a project delivery method that involves a best value-based selection of a Design-Build entity that best meets the project technical requirements and balances risk and cost factors.

The use of Design-Build was made available to the SRWA through Senate Bill 373 that added SRWA and its Project to the Design-Build Statute. Following the guidelines of Public Contract Code §§ 22160-22169, the TAC chose to follow a two-step procurement process that included a Request for Qualifications (RFQ), followed by a Request for Proposals (RFP). In December 2018 the RFP was released to the three Design-Build teams that were shortlisted as part of the RFQ process. The RFP requested each team to provide preliminary and alternative design concepts as part of their proposals. CH2M HILL Engineers, Inc. (CH2M HILL) and the other proposers submitted detailed proposals in May 2019. At the conclusion of proposal reviews and Design-Build team interviews, the TAC reached a consensus and recommended a Preferred Proposer that

exhibited the best combination of technical competence, experience, life-cycle cost and schedule to best satisfy the SRWA's goals for the Project.

CH2M HILL was selected as the preferred proposer by the Board on August 1, 2019. (See Resolution No. 2019-008.) The Board directed the General Manager to negotiate final terms of the Design-Build Contract for design and construction of the Project facilities. Consistent with the requirements of the RFP, CH2M HILL proposes that Jacobs Engineering Group Inc. (Jacobs) act as a contract guarantor and sign a separate Guaranty Agreement with the SRWA. In the August 2019 action, SRWA determined that the CH2M HILL proposal offers the best value to the public, cities, and city ratepayers in accordance with the standards and criteria set forth in the RFP and Design-Build Statute. Since then, the SRWA General Manager and TAC have reevaluated this determination in light of the final design-build price and proposed Design-Build Contract. The General Manager and TAC have determined and confirm that the CH2M HILL proposal continues to offer the best value.

Due to unexpected delays encountered to resolve the Project water supply and an outstanding water rights protest, SRWA and CH2M HILL agreed in September 2019 to delay the award of a Design-Build Contract.

The Design-Build Contract negotiations were reinitiated in March 2020 after movement toward resolution of a water supply from TID neared. The adequacy of the Project water supply was satisfactorily addressed through an April 2020 amendment to the TID/SRWA Water Sales Agreement.

CH2M HILL reevaluated and updated its proposal design-build price in order to reflect the rate of inflation and labor, subcontractor, and material cost changes since May 2019. In addition, specific elements of the Project scope have changed through negotiations that took place in 2019. Some examples of the scope changes include removing the building from the Finished Water Pump Station, removing the chlorine contact basins (final disinfection will take place in the Finished Water Transmission Mains), and increasing the size of the clearwell storage by 2 million gallons. A revised price was submitted by CH2M HILL in June 2020.

To ensure that the changes in the proposal price are consistent with changes in the construction market over the last year, the West Yost team reviewed the revised price using detailed cost information provided by CH2M HILL. The review was broken down into the following general categories:

- Equipment that did not change significantly since May 2019
- Facilities that did not change significantly since May 2019
- Raw materials
- Labor

The above categories of costs were selected because each of them could be reviewed in almost direct comparison to the May 2019 proposal, allowing the review team to

confirm that the material, equipment and labor escalations are consistent with changes in the construction market since 2019.

Next, costs for the large item scope changes were evaluated to ensure that they were reasonable. Most of the costs associated with scope changes were reviewed in detail in 2019; however, some items hadn't been fully scoped in 2019 and were finalized and priced in 2020. The three main facilities that were evaluated were 1) the clearwell expansion and chlorine contact basin removal, 2) the expanded chemical building layout to accommodate additional and future chemical addition, and 3) the ozone contactor where chemical addition points and analyzers were added. Through many discussions with Jacobs and sharing of their detailed cost estimates, the review team determined that the costs proposed by CH2M HILL for the revised scope items are reasonable and consistent with the current bidding environment.

The conditions changed regarding two elements of the Project since 2019. When CH2M HILL prepared its proposal in 2019 it had access to free material that would serve as the liner for the solids drying beds. Because of the Project delay this material is no longer available. The cost impact to the Project is \$2.5 million; however, SRWA and CH2M HILL will continue to look for free material from neighboring projects that may be able to serve as a lining material for the drying beds and subsequently reduce the cost of the Project. The second item that changed since 2019 was the encroachment permit conditions with Stanislaus County. The permit conditions are now finalized and include road repair requirements based on the pre- and post-construction condition of the roadway adjacent to where the pipeline will be installed. Because some of the county roadways along the Turlock pipeline alignment are in poor shape it is expected that some roadway repair will be required. Neither SRWA nor CH2M HILL are able to accurately estimate the amount of road repairs that will be required; therefore, SRWA has established an allowance that can be utilized by agreement between SRWA and CH2M HILL to restore areas of the roadway if their post-construction condition requires it based on the encroachment permit conditions.

The result of the overall cost evaluation is that the updated design-build price is equitable and remains competitive with the current construction bidding environment. Based on this assessment by the cost review team, negotiations with CH2M HILL have concluded with a final contract, price and Guaranty Agreement. The proposed Design-Build Contract provides a fixed price of \$195,400,357 for the design and construction of the Project water system facilities and it incorporates all RFP requirements for performance standards and quality assurance. It is recommended that the Board adopt a resolution to award a Design-Build Contract to CH2M HILL and approve the Design-Build Contract and a related Guaranty Agreement with Jacobs. The proposed resolution is attached to this staff report.

Assuming the Board adopts the Design-Build Contract award resolution, the General Manager also requests that the Board delegate authority to the General Manager with regard to issuing change orders and taking other actions under the Design-Build Contract. The General Manager, in consultation with the TAC, has prepared a proposed

Resolution Authorizing General Manager to Approve Certain Change Orders and Other Actions Under the CH2M HILL Engineers, Inc. Design-Build Contract. The proposed resolution is attached to the staff report. The resolution would authorize the General Manager to approve additive change orders up to \$600,000 (subject to a cumulative cap of \$1,800,000) and take other no-cost and minor actions under the contract.

Legal Authority

California Public Contract Code sections 22160-22169 (the “Design-Build Statute”) authorize SRWA to procure the Project through a design-build procurement process and design-build contract. The Design-Build Statute allows SRWA to select a design-build entity through a low bid or best value selection method. SRWA has determined to select and award the design-build contract on the basis of best value.

For the procurement process, the Design-Build Statute requires that SRWA conduct a procurement and selection process with (1) preparation and distribution of a request for qualifications, (2) receipt and review of statements of qualifications and selection of prequalified design-build entities to submit a detailed proposal, (3) preparation and distribution of a request for proposals to the prequalified design-build entities, (4) receipt, evaluation, and ranking of the proposals using best value and other criteria as set forth in the RFP, and (5) award of the contract to the successful proposer. As explained in the background section above, SRWA has complied with these procedures in its procurement process for the Project.

The Design-Build Statute contains several procedural and substantive requirements relating to the RFQ and RFP. SRWA staff was careful to comply with and implement these requirements in structuring the procurement process and in preparing the RFQ and RFP. The Design-Build Statute and other state laws require that any contract approved under the statute incorporate specific terms and provisions as required by these laws. The proposed Design-Build Contract with CH2M HILL has been prepared in compliance with these requirements

When utilizing best value as the selection criterion, the Design-Build Statute requires that “The award of the contract shall be made to the responsible design-build entity whose proposal is determined by the local agency to have offered the best value to the public.” (Public Contract Code § 22164(f)(3).) The statute defines “best value” as the “value determined by evaluation of objective criteria that relate to price, features, functions, life-cycle costs, experience, and past performance. A best value determination may involve the selection of the lowest cost proposal meeting the interests of the local agency and meeting the objectives of the project, selection of the best proposal for a stipulated sum established by the procuring agency, or a tradeoff between price and other specified factors.” (§ 22161(a).)

The RFP expands on the meaning of “best value” at RFP section 5.1: “SRWA plans to select the Successful Proposer and award a Design-Build Contract using the best value method under the Authorizing Statute. ‘Best value’ means a value determined by

SRWA's evaluation of objective criteria in the Proposals that relate to price, features, functions, life-cycle costs, experience, and past performance. The Design-Build Contract award, if any, shall be made to the responsible Proposer whose Proposal is determined by SRWA to have offered the best value to the public. SRWA's best value determination will involve a tradeoff between and a consideration of price and other specified factors."

RFP section 5.3 requires the proposers to be ranked based on a determination of relative best value and the application of the following ranking criteria (listed by relative importance from highest importance/greatest weight to lowest importance/least weight): design and technical approach; management approach; technical design and construction expertise; life cycle cost; price; and, financial. SRWA undertook this evaluation and ranking in its earlier selection of CH2M HILL as the successful proposer. (See Resolution No. 2019-008 and the accompanying staff report.)

As explained in this staff report and the proposed resolution, SRWA has determined and affirmed that the CH2M HILL proposal, as memorialized and modified in the proposed Design-Build Contract, continues to offer the best value to the public under the RFP standards and ranking criteria. The Design-Build Contract and the procurement process leading up to it comply with the Design-Build Statute and other applicable laws.

3. FISCAL IMPACT / BUDGET AMENDMENT:

Funding for this D-B Contract will be appropriated through the annual budget process in account 950-53-553.51802_002 "Regional Treatment Plant - Design/Build Contract in accordance with the Regional Surface Water Supply Phase 3 Project Design and Construction Funding Agreement dated February 28, 2020 and any subsequent supplemental agreements.

4. GENERAL MANAGER'S COMMENTS:

Recommend approval.

5. ENVIRONMENTAL DETERMINATION:

See the resolution.

6. ALTERNATIVES:

The Board could choose to not award a Design-Build Contract to CH2M Hill Engineers, Inc. and instruct staff to re-start the Design-Build procurement, change to a Design-Bid-Build procurement or cancel the project.



BEFORE THE BOARD OF THE STANISLAUS REGIONAL WATER AUTHORITY

**IN THE MATTER OF APPROVING
DESIGN-BUILD CONTRACT FOR THE
REGIONAL SURFACE WATER SUPPLY
PROJECT AND RELATED GUARANTY
AGREEMENT**

RESOLUTION NO. 2020-

BE IT RESOLVED by the Governing Board of the Stanislaus Regional Water Authority as follows:

1. Recitals. This resolution is adopted with reference to the following background recitals:

a. The Stanislaus Regional Water Authority (“Authority”) was created by the Cities of Ceres and Turlock to undertake and implement the Regional Surface Water Supply Project (“Project”). The Project will divert water from the Tuolumne River, transmit the water for treatment to a new water treatment plant, and deliver treated water to the Cities of Ceres and Turlock for use in their respective service areas.

b. The Authority is undertaking a design-build procurement process for the design and construction of the Project pursuant to Public Contract Code sections 22160 to 22169 (the “Design-Build Statute”). The Authority issued a Request for Qualifications in July 2018, which was used to prequalify three design-build entities to submit detailed proposals.

c. The Authority issued a Request for Proposals in December 2018 and later issued four addenda to the Request for Proposals. The Request for Proposals as modified by the addenda is referred to as the “RFP.” The RFP specifies and explains that the Design-Build Contract (if awarded) will be awarded to the responsible proposer whose proposal is determined by the Authority to offer the best value to the public as described in the Design-Build Statute and RFP.

d. The Authority received three proposals in response to the RFP. The proposals were reviewed, evaluated, and ranked by the Authority Technical Advisory Committee (“TAC”) and General Manager pursuant to the procedures, standards, and best value criteria set forth in the Design-Build Statute and RFP.

e. On August 1, 2019, based on a recommendation by the TAC and General Manager, the Board adopted Resolution No. 2019-008 selecting CH2M HILL Engineers, Inc. (“CH2M HILL”) as the successful proposer and authorizing the General Manager to negotiate a Design-Build Contract with CH2M HILL and a related Guaranty Agreement with Jacobs Engineering Group Inc. (“Jacobs”) as guarantor for CH2M HILL.

f. From August 2019 to June 2020, the Authority experienced the following unexpected and uncontrollable delays in the design-build procurement:

(1) The water supply for the Project is to be provided pursuant to the terms of a Water Sales Agreement with Turlock Irrigation District (“TID”) dated July 28, 2015. Under the 2015 Water Sales Agreement, TID agreed to sell and deliver water to the Authority under TID’s post-1914 water rights that are regulated by the State Water Resources Control Board (“SWRCB”). As such, the ability to deliver water was subject to SWRCB approval of a water right change petition authorizing the transfer of water to the Authority.

(2) Without a water supply, the Authority cannot operate the planned Project. It therefore would not be prudent to proceed with Project design and construction prior to securing the water supply or having strong assurances about the water supply.

(3) The U.S. Bureau of Reclamation filed a protest against the TID water right change petition, which has adversely affected and delayed the SWRCB petition proceeding. The Authority expected the protest to be resolved by last fall, which would have led to timely SWRCB approval of the petition and securing of the Authority water supply. However, unexpectedly, TID and the Bureau have been unable to resolve the Bureau protest on terms acceptable to both parties. Consequently, because of these circumstances beyond the Authority’s control, there have been unexpected delays in resolving the protest and securing the Project water supply.

(4) Since August, the Authority and TID have worked diligently on a two-pronged effort to resolve the Bureau protest or otherwise secure a water supply for the Project. Under one approach, TID continued its efforts to collaborate with the Bureau in an attempt to resolve the protest on amicable terms. In a separate effort, the Authority and TID negotiated and prepared an amendment to the Water Sales Agreement involving alternate water rights.

(5) On April 16, 2020, the Authority and TID approved Amendment No. 1 to TID/SRWA Water Sales Agreement. Amendment No. 1 provides for TID to sell and deliver water to the Authority under TID’s pre-1914 water rights that are not regulated by the SWRCB and that therefore do not require approval of a water right change petition. With this amendment, the Authority is able to proceed with Project design and construction without SWRCB or Bureau approval.

(6) RFP section 3.1.13 provides that if an uncontrollable circumstance occurs between the submittal of CH2M HILL’s proposal and the approval/signing of the Design-Build Contract, and the change or circumstance requires a change to the proposal, the change must be addressed during contract negotiations. Authority staff and CH2M HILL concur that the Bureau protest, difficulty in securing the Project water supply, and resulting delays have constituted an uncontrollable circumstance under section 3.1.13. This circumstance required the parties to delay the procurement process while the Authority and TID secured the Project water supply and now requires the parties to revise the proposed Design-Build Contract to modify the design-build price in order to reflect the passage of time and inflation.

(7) Therefore, following approval of Amendment No. 1, the Authority requested CH2M HILL to reevaluate and revise the design-build price to reflect the passage of time and inflation. CH2M HILL has done so in consultation with its suppliers and subcontractors and the General Manager and TAC. Authority staff have carefully evaluated CH2M HILL's modified design-build price and have confirmed that the modified price fairly reflects the rate of inflation and labor, subcontractor, and material cost changes from August 2019 to June 2020.

g. The General Manager, in consultation with the TAC, has prepared and submitted to the Board a staff report explaining and confirming that (i) CH2M HILL and Authority staffs have successfully negotiated and completed a Design-Build Contract and Guaranty Agreement on terms satisfactory to the General Manager, TAC, CH2M HILL, and Jacobs, and (ii) the CH2M HILL proposal (as now memorialized and modified in the Design-Build Contract) continues to offer the best value to the public in accordance with the Design-Build Statute and RFP.

h. The Authority, City of Ceres, City of Turlock, and TID approved the Regional Surface Water Supply Phase 3 Project Design and Construction Funding Agreement on February 28, 2020. In section 2.1 of that agreement, each city consents that the Authority may award the Design-Build Contract to CH2M HILL and commence Project design and construction.

i. For the reasons explained in the accompanying staff report, the General Manager and TAC recommend that the Board award the Design-Build Contract for the Regional Surface Water Supply Project between Stanislaus Regional Water Authority and CH2M HILL Engineers, Inc., and including the transaction forms and appendices (the "Design-Build Contract") to CH2M HILL, and that it approve and authorize the signing of the Design-Build Contract with CH2M HILL and the related Regional Surface Water Supply Project Guaranty Agreement with Jacobs Engineering Group Inc. (the "Guaranty Agreement") in the forms as presented at this meeting. The Design-Build Contract incorporates the modified design-build price resulting from the procurement delay.

2. Findings. For the reasons explained above and in the accompanying staff report and as further demonstrated in the Authority files for the design-build procurement process, the Board finds and determines as follows:

a. The Board confirms and determines that the CH2M HILL proposal (as now memorialized and modified in the Design-Build Contract) offers the best value to the public in accordance with the Design-Build Statute and RFP.

b. CH2M HILL has demonstrated strong competence and qualifications to design and construct the Project.

c. It is in the best interests of the Authority, Cities of Ceres and Turlock, city water system ratepayers, and the public and consistent with the Design-Build Statute and RFP to approve CH2M HILL as the design-build entity to design and construct the Project in accordance with the terms of the Design-Build Contract.

d. The Bureau protest against the water right change petition, renegotiation of the Water Sales Agreement, and the resulting delay in securing the Project water

supply constitute an unexpected and uncontrollable circumstance pursuant to RFP section 3.1.13. It would not have been prudent for the Authority to finalize and sign the Design-Build Contract until after satisfactory progress has been made toward securing a water supply. With the amendment to the Water Sales Agreement, the Authority now has secured an adequate Project water supply.

e. The change to the design-build price since August 2019 is an equitable price adjustment due to the passage of time, inflation, and increased costs of labor, subcontractors, and materials to design and construct the Project.

3. Approval of Contracts and Related Actions. The Board approves the following actions:

a. Awards the Design-Build Contract to CH2M HILL.

b. Approves the Design-Build Contract and Guaranty Agreement in the forms as presented at this meeting.

c. Authorizes and directs the General Manager to sign and the Secretary to attest the Design-Build Contract and Guaranty Agreement.

d. Authorizes the delivery and performance of the Design-Build Contract and Guaranty Agreement.

e. Authorizes the General Manager and Secretary to approve and sign such other certificates and documents as may be appropriate to effectuate, implement, and perform the Design-Build Contract, so long as such action is consistent with the Design-Build Contract and applicable law.

4. CEQA Determination. In 2018, the Authority certified the Surface Water Supply Project Final Environmental Impact Report and approved the Project under the California Environmental Quality Act (CEQA) and, subsequently, the Authority approved two final EIR addenda. The approval and performance of the Design-Build Contract are consistent with and achieve the Project as evaluated and approved in the 2018 final EIR and addenda. There have not been any substantial Project changes, substantial changes with respect to the Project circumstances, or new information that necessitate major revisions to the final EIR and addenda; therefore, no subsequent or supplemental environmental impact report or additional environmental review is required under CEQA in connection with the actions approved by this resolution.

PASSED AND ADOPTED at a special meeting of the Board of the Stanislaus Regional Water Authority this 29th day of June 2020, by the following vote:

AYES:
NOES:
NOT PARTICIPATING:
ABSENT:

ATTEST:

Allison Martin, Board Secretary



SRWA
 STANISLAUS REGIONAL
 WATER AUTHORITY

BEFORE THE BOARD OF THE STANISLAUS REGIONAL WATER AUTHORITY

**IN THE MATTER OF AUTHORIZING THE
 GENERAL MANAGER TO APPROVE CERTAIN
 CHANGE ORDERS AND OTHER ACTIONS
 UNDER THE CH2M HILL ENGINEERS, INC
 DESIGN-BUILD CONTRACT**

RESOLUTION NO. 2020-

BE IT RESOLVED by the Governing Board of the Stanislaus Regional Water Authority as follows:

WHEREAS, on June 29, 2020, the Stanislaus Regional Water Authority (SRWA) approved a Design-Build Contract with CH2M HILL Engineers, Inc. for the design and construction of the Regional Surface Water Supply Project;

WHEREAS, the SRWA desires to minimize any additional costs or schedule delays to the design and construction elements of the Contract by providing timely direction to CH2M HILL Engineers, Inc. regarding revisions, amendments, clarifications and interpretations of the Contract;

WHEREAS, the Contract provides the following methods to revise, amend, clarify and interpret the contract: Contract Amendment; Change Order; Unilateral Change Directive; and, Contract Administration Memorandum;

WHEREAS, the Contract defines these terms as follows:

“Contract Amendment” means a written contract amendment that approves a material change, alteration, revision or modification of the terms and conditions of the Contract.

“Change Order” means a written order issued by the SRWA and agreed to in writing by CH2M HILL Engineers, Inc. prior to Final Completion making a Design and Construction Requirement Change (whether made at CH2M HILL Engineers, Inc. request, due to Uncontrollable Circumstances, as a result of a term or condition imposed by a Governmental Body, or at the direction of the SRWA), making a Base Design-Build Price Adjustment, adjustment to the Scheduled Acceptance Date or other change to the terms and conditions of the Contract relating to the Design-Build Work.

“Unilateral Change Directive” means a written order prepared, authorized and signed by the SRWA, directing a Design and Construction Requirement Change, which order shall specify any appropriate price, performance or schedule relief, if any, associated with the Design and Construction Requirement Change.

“Contract Administration Memorandum” means a written memorandum confirming and evidencing the resolution reached by the SRWA and CH2M HILL Engineers, Inc. as to matters of interpretation and application arising during the course of the performance of the Contract concerning matters that do not require a Contract Amendment or Change Order. Such matters may include, for example: (1) issues as to the meaning, interpretation or application of the Contract in particular circumstances or conditions; (2) calculations required to be made; (3) notices, waivers, releases, satisfactions, confirmations, further assurances, consents and approvals given under the Contract; and (4) other similar routine contract administration matters.

WHEREAS, the Board of Directors desires to determine, establish and approve the lines of authority and responsibility for the approval of Contract Amendments, Change Orders, Unilateral Change Directives, and Contract Administration Memoranda as between the Board of Directors and the General Manager;

NOW, THEREFORE, BE IT RESOLVED by the SRWA Board of Directors as follows:

1. The Board of Directors authorizes and delegates to the General Manager the authority and responsibility to approve the following actions related to the Contract:

a. Any Change Order or Unilateral Change Directive that reduces or does not result in any change to the design-build price.

b. Any Change Order or Unilateral Change Directive that extends the scheduled acceptance date (i.e., the date by which CH2M HILL Engineers, Inc. must complete the design-build work to the point where it is ready to be accepted by the SRWA); provided, however, that the General Manager will not approve time extensions totaling in excess of 90 days.

c. Any Change Order or Unilateral Change Directive that increases the design-build price by an amount less than \$600,000; provided, however, that the cumulative total of General Manager-approved increases over the design-build period will not exceed \$1,800,000 (which equals approximately 1.0% of the total design and construction cost of the Contract), and that a summary of all General Manager-approved increases shall be provided to the Board at each regularly scheduled SRWA Board meeting.

d. Any Contract Administration Memorandum, so long as it does not approve or result in any material change of the terms, conditions or prices of the Contract.

2. The Board of Directors authorizes and delegates to the General Manager the authority and responsibility to approve Contract Administration Memoranda regarding variations in the final design from the secondary technical criteria as provided by Contract sections 4.11(B) and 4.15(D).

3. Any Contract Amendment, Change Order or Unilateral Change Directive beyond the delegated authority in sections 1 and 2 requires the approval of the Board of Directors.

PASSED AND ADOPTED at a special meeting of the Board of the Stanislaus Regional Water Authority this 29th day of June 2020, by the following vote:

AYES:
NOES:
NOT PARTICIPATING:
ABSENT:

ATTEST:

Allison Martin, Board Secretary

SCHEDULED MATTERS

ITEM 7B

THE DESIGN-BUILD CONTRACT WITH CH2M HILL ENGINEERS, INC. CAN BE ACCESSED BY VISITING THE FOLLOWING LINK:

<https://westyost-my.sharepoint.com/:f/p/lsmith/EIEPt1cgl7hPsDEP4gfK1ugBy-RD0Rt7VWUUjWeWD3AmHA?e=3AOwiY>



From: Robert Granberg, General Manager

Prepared by: Robert Granberg, General Manager

1. ACTION RECOMMENDED:

Motion: Approving Amendment No. 1 to the Agreement with Bartkiewicz, Kronick & Shanahan for ongoing legal services in Phase 3 of the Regional Surface Water Supply Project in the amount of \$204,600, and authorizing the General Manager to execute the Amendment

2. DISCUSSION OF ISSUE:

On December 15, 2015, the SRWA Board approved an agreement with Bartkiewicz, Kronick & Shanahan for special legal services for Phase 1 of the Regional Surface Water Supply Project (Project). On March 1, 2018, the SRWA Board approved an agreement with Bartkiewicz, Kronick & Shanahan for special legal services for Phase 2 of the Project. To date, Bartkiewicz, Kronick & Shanahan have provided excellent legal service to the SRWA. As the Project now moves into Phase 3, it is again necessary to contract for legal services for general and administrative work, as well as Project-related services.

The Technical Advisory Committee (TAC) has reviewed and recommends the Board approve an amendment to the Agreement for Phase 2 Legal Services with Bartkiewicz, Kronick & Shanahan for Phase 3 of the Project, and authorize the General Manager to execute the Amendment.

The scope of work, fee estimate and Amendment are attached for a 3-year period, concurrent with Phase 3 activities through Fiscal Year 22/23.

3. FISCAL IMPACT / BUDGET AMENDMENT:

The total estimated fee for three years is \$204,600, and is comprised of an estimated \$95,700 for general and administrative work and \$108,900 estimated for project-related legal expenses. Funding will be via contributions from SRWA participating agencies as outlined in the Phase 3 funding agreement dated February 28, 2020, and any subsequent supplements. The annual appropriations for the 2020-21 fiscal year budget will be included in account number 950-53-552.43195 "Special Legal Counsel" for the administrative work and in account number 950-53-553.43195 "Special Legal Counsel" for work related to the treatment plant construction.

4. GENERAL MANAGER'S COMMENTS:

Recommend approval.

5. ENVIRONMENTAL DETERMINATION:

N/A

6. ALTERNATIVES:

The Board could choose to not approve this amendment and direct the General Manager to solicit proposals for legal services.

AMENDMENT NO. 1

TO BARTKIEWICZ, KRONICK & SHANAHAN AGREEMENT FOR LEGAL SERVICES
WITH STANISLAUS REGIONAL WATER AUTHORITY

THIS AMENDMENT TO AGREEMENT is made this _____, 2020, between Stanislaus Regional Water Authority, a local government agency (“Authority”), and Bartkiewicz, Kronick & Shanahan, a professional corporation, who agree as follows:

1. **Recitals.** This Amendment is made with reference to the following background recitals:

1.1. On March 1, 2018, the parties approved an agreement for legal services relating to phase 2 of Authority’s Regional Surface Water Supply Project (the “Agreement”), which is on file in the Authority office.

1.2. The parties now desire to amend the Agreement for ongoing legal services in phase 3 of the Regional Surface Water Supply Project.

2. **Amendment to Agreement.** The parties amend the Agreement to modify the scope and duties (Agreement section 1) to include the services and tasks as described in the attached SRWA Phase 3 Legal Services Scope of Work and Fee Estimate dated June 2020.

3. **No Effect on Other Provisions.** Except for the amendment in section 2, the remaining provisions of the Agreement are unaffected and remain in full force and effect.

STANISLAUS REGIONAL WATER AUTHORITY

BARTKIEWICZ, KRONICK & SHANAHAN

By: _____
Robert Granberg, General Manager

By: _____
Richard P. Shanahan

SRWA Phase 3 Legal Services Scope of Work and Fee Estimate (June 2020)
 [assumes a 3-year design-build work period]

Scope/task	Hours	Fee
<i>Design-Build Work Related</i>		
D-B contract startup tasks and work	20	
Review/prepare D-B contract change orders [assumes 15 COs]	30	
D-B contract advice and Q&A	50	
D-B contract claims evaluation and resolution	50	
D-B contract closeout work	20	
Review/work on CEQA EIR addenda	20	
Permitting and environmental compliance related work	40	
TID change petition advice/assistance	20	
Other/contingency	40	
Subtotal - hours	290	
Subtotal - fee estimate [@ \$330/hour]		\$95,700
 <i>General and Administrative Work</i>		
Board meetings [assumes 6 mtgs./year]		
> Prepare/work on agendas, staff reports, etc.	40	
> Review agenda packets/prepare for meetings	30	
> Participate in meetings; travel	100	
Prepare/review misc. contracts	40	
Misc. staff meetings and conference calls	40	
Other client Q&A via email and phone calls	40	
Other/contingency	40	
Subtotal - hours	330	
Subtotal - fee estimate		\$108,900
 Total		
Hours	620	
Fee Estimate		\$204,600



From: Robert Granberg, General Manager

Prepared by: Robert Granberg, General Manager

1. ACTION RECOMMENDED:

Motion: Approving an Agreement with Horizon Water and Environment for Phase 3 CEQA/NEPA/Permitting Support Services for the Regional Surface Water Supply Project in an amount not to exceed \$460,024

2. DISCUSSION OF ISSUE:

On March 1, 2018, the SRWA Board approved an agreement with Horizon Water and Environment (Horizon) to provide Phase 2 CEQA/NEPA/Permitting support. During construction of the Raw Water Pump Station Phase 1 Project, Horizon performed biological surveys and monitoring, revegetation planning, permit compliance reporting and general permitting support. Horizon provided excellent service to the SRWA through the Phase 1 construction project.

Similar environmental support activities conducted in Phase 2 will be needed during Phase 3 project activities such as:

- Biological Resources Permitting
 - US Fish & Wildlife Services Negotiations
 - Lake & Streambed Alteration Agreement Applications
 - Regional Board Waste Discharge Requirements
- Biological Surveys and Monitoring
- Revegetation Planning & Implementation
- Air Quality/Greenhouse Gas Mitigation & Noise Reporting
- State Revolving Fund Reporting
- CEQA Addenda (If needed)

The Technical Advisory Committee (TAC) has reviewed and recommends the Board approve an Agreement for Phase 3 CEQA/NEPA/Permitting Support Services with Horizon Water and Environment.

The scope of work, fee estimate and Agreement are attached for a 3-year period concurrent with Phase 3 Project activities through Fiscal Year 22/23.

3. FISCAL IMPACT / BUDGET AMENDMENT:

The total estimated fee for three years is \$460,024. Funding will be via contributions from SRWA participating agencies as outlined in the Phase 3 funding agreement dated February 28, 2020 and any subsequent supplemental. The annual appropriation for the 2020-21 fiscal year budget will be included in account number 950-53-553.43329 "Environmental Services" for Treatment Plant Construction.

4. GENERAL MANAGER'S COMMENTS:

Recommend approval.

5. ENVIRONMENTAL DETERMINATION:

N/A

6. ALTERNATIVES:

The Board could choose to not approve this amendment and direct the General Manager to solicit proposals for environmental support services.



AGREEMENT FOR SPECIAL SERVICES
between
STANISLAUS REGIONAL WATER AUTHORITY
and
HORIZON WATER AND ENVIRONMENT
for
PHASE 3 CEQA/NEPA/PERMITTING SUPPORT

THIS AGREEMENT is made this 29th day of June, 2020, by and between the **STANISLAUS REGIONAL WATER AUTHORITY**, a Joint Powers Authority of the State of California hereinafter referred to as "SRWA" and **HORIZON WATER AND ENVIRONMENT**, hereinafter referred to as "CONSULTANT."

WITNESSETH:

WHEREAS, in accordance with California Government Code §37103, SRWA has a need for Phase 3 CEQA/NEPA/Permitting Support; and

WHEREAS, CONSULTANT has represented itself as duly trained, qualified, and experienced to provide such special service, hereinafter referred to as "Services."

NOW, THEREFORE, the parties hereto mutually agree as follows:

1. SCOPE OF WORK: CONSULTANT shall furnish all labor, equipment, materials and process, implements, tools, and machinery, except as otherwise specified, which are necessary and required to provide the Services and shall perform such special services in accordance with the standards of its profession and the specifications attached hereto as Exhibit A. CONSULTANT shall provide Services that are acceptable to SRWA.

2. PERSONNEL AND EQUIPMENT: CONSULTANT shall provide all personnel needed to accomplish the Services hereunder. CONSULTANT shall additionally acquire, provide, maintain, and repair, at its sole cost and expense, such equipment, materials, and supplies as CONSULTANT shall reasonably require to accomplish said Services.

3. SAFETY REQUIREMENT: All Services and merchandise must comply with California State Division of Industrial Safety orders and other federal and state laws and regulations relating to workplace and worker safety.

4. COMPENSATION: SRWA agrees to pay CONSULTANT in accordance with Exhibit B as full remuneration for performing all Services and furnishing all staffing and materials called for in Exhibit A and for performance by CONSULTANT of all of its duties and obligations under this Agreement. In no event shall the sum of this Agreement exceed Four Hundred Sixty Thousand Twenty-Four no/100^{ths} Dollars (\$460,024). CONSULTANT agrees that compensation shall be paid in the manner and at the times set forth below:

(a) Invoices: CONSULTANT shall submit dated invoices to SRWA specifying the date, location and service rendered, and the charge therefor.

(b) Payment:

(1) All payments by SRWA shall be made in arrears, after satisfactory service, as determined and approved by SRWA, has been provided. Payment shall be made by SRWA no more than thirty (30) days from SRWA's receipt of invoice.

(2) SRWA shall normally pay by voucher or check within ten (10) working days after each meeting at which payments can be authorized, provided that SRWA receives the invoice at least five (5) working days prior to SRWA's meeting date.

(3) If SRWA disputes any items on an invoice for a reasonable cause, which includes but is not limited to unsatisfactory service, SRWA may deduct that disputed item from the payment, but shall not delay payment for the undisputed portions. The amounts and reasons for such deletions shall be documented to CONSULTANT within fifteen (15) working days after receipt of invoice by SRWA. SRWA shall assign a sequential reference number to each deletion.

(4) If dispute is settled, payment shall be by voucher or check payable to and mailed to CONSULTANT within five (5) working days of dispute settlement.

(5) SRWA reserves the right to only pay for such services rendered to the satisfaction of SRWA.

5. TERM OF AGREEMENT: This Agreement shall become effective July 1, 2020 and end June 30, 2023 subject to SRWA's availability of funds.

6. EXTENSION OF AGREEMENT: SRWA may elect to extend this Agreement for three (3) additional one-year terms, on the same terms and conditions, upon providing written notice to CONSULTANT thirty (30) days prior to the expiration of this Agreement. On each anniversary date, CONSULTANT will be allowed to increase prices. Increases may not exceed increases in the San Francisco-Oakland Consumer Price Index for all urban consumers or percentage increases in CONSULTANT's published prices, whichever is lower. In all cases, SRWA may cancel the contract if a requested price increase is not acceptable.

7. INSURANCE: CONSULTANT shall not commence work or services under this Agreement until CONSULTANT has obtained SRWA's approval regarding all insurance requirements, forms, endorsements, amounts, and carrier ratings, nor shall CONSULTANT allow any subcontractor to commence work or services on a subcontract until all similar insurance required of the subcontractor shall have been so obtained and approved. CONSULTANT shall procure and maintain for the duration of this Agreement insurance against claims for injuries to

persons or damages to property which may arise from or in connection with the performance of the work or services hereunder by CONSULTANT, its agents, representatives, employees or subcontractors. Failure to maintain or renew coverage or to provide evidence of renewal may constitute a material breach of contract.

(a) Minimum Scope of Insurance: When applicable, coverage shall be at least as broad as:

(1) Insurance Services Office Commercial General Liability coverage (occurrence Form CG 00 01) with an additional insured endorsement (form CG 20 10 for ongoing operations and 20 37 for products/completed operations), to be approved by the Stanislaus Regional Water Authority.

(2) Insurance Services Office Form CA 00 01 covering Automobile Liability, Code 1 (any auto).

(3) Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(4) Errors and Omissions/Professional Liability Insurance.

(b) Minimum Limits of Insurance: CONSULTANT shall maintain limits no less than:

(1) General Liability (including operations, products and completed operations): \$1,000,000 per occurrence for bodily injury, personal injury and property damage. 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.

(2) Automobile Liability: \$1,000,000 per occurrence for bodily injury and property damage.

(3) Workers' Compensation: as statutorily required by the State of California. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.

(c) Deductibles and Self-Insured Retentions: Upon request of SRWA, any deductibles or self-insured retentions must be declared to and approved by SRWA. At the option of SRWA, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects SRWA, its elective and appointive boards, officers, agents, employees, and volunteers; or (2) CONSULTANT shall provide a financial guarantee satisfactory to SRWA guaranteeing payment of losses and related investigations, claim administration and defense expenses.

(d) Other Insurance Provisions: The commercial general liability policy shall contain, or be endorsed to contain, the following provisions:

(1) SRWA, its elective and appointive boards, officers, agents, employees, and volunteers are to be covered as additional insured with respect to liability arising out of work or operations performed by or on behalf of CONSULTANT, including materials, parts or equipment furnished in connection with such work or operations, which coverage shall be maintained in effect for at least three (3) years following the completion of the work specified in the contract. General liability coverage can be provided in the form of an endorsement to CONSULTANT's insurance (at least as broad as CG 20 10 for ongoing operations and CG 20 37 for products/completed operations), or as a separate Owners and Contractors Protective Liability policy providing both ongoing operations and completed operations coverage.

(2) For any claims related to this project, CONSULTANT's insurance coverage shall be primary insurance as respects SRWA and any insurance or self-insurance maintained by SRWA shall be excess of CONSULTANT's insurance and shall not contribute with it.

(3) In the event of cancellation, non-renewal, or material change that reduces or restricts the insurance coverage afforded to SRWA under this Agreement, the insurer, broker/producer, or CONSULTANT shall provide SRWA with thirty (30) days' prior written notice of such cancellation, non-renewal, or material change.

(4) Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subdivision (b) of Section 2782 of the Civil Code.

(e) Acceptability of Insurers: Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

(f) Verification of Coverage: CONSULTANT shall furnish SRWA with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by SRWA before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive CONSULTANT'S obligation to provide them. SRWA reserves the right, at any time, to require complete, certified copies of all required insurance policies and endorsements.

(g) Waiver of Subrogation: With the exception of professional liability, CONSULTANT hereby agrees to waive subrogation which any insurer of CONSULTANT may acquire from CONSULTANT by virtue of the payment of any loss. The commercial general liability policy and workers' compensation policy shall be endorsed to contain a waiver of subrogation in favor of SRWA for all work performed by CONSULTANT, its agents, employees, independent contractors and subcontractors. CONSULTANT agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation.

(h) Subcontractors: CONSULTANT shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All insurance coverage for subcontractors shall be subject to all of the requirements stated herein.

8. INDEMNIFICATION: Indemnity for Professional Liability: When the law establishes a professional standard of care for CONTRACTOR's Services, to the fullest extent

permitted by law, CONTRACTOR shall indemnify, protect, defend, and hold harmless SRWA and any and all of its elective and appointive boards, officers, officials, agents, employees or volunteers from and against any and all losses, liabilities, damages, costs, and expenses, including legal counsel's fees and costs but only to the extent the CONTRACTOR (and its Subcontractors) are responsible for such damages, liabilities and costs on a comparative basis of fault between the CONTRACTOR (and its Subcontractors) and the SRWA in the performance of professional services under this Agreement. CONTRACTOR shall not be obligated to defend or indemnify SRWA for the SRWA's own negligence or for the negligence of others.

Indemnity for other than Professional Liability: Other than in the performance of professional services and to the full extent permitted by law, CONTRACTOR shall indemnify, defend, and hold harmless SRWA and any and all of its elective and appointive boards, officers, officials, agents, employees or volunteers from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including legal counsel's fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by CONTRACTOR or by any individual or agency for which CONTRACTOR is legally liable, including, but not limited to, officers, agents, employees, or subcontractors of CONTRACTOR.

9. INDEPENDENT CONTRACTOR RELATIONSHIP: All acts of CONSULTANT, its agents, officers, and employees and all others acting on behalf of CONSULTANT relating to the performance of this Agreement, shall be performed as independent contractors and not as agents, officers, or employees of SRWA. CONSULTANT, by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of SRWA. CONSULTANT has no authority or responsibility to exercise any rights or power vested in the SRWA. No agent, officer, or employee of the SRWA is to be considered an employee of CONSULTANT. It is understood by both CONSULTANT and SRWA that this Agreement shall not under any circumstances be construed or considered to create an employer-employee relationship or a joint venture.

CONSULTANT, its agents, officers and employees are and, at all times during the terms of this Agreement, shall represent and conduct themselves as independent contractors and not as employees of SRWA.

CONSULTANT shall determine the method, details and means of performing the work and services to be provided by CONSULTANT under this Agreement. CONSULTANT shall be responsible to SRWA only for the requirements and results specified in this Agreement, and, except as expressly provided in this Agreement, shall not be subjected to SRWA's control with respect to the physical action or activities of the CONSULTANT in fulfillment of this Agreement. CONSULTANT has control over the manner and means of performing the services under this Agreement. CONSULTANT is permitted to provide services to others during the same period service is provided to SRWA under this Agreement. If necessary, CONSULTANT has the responsibility for employing other persons or firms to assist CONSULTANT in fulfilling the terms and obligations under this Agreement.

If in the performance of this Agreement any third persons are employed by CONSULTANT, such persons shall be entirely and exclusively under the direction, supervision, and control of CONSULTANT. All terms of employment including hours, wages, working conditions, discipline, hiring, and discharging or any other term of employment or requirement of

law shall be determined by the CONSULTANT.

It is understood and agreed that as an independent contractor and not an employee of SRWA neither the CONSULTANT or CONSULTANT'S assigned personnel shall have any entitlement as a SRWA employee, right to act on behalf of the SRWA in any capacity whatsoever as an agent, or to bind the SRWA to any obligation whatsoever.

It is further understood and agreed that CONSULTANT must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of CONSULTANT'S employees.

As an independent contractor, CONSULTANT hereby indemnifies and holds SRWA harmless from any and all claims that may be made against SRWA based upon any contention by any third party that an employer-employee relationship exists by reason of this Agreement.

10. VOLUNTARY TERMINATION: SRWA may terminate this Agreement without cause or legal excuse by providing thirty (30) days' written notice to CONSULTANT.

11. TERMINATION OF STATED EVENT:

(a) Termination on Occurrence of Stated Events. This Agreement shall terminate automatically on the date on which any of the following events occur: (1) bankruptcy or insolvency of CONSULTANT, (2) legal dissolution of CONSULTANT, or (3) death of key principal(s) of CONSULTANT.

(b) Termination by SRWA for Default of CONSULTANT. Should CONSULTANT default in the performance of this Agreement or materially breach any of its provisions, at its option SRWA may terminate this Agreement by giving written notification to CONSULTANT. The termination date shall be the effective date of the notice. For the purposes of this section, material breach of this Agreement shall include but not be limited to any of the following: failure to perform required services or duties, willful destruction of SRWA's property by CONSULTANT, dishonesty or theft.

(c) Termination by CONSULTANT for Default of SRWA. Should SRWA default in the performance of this Agreement or materially breach any of its provisions, at its option CONSULTANT may terminate this Agreement by giving written notice to SRWA. The termination date shall be the effective date of the notice. For the purposes of this section, material breach of this Agreement shall include but not be limited to any of the following: failure to cooperate reasonably with CONSULTANT, willful destruction of CONSULTANT's property by SRWA, dishonesty or theft.

(d) Termination for Failure to Make Agreed-Upon Payments. Should SRWA fail to pay CONSULTANT all or any part of the payments set forth in this Agreement on the date due, at its option CONSULTANT may terminate this Agreement if the failure is not remedied within thirty (30) days after CONSULTANT notifies SRWA in writing of such failure to pay. The termination date shall be the effective date of the notice.

(e) Termination by SRWA for Change of CONSULTANT'S Tax Status. If SRWA determines that CONSULTANT does not meet the requirements of federal and state tax

laws for independent contractor status, SRWA may terminate this Agreement by giving written notice to CONSULTANT. The termination date shall be the effective date of the notice.

(f) In the Event of Termination. If this Agreement is terminated pursuant to this Paragraph, CONSULTANT shall cease all its work on the project as of the termination date and shall see to it that its employees, subcontractors and agents are notified of such termination and cease their work. If SRWA so requests, and at SRWA's cost, CONSULTANT shall provide sufficient oral or written status reports to make SRWA reasonably aware of the status of CONSULTANT'S work on the project. Further, if SRWA so requests, and at SRWA's cost, CONSULTANT shall deliver to SRWA any work products whether in draft or final form which have been produced to date.

If the Agreement is terminated pursuant to any of the subsections contained in this paragraph, SRWA will pay CONSULTANT an amount based on the percentage of work completed on the termination date, this percentage shall be determined by SRWA in its sole discretion. If the Agreement is terminated pursuant to the subparagraph entitled Termination by SRWA for Default of CONSULTANT, CONSULTANT understands and agrees that SRWA may, in SRWA's sole discretion, refuse to pay CONSULTANT for that portion of CONSULTANT'S services which were performed by CONSULTANT on the project prior to the termination date and which remain unacceptable and/or not useful to SRWA as of the termination date.

12. CONFORMANCE WITH FEDERAL AND STATE LAW: CONSULTANT shall perform the Services in compliance with all applicable federal, state and local laws and regulations.

13. NONDISCRIMINATION: CONSULTANT shall not discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. CONSULTANT also shall comply with applicable federal and state statutes and regulations concerning civil rights and nondiscrimination.

14. TIME: Time is of the essence in this Agreement.

15. ENTIRE AGREEMENT AND MODIFICATION: This Agreement supersedes all previous Agreements and constitutes the entire understanding of the parties hereto. CONSULTANT shall be entitled to no other benefits than those specified herein. No changes, amendments or alterations shall be effective unless in writing and signed by both parties. CONSULTANT specifically acknowledges that in entering into and executing this Agreement, CONSULTANT relies solely upon the provisions contained in this Agreement and no others.

16. OBLIGATIONS OF CONSULTANT: Throughout the term of this Agreement, CONSULTANT shall possess, maintain, and comply with all federal, state and local licenses, permits, qualifications and approvals that may be required for it to perform the Services. CONSULTANT warrants that it has all of the necessary professional capabilities and experience, as well as all tools, instrumentalities, facilities, and other resources necessary to provide the SRWA with the services contemplated by this Agreement. CONSULTANT further represents that it will follow the best current, generally accepted, and professional practices to make findings, render opinions, prepare factual presentations, and provide professional advice and recommendations regarding this project.

17. OWNERSHIP OF DOCUMENTS: All works of authorship and every report, study, spreadsheet, worksheet, plan, design, blueprint, specification, drawing, map, photograph, computer model, computer disk, magnetic tape, CAD data file, computer software and any other document or thing prepared, developed or created by CONSULTANT under this Agreement and provided to SRWA ("Work Product") shall be the property of SRWA, and SRWA shall have the rights to use, modify, reuse, reproduce, publish, display, broadcast and distribute the Work Product and to prepare derivative and additional documents or works based on the Work Product without further compensation to CONSULTANT or any other party. CONSULTANT may retain a copy of any Work Product and use, reproduce, publish, display, broadcast and distribute any Work Product and prepare derivative and additional documents or works based on any Work Product; provided, however, that CONSULTANT shall not provide any Work Product to any third party without SRWA's prior written approval, unless compelled to do so by legal process. If any Work Product is copyrightable, CONSULTANT may copyright the same, except that, as to any Work Product that is copyrighted by CONSULTANT, SRWA reserves a royalty-free, nonexclusive and irrevocable license to use, reuse, reproduce, publish, display, broadcast and distribute the Work Product and to prepare derivative and additional documents or works based on the Work Product. If SRWA reuses or modifies any Work Product for a use or purpose other than that intended by the scope of Services under this Agreement, then SRWA shall hold CONSULTANT harmless against all claims, damages, losses and expenses arising from such reuse or modification. For any Work Product provided to SRWA in paper format, upon request by SRWA at any time (including, but not limited to, at or after expiration or termination of this Agreement), CONSULTANT agrees to provide the Work Product to SRWA in a readable, transferable and usable electronic format generally acknowledged as being an industry-standard format for information exchange between computers (e.g., Word file, Excel spreadsheet file, AutoCAD file).

18. NEWS AND INFORMATION RELEASE: CONSULTANT agrees that it will not issue any news releases in connection with either the award of this Agreement, or any subsequent amendment of or efforts under this Agreement, without first obtaining review and approval of said news releases from SRWA through the Board Chair.

19. INTEREST OF CONSULTANT: CONSULTANT warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. CONSULTANT warrants that, in performance of this Agreement, CONSULTANT shall not employ any person having any such interest. CONSULTANT agrees to file a Statement of Economic Interests with the Board Secretary at the start and end of this contract if so required at the option of SRWA.

20. AMENDMENTS: Both parties to this Agreement understand that it may become desirable or necessary during the execution of this Agreement, for SRWA or CONSULTANT to modify the scope of services provided for under this Agreement or to otherwise amend the Agreement. Any material extension or change in the scope of work or other Agreement change shall be discussed with SRWA and the change and cost shall be memorialized in a written amendment to the original contract prior to the performance of the additional work.

Until an amendment is so approved and signed, SRWA will not be responsible to pay any charges CONSULTANT may incur in performing such additional services, and CONSULTANT shall not be required to perform any such additional services.

21. PATENT/COPYRIGHT MATERIALS: Unless otherwise expressly provided in the contract, CONSULTANT shall be solely responsible for obtaining the right to use any patented or copyrighted materials in the performance of this Agreement. CONSULTANT shall furnish a warranty of such right to use to SRWA at the request of SRWA.

22. PUBLIC WORKS REQUIREMENTS: This section applies if the Services include any labor performed during the design, pre-construction or construction phases of a public works project, including, but not limited to, inspection and land surveying services. (See California Labor Code section 1720(a).) If the Services include some labor as described in the preceding sentence and other labor that is not, then this section applies only to workers performing the design, pre-construction, inspection, surveying, or construction work. CONSULTANT shall comply with the California Labor Code provisions concerning payment of prevailing wage rates, penalties, employment of apprentices, hours of work and overtime, keeping and retention of payroll records, and other requirements applicable to public works as may be required by the Labor Code and applicable state regulations. (See California Labor Code division 2, part 7, chapter 1 (sections 1720-1861), which is incorporated in this Agreement by this reference.) The state-approved prevailing rates of per diem wages are available at <http://www.dir.ca.gov/oprl/DPreWageDetermination.htm>. CONSULTANT also shall comply with Labor Code sections 1775 and 1813, including provisions that require CONSULTANT to (a) forfeit as a penalty to SRWA up to \$200 for each calendar day or portion thereof for each worker (whether employed by CONSULTANT or any subcontractor) paid less than the applicable prevailing wage rates for any labor done under this Agreement in violation of the Labor Code, (b) pay to each worker the difference between the prevailing wage rate and the amount paid to each worker for each calendar day or portion thereof for which the worker was paid less than the prevailing wage, and (c) forfeit as a penalty to SRWA the sum of \$25 for each worker (whether employed by CONSULTANT or any subcontractor) for each calendar day during which the worker is required or permitted to work more than 8 hours in any one day and 40 hours in any one calendar week in violation of Labor Code sections 1810 through 1815.

23. PARTIAL INVALIDITY: If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

24. WAIVER: The waiver by any party to this Agreement of a breach of any provision hereof shall be in writing and shall not operate or be construed as a waiver of any other or subsequent breach hereof unless specifically stated in writing.

25. AUDIT: SRWA's duly authorized representative shall have access at all reasonable times to all reports, contract records, contract documents, contract files, and personnel necessary to audit and verify CONSULTANT'S charges to SRWA under this Agreement. In accordance with California Government Code section 8546.7, the parties acknowledge that this Agreement, and performance and payments under it, are subject to examination and audit by the California State Auditor for three years following final payment under the Agreement.

CONSULTANT agrees to retain reports, records, documents, and files related to charges under this Agreement for a period of four (4) years following the date of final payment for CONSULTANT services. SRWA's representative shall have the right to reproduce any of the aforesaid documents.

26. GOVERNING LAW: This Agreement shall be governed according to the laws of the State of California.

27. HEADINGS NOT CONTROLLING: Headings used in the Agreement are for reference purposes only and shall not be considered in construing this Agreement.

28. COMPLIANCE WITH LAWS: CONSULTANT shall insure compliance with all safety and hourly requirements for employees, in accordance with federal, state, and county safety and health regulations and laws including, but not limited to, prevailing wage laws, if applicable. CONSULTANT shall fully comply with all applicable federal, state, and local laws, ordinances, regulations and permits.

29. BUSINESS LICENSE: CONSULTANT will have a City of Turlock business license.

30. ASSIGNMENT: This Agreement is binding upon SRWA and CONSULTANT and their successors. Except as otherwise provided herein, neither SRWA nor CONSULTANT shall assign, sublet, or transfer interest in this Agreement or any part thereof without the prior written consent of the other.

31. RECORD INSPECTION AND AUDIT: CONSULTANT shall maintain adequate records to permit inspection and audit of CONSULTANT's time and material charges under this Agreement. CONSULTANT shall make such records available to SRWA during normal business hours upon reasonable notice. Such records shall be turned over to SRWA upon request.

32. EXCLUSIVE USE: Services provided within the scope of this Agreement are for the exclusive use of SRWA and CONSULTANT agrees that, until final approval by SRWA, all data, plans, specifications, reports, and other documents will not be released to third parties by CONSULTANT without the prior written consent of SRWA.

33. EMPLOYMENT OF SRWA OFFICIAL OR EMPLOYEE: CONSULTANT shall employ no SRWA official or employee in the work performed pursuant to this Agreement. No officer or employee of SRWA shall have any financial interest in this Agreement in violation of California Government Code Sections 1090 *et seq.*; nor shall SRWA violate any provision of its Conflict of Interest Code adopted pursuant to the provisions of California Government Code Sections 87300 *et seq.*

34. NOTICE: Any and all notices permitted or required to be given hereunder shall be deemed duly given and effective (1) upon actual delivery, if delivery is by hand; or (2) five (5) days after delivery into the United States mail, if delivery is by postage paid, registered, or certified (return receipt requested) mail. Each such notice shall be sent to the parties at the address respectively indicated below or to any other address as the respective parties may designate from time to time:

**for CONSULTANT: HORIZON WATER AND ENVIRONMENT
ATTN: Debra Lilly
266 Grand Avenue, Suite 210
Oakland, CA 94610
PHONE: (916) 465-8074
EMAIL: debra@horizonh2o.com**

for SRWA:

STANISLAUS REGIONAL WATER AUTHORITY
ATTN: Robert, General Manager
156 S. Broadway, Suite 270
Turlock, CA 95380
PHONE: (209) 538-5758


35. PERFORMANCE BY KEY EMPLOYEE: CONSULTANT has represented to SRWA that Debra Lilly will be the person primarily responsible for the performance of the services referred to in this Agreement. SRWA has entered into this Agreement in reliance on that representation by CONSULTANT.

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**

**CONSULTANT,
a California Corporation**

By _____
Chris Vierra, Chair

By  _____
Kenneth Schwarz

Date _____

Date June 24, 2020

APPROVED AS TO FORM:

By _____
Richard Shanahan, General Counsel

Date _____

ATTEST:

By _____
Allison Martin, Board Secretary

Date _____

Stanislaus Regional Water Authority Regional Surface Water Supply Project

Phase 3 CEQA/Permitting Support – Contract Amendment Request

Submitted to Stanislaus Regional Water Authority
June 9, 2020

The Phase 2 portion of the Stanislaus Regional Water Authority's (SRWA's) Regional Surface Water Supply Project (RSWSP or Project), including construction of the wet well and testing of the infiltration gallery, was completed in winter 2019/2020; post-construction revegetation and monitoring will continue annually until 2025. Construction of the Phase 3 portion of the Project, including construction of the water treatment facility and finished water transmission mains, is scheduled to begin in January/February 2021. SRWA is required to implement monitoring and mitigation measures before, during, and after construction in accordance with the Project's Environmental Impact Report (EIR), Addenda #1 and #2 to the EIR, and expected regulatory permits and approvals. In addition, various aspects of the environmental coverage for the Project may require updates or modifications during Phase 3 design and construction. Horizon Water and Environment (Consultant) has prepared this scope of work to assist SRWA with implementing the permitting requirements; environmental monitoring, mitigation, and reporting requirements; and additional environmental support activities during Phase 3 of the Project.

Note that the extent of mitigation and monitoring activities is contingent on permit conditions obtained from the regulatory agencies; these applications are still in preparation and will be subject to agency approval. Unanticipated activities required by such permit conditions may need to be covered under a separate contract amendment.

Costs to provide the services described below are summarized following the scope and provided in the accompanying spreadsheet.

Task 20: Continued Phase 2 Revegetation Monitoring (2020-2025)

Mitigation Measure BIO-8 of the Infiltration Gallery Testing Project Initial Study/Mitigated Negative Declaration (IS/MND) requires that, upon completion of construction, disturbed soils within areas of native vegetation shall be revegetated with site-appropriate native species to limit subsequent encroachment of non-native weeds. The Phase 2 Lake and Streambed Alteration Agreement (LSAA) also requires continued revegetation monitoring at the infiltration gallery for 5 years, with Year 1 being 2020. Consultant will monitor planted tree survivorship per the revegetation plan criteria, including photo documentation at two monumented photo-monitoring stations, and submit annual reports to California Department of Fish and Wildlife (CDFW) by December 31 of each year (2020-2025).

If planting survivorship criteria are not being met during any year of monitoring, replanting of new container plants will occur. Any subsequent remedial tree plantings shall start a new five-year monitoring and reporting period to document the successful establishment of those plantings.

If the final performance criteria have been met by the end of the 5-year monitoring period, then the annual report will be submitted with a notice of completion to CDFW. If the final performance criteria have not been met, adaptive management and monitoring will need to continue until the criteria are met, requiring an amendment to this task.

Task 21: Phase 3 Biological Resources Permitting

Subtask 21.1 – USFWS VELB Negotiations

The Consultant will finalize negotiations with the U.S. Fish and Wildlife Service (USFWS) to obtain an Incidental Take Permit (ITP) for valley elderberry longhorn beetle (VELB) from USFWS, including coordination with USFWS staff, submittal of the ITP permit application, and any necessary requests for revision.

Transplantation: Transplantation of approximately four elderberry shrubs is required. Consultant will coordinate with the mitigation bank to schedule and monitor transplantation during the appropriate period. Elderberry shrubs shall be transplanted when the shrubs are dormant (November through the first 2 weeks in February).

VELB Mitigation Credits: Negotiations with USFWS have involved determining a ratio for purchasing VELB mitigation credits at a suitable mitigation bank. Based on current information, Consultant estimates that the cost for VELB mitigation will be approximately \$3,000-4,000 per credit, and that purchase of 50.5 credits will be required, for an estimated total cost of \$214,000. *[Note: This scope of work assumes that SRWA will purchase the required mitigation credits directly; this estimated cost is shown in the accompanying spreadsheet but is not included in Horizon's amendment request.]*

Subtask 21.2 – LSAA Applications

Consultant will prepare individual LSAA applications for up to five CDFW jurisdictional crossings plus an LSAA for initial air purging at the infiltration gallery site. This process will include individual submittals to CDFW of detailed design and cost information about construction and operation of Phase 3 improvements, to be provided by West Yost Associates and Jacobs Engineering. Consultant will submit revised Notification of Lake or Streambed Alteration (Form FG20023) Form (the standard form for a Streambed Alteration Agreement) for each location where Phase 3 activities will cross features subject to CDFW jurisdiction. As requested by CDFW, Consultant will also submit information about project elements that are not jurisdictional (i.e., water treatment plant site), to obtain CDFW concurrence. Consultant will respond to follow-up data requests from CDFW and conduct coordination and negotiations as necessary in support of the applications, up to the identified level of effort in the budget for this subtask.

Subtask 21.3 – Waste Discharge Requirements for Initial Air Purging

Consultant will prepare an application for Waste Discharge Requirements (WDRs) to be submitted to the Central Valley Regional Water Quality Control Board (RWQCB) to cover the initial air purging activities at the infiltration gallery site. This process will include submittal to the RWQCB of information about infiltration gallery design and operation, to be provided by West Yost Associates. Consultant will respond to follow-up data requests from RWQCB and

conduct coordination and negotiations as necessary in support of the application, up to the identified level of effort in the budget for this subtask.

Subtask 21.4 – U.S. Army Corps of Engineers Section 404 Compliance (if needed)

The U.S. Army Corps of Engineers (USACE) has recently revised the Section 404 regulations related to jurisdictional waters of the U.S. It is unclear at this time whether the Project will require a Section 404 permit for activities at the Aldrich Road bridge and, potentially, pipeline crossings of other canals owned by the Turlock Irrigation District (TID). If a Section 404 permit is required, Consultant will prepare and submit the required documentation; coordinate with USACE staff; and assist SRWA to negotiate the permit conditions.

Task 22: Phase 3 Biological Resources Mitigation Measure/Permit Compliance

Subtask 22.1 – Biological Surveys and Monitoring

The EIR for Phase 3 of the Project identifies mitigation requirements for impacts on Valley Elderberry Longhorn Beetle (VELB), Burrowing Owl, nesting birds, Swainson’s Hawk and White-tailed Kite, western pond turtle, and special-status bats. Regulatory agency permits contain requirements for monitoring and mitigation as well. Consultant will conduct preconstruction surveys and monitor/assist with elderberry shrub avoidance measures in accordance with Mitigation Measures BIO-1 through BIO-10 of the EIR and to ensure consistency with the LSAAs, HCP/ITP, and Section 404 permit (as applicable). The extent of surveys and monitoring activity is partially dependent on the date for the onset of construction (e.g., construction activities during breeding or nesting season) during each construction season.

- **Elderberry Shrub Avoidance Measures and Monitoring.** *[Note that these measures will be implemented consistent with the HCP/ITP.]*
 - No less than 15 days prior to commencing construction, Consultant will document the locations and condition of elderberry plants within 165 feet of construction areas, including photographing the base, stems, and canopy of those shrubs.
 - Consultant will work with Contractor(s) to schedule construction activities that would occur within 165 feet of elderberry shrubs during August-February, to the extent feasible, to avoid the VELB flight season (March-July).
 - Consultant will provide direction to the Contractor to install fencing and flagging in all areas to be avoided during construction activities, including the access road corridor, raw water pump station, raw water transmission main, and the 20-foot buffer from the dripline of the canopy of all established elderberry shrubs within 165 feet of the Phase 3 improvements.
 - Consultant will conduct monthly inspections to verify that the following conditions are met, as included in engineering specifications and site plans:
 - Aggregate base for the access road surface is unloaded at strategic locations more than 165 feet from elderberry shrubs and spread in a manner to minimize dust (e.g., wet road base during unloading).
 - Speed bumps are installed at strategic intervals on the access road and implement a 15-mile-per-hour speed limit to minimize dust.

- Mowing may occur from July through April to reduce fire hazard. No mowing will occur within 5 feet of elderberry stems to avoid damaging shrubs (e.g., stripping away bark through careless use of mowing equipment).
- No insecticides, herbicides, fertilizers, or other chemicals that might harm the beetle or its host plant will be used within 100 feet of any elderberry plant.
- Maintain fencing and signage as needed and implement post-construction erosion control and re-vegetation with appropriate native plants, when necessary.
- Erect signs every 50 feet along the edge of the avoidance area with the following information: "This area is habitat of the valley elderberry longhorn beetle, a threatened species, and must not be disturbed. This species is protected by the Endangered Species Act of 1973, as amended. Violators are subject to prosecution, fines, and imprisonment." The signs will be maintained for the duration of construction.
- Consultant will provide a Contractor Environmental Awareness Training (CEAT) for all construction personnel. The CEAT will instruct work crews about the status of the VELB and the need to protect its elderberry host plant. The CEAT shall communicate the need to avoid damaging the elderberry plants and the possible penalties for not complying with these requirements.
- Consultant will conduct weekly site inspections during the VELB flight season (March-July) to examine elderberry shrub condition. If impacts on elderberry shrubs are observed, work will stop immediately and USFWS will be notified.
- **Burrowing Owl Surveys.**
 - No more than 14 days before ground-disturbing activities begin, Consultant will conduct surveys for Burrowing Owls in accordance with protocols established in the *Staff Report on Burrowing Owl Mitigation* (California Department of Fish and Game [CDFG] 2012 or current version). If ground-disturbing activities are delayed or suspended for more than 30 days after the preconstruction surveys, Consultant will resurvey the site.
 - This scope assumes no detection of Burrowing Owls. If the species is detected, Consultant will provide guidance to SRWA on appropriate avoidance and minimization measures. If additional mitigation or monitoring is required, Consultant will conduct this work under a separate amendment to this scope of services or as authorized under Task 22.4, Additional Mitigation and Monitoring Requirements.
- **Nesting Bird Surveys.**
 - If vegetation clearing or ground-disturbing activities commence between February 15 and August 31 of any construction season, Consultant will conduct a nesting bird survey within 2 weeks prior to the start of work. If a lapse in project-related work of 2 weeks or longer occurs, Consultant will conduct another focused survey before project work can be reinitiated.
 - If nesting birds are found, Consultant will establish a buffer around the nest and monitor it as needed based on the construction schedule (typically weekly) until the young have fledged to ensure consistency with applicable permits. Appropriate

buffer widths are 300 feet for non-listed raptors and special-status passerines and 100 feet for non-listed passerines. Consultant may identify an alternative buffer based on a site-specific evaluation and in consultation with CDFW.

- If CDFW requires additional mitigation (e.g., daily monitoring) for impacts on nesting birds, Consultant will conduct this work up to the contracted amount in Task 22.1. Should additional time be necessary, this work would be conducted as authorized under Task 22.4, Additional Mitigation and Monitoring Requirements.

- **Swainson's Hawk and White-tailed Kite Surveys.**
 - If construction is scheduled to commence between February 1 and August 31, Consultant will conduct surveys for Swainson's Hawk and White-tailed Kite no more than 10 days before the start of construction for Swainson's Hawk and White-tailed Kite in accordance with the most current recommended timing and methodology developed by the Swainson's Hawk Technical Advisory Committee. Surveys will cover a minimum ½-mile radius around the construction area.
 - If nesting Swainson's Hawk or White-tailed Kite are detected, Consultant will establish buffers around active nests that are sufficient to ensure that breeding is not likely to be disrupted or adversely affected by construction. Buffers around active nests will be ½-mile unless a qualified biologist determines, based on a site-specific evaluation, that a smaller buffer is sufficient to avoid impacts on nesting raptors. Factors to be considered when determining buffer size include the presence of natural buffers provided by vegetation or topography, nest height, locations of foraging territory, and baseline levels of noise and human activity.
 - CDFW may require twice-daily monitoring of active nests during active construction activities within the buffer area until the young have fledged. If CDFW requires additional mitigation or monitoring for impacts on Swainson's Hawk or White-tailed Kite nests, Consultant will conduct this work up to the contracted amount under Task 22.1. Should additional time be necessary, this work would be conducted as authorized under Task 22.4, Additional Mitigation and Monitoring Requirements.

- **Western Pond Turtle Surveys.**
 - Consultant will conduct preconstruction surveys for Western Pond Turtle (WPT) 14 days before and 24 hours before the start of construction activities where suitable habitat exists (i.e., riparian areas, freshwater emergent wetlands, and adjacent uplands). Where warranted based on site-specific circumstances, Consultant will provide recommendations regarding exclusion fencing to prevent WPT from entering work areas.
 - If WPTs or their nests are observed during preconstruction surveys, the following measures shall be implemented:
 - WPTs found within the construction area will be allowed to leave on their own volition or will be relocated by Consultant out of harm's way to suitable habitat immediately upstream or downstream of the project site. To be qualified to move turtles, the biologist shall possess a valid memorandum of understanding or other authorization from CDFW authorizing the capture and relocation of turtles.

- If a WPT nest is identified in the work area during preconstruction surveys, Consultant will establish a 50-foot no-disturbance buffer, unless site-specific conditions and the biologist determine a smaller buffer is warranted, between the nest and any areas of potential disturbance. Buffers will be clearly marked by the Contractor under direction of the Consultant with temporary fencing until the nest is no longer active, as determined by the biologist.
- **Special-status Bat Surveys.**
 - Consultant will conduct a preconstruction survey at the Geer Road bridge between May 1 and July 15 to maximize detection of special-status bats during maternity season. The survey shall consist of a daytime pedestrian survey to inspect the Geer Road bridge for indications of bat use (e.g., occupancy, guano, staining, smells, or sounds) and a night roost/ emergence survey.
 - If Consultant determines that the bridge is being used, or is likely to be used, as a bat maternity roost, and may be affected by construction, then specific measures will be developed and implemented to minimize impacts on the roost. Such measures may include minimizing construction activity (including truck traffic) under the bridge during the maternity season, excluding bats from the roost site prior to the maternity season (May 1-July 15) during the year(s) of construction, or other measures developed by a qualified bat biologist that will minimize the disturbance to a level that would not cause roost abandonment.
 - Based on prior absence of bats at the bridge, this scope assumes no detection of special-status bat species. If such bats are detected, Consultant will provide guidance to SRWA on appropriate avoidance and minimization measures. If additional mitigation, monitoring, exclusion plan, or exclusion implementation is required, Consultant will conduct this work as authorized under Task 22.4, Additional Mitigation and Monitoring Requirements.

Subtask 22.2 – Phase 3 Revegetation Plan Implementation

Mitigation Measure BIO-10 of the EIR requires that, upon completion of construction, disturbed soils within areas of native vegetation shall be revegetated by SRWA's Contractor with site-appropriate native species to limit subsequent encroachment of non-native weeds. Any plants of native woody species of 4 inches diameter at breast height (dbh) (approximately 4.5 feet above grade) or greater that are damaged or removed as a result of construction activity shall be replaced at a 1:1 ratio; this ratio will increase to 3:1 for nesting trees and native trees of 24 inches dbh and greater. Consultant will monitor replaced woody plant species and provide maintenance recommendations to SRWA or its Contractor to support a minimum of 65 percent survival of woody plantings after 3 years. Consultant will provide SRWA with guidance on implementation of the revegetation plan, but this scope assumes that SRWA's Contractor will be responsible for acquisition of materials and revegetation planting.

Subtask 22.3 – General Compliance Support and Reporting

Consultant will provide general environmental/permitting support to SRWA and its contractors as needed during construction of the Phase 3 improvements. Consultant will prepare topic-

specific, annual, and final permit compliance reports as required by Mitigation Measures BIO-1 through BIO-10 and anticipated agency permits.

Subtask 22.4 – Additional Mitigation and Monitoring Requirements (as needed)

Consultant will provide additional support to implement or amend mitigation or monitoring requirements from resource agency permits. These permits may include, but are not limited to the LSAA's, Section 404, and Section 401 Water Quality Certification. Work completed under this task may include, but is not limited to, additional reporting requirements and monitoring of wildlife to assess effectiveness of minimization measures (e.g., monitoring nest sites to determine when birds have fledged). Because the permits have not been issued, the level of effort required to implement this subtask is unknown; for the purpose of budgeting, the cost estimate for this subtask is based on an assumed maximum level-of-effort required to accomplish the work in this subtask. If additional work beyond that assumed in the cost estimate is required, a revised scope and cost estimate will be required.

Subtask 22.5 – Water Quality Monitoring during Air Purging (as needed)

The Phase 2 LSAA and Section 401 Water Quality Certification required water quality monitoring during air purging of the infiltration gallery. Because the initial air purging was not conducted during Phase 2, CDFW and NMFS are likely to impose a similar requirement for Phase 3 activities. Consultant will coordinate with SRWA's contractor to monitor turbidity in the Tuolumne River during air purging. Samples will be collected at 30-minute intervals at approximately 100 feet upstream and 50 and 300 feet downstream of the infiltration gallery. The samples will be collected at the center of the channel and in the area of highest flow velocity. Turbidity will be measured in the field using a portable turbidity meter (Hach 2100Q Portable Turbidimeter or similar). The results of the turbidity monitoring will be reported to CDFW and Regional Water Quality Control Board.

Task 23: Phase 3 Cultural Resources Mitigation (as needed)

No on-site cultural resources monitoring is required for the Project during construction; however, the following mitigation measures from the EIR may be required if resources are discovered during construction activities:

- Mitigation Measure CUL-1: Conduct Archaeological Survey of the Proposed Water Treatment Plant and Offset Water Facility Locations
- Mitigation Measure CUL-2: Suspend Construction Immediately if Cultural Resources Are Discovered, Evaluate All Identified Cultural Resources for CRHR Eligibility, and Implement Appropriate Mitigation Measures for Eligible Resources
- Mitigation Measure CUL-3: Suspend Construction Immediately if Paleontological Resources Are Discovered, Evaluate the Significance of the Resources, and Implement Appropriate Mitigation Measures as Necessary
- Mitigation Measure CUL-4: Halt Construction Immediately if Human Remains Are Discovered and Implement Applicable Provisions of the California Health and Safety Code

Because the level of effort required is unknown, the cost estimate for this subtask is based on an assumed maximum level-of-effort required to accomplish the work in this subtask. If additional work beyond that assumed in the cost estimate is required, a revised scope and cost estimate will be required.

Task 24: Phase 3 Air Quality/Greenhouse Gas Mitigation and SJVAPCD Permit

When construction-related and operational details of the project are sufficiently developed by SRWA's Contractors, Consultant will implement the following mitigation measures from the EIR to document and reduce air pollutant and greenhouse gas (GHG) emissions:

- Mitigation Measure AQ-1: Prepare Quantitative Analysis of Construction-related Air Quality and Greenhouse Gas Emissions, and Implement Measures to Cap Emissions
- Mitigation Measure AQ-2: Prepare Quantitative Analysis of Operation-related Air Quality and Greenhouse Gas Emissions, and Implement Measures to Cap Emissions

For construction-related emissions, Consultant will conduct quantitative modeling for construction air quality and GHG emissions based on the types, locations, numbers, and operations of equipment to be used; the amount and distance of material to be transported; construction areas; construction phasing and durations; and worker trips required. In addition, the analysis will be based on the projected quantity and frequency of vehicle and truck trips, and other construction-related activities that generate emissions. The analysis will determine whether the combined emissions of the quantified construction activities exceed the San Joaquin Valley Air Pollution Control District's (SJVAPCD's) construction-related air quality thresholds or the 10,000 million tons (MT) of carbon dioxide equivalents (CO₂e) per year threshold for industrial sources. If the analysis determines that construction emissions would exceed the air quality and/or GHG significance thresholds, then Consultant will work with SRWA and its Contractors to identify and implement appropriate mitigation to the extent feasible.

For operational emissions, Consultant will conduct quantitative modeling for operational air quality and GHG emissions based on the types, locations, numbers, and operations of equipment to be used; and worker trips required. In addition, the analysis shall be based on the projected quantity and frequency of operational vehicle and truck trips and other activities that generate emissions, including estimates of water treatment plant operations of permitted and unpermitted sources including GHG emissions, fugitive emissions of volatile organic compounds (VOCs), and particulate matter. The analysis shall determine whether the quantified emissions of the project's operational activities exceed the SJVAPCD's permitted and unpermitted air quality thresholds (or the 10,000 MT CO₂e per year threshold for industrial sources. If the analysis determines that operational emissions would exceed the air quality or GHG significance thresholds, then Consultant will work with SRWA and its Contractors to identify and implement appropriate mitigation to the extent feasible.

In addition, since the Project is subject to General Conformity compliance, the Project's construction-related emissions would be compared to the federal *de minimis* levels. If the Project's emissions exceed the federal *de minimis* levels, the mitigation measures will be developed in consideration of those levels and in coordination with SRWA and its Contractors.

This process will include submittal to the SJVAPCD of emissions modeling data and permit applications (Authority to Construct/Permit to Operate). Consultant will respond to follow-up data requests from the SJVAPCD, conduct coordination and negotiations as necessary in support of the application, mitigation measure development, and General Conformity compliance processes up to the identified level of effort in the budget for this subtask.

Task 25: Phase 3 Operational Noise Mitigation

When operational details of the project are sufficiently developed, Consultant will implement the following mitigation measures from the EIR to document and reduce noise levels from operation of the water treatment facility:

- Mitigation Measure NOI-2: Prepare Detailed Noise Analysis for Proposed Project Operations

The noise study will identify appropriate measures that can be implemented to reduce noise levels to the relevant Community Noise Equivalent Level (CNEL) exterior noise level required by the applicable jurisdictions, or below a 3-decibel (dB) increase if existing levels are above the ambient noise level at the property line. If the analysis demonstrates that significant operational noise impacts are likely to occur, Consultant will work with SRWA and its Contractors to identify measures to achieve the required noise reduction.

Task 26: State Revolving Fund Reporting

Consultant will assist SRWA and West Yost Associates with preparation of quarterly and annual reporting on environmental monitoring and permit compliance. Reports will be submitted to the State Water Resources Control Board in compliance with State Revolving Fund (SRF) loan requirements.

Task 27: Additional CEQA Compliance

This scope of work assumes that up to two CEQA addenda to the EIR will be prepared on modifications to the Project during Phase 3. Because the level of effort required is unknown, the cost estimate for this subtask is based on an assumed maximum level-of-effort required to accomplish the work in this subtask. If additional work beyond that assumed in the cost estimate is required, a revised scope and cost estimate will be required.

Task 28: Project Coordination and Communications

Consultant will manage the project-related activities identified in Tasks 20-27 above; coordinate with the Technical Advisory Committee (TAC) regarding environmental issues related to the Project; and assist West Yost Associates, Jacobs Engineering Group, and other SRWA Contractors as needed during design and construction. This task assumes attendance at biweekly TAC meetings conducted by conference call.

Task		Schedule/ Timeframe	Labor Cost	Direct Cost	Total
20	Continued Phase 2 revegetation monitoring (2020-2025)	June 2020 – June 2025	\$ 19,705.00	\$ 687.75	\$ 20,392.75
<i>Task 20 Subtotal</i>					\$ 20,392.75
21	Phase 3 biological resources permitting				
21.1	USFWS VELB negotiations	June 2020 – August 2020	\$ 10,380.00	\$ 31.50	\$ 10,411.50
	VELB monitoring During Transplantation	Fall/Winter 2020	\$ 6,030.00	\$ 344.14	\$ 6,374.14
	VELB mitigation credits (to be paid by SRWA, not part of this amendment)	Fall/Winter 2020			\$ 214,000.00
21.2	LSAA applications	June 2020 – June 2021	\$ 36,600.00	\$ 420.00	\$ 37,020.00
21.3	Waste discharge requirements for initial air purging	2020 – 2021	\$ 7,710.00	\$ 68.25	\$ 7,778.25
21.4	U.S. Army Corps of engineers Section 404 compliance (if needed)	2020 – 2022	\$ 36,370.00	\$ 934.50	\$ 37,304.50
<i>Task 21 Subtotal</i>					\$ 98,888.39
22	Phase 3 biological resources mitigation measure/permit compliance				
22.1	Elderberry shrub avoidance measures and monitoring	Feb-Aug 2021 (cost estimate partially dependent upon date for onset of construction), Feb-Aug 2022, Feb-June 2023	\$ 117,210.00	\$ 8,327.55	\$ 125,537.55
	Burrowing owl surveys				
	Nesting bird surveys				
	Swainson's hawk/White-tailed kite surveys				
	Western pond turtle surveys				
	Special-status bat surveys				
22.2	Phase 3 revegetation plan implementation	Fall 2021-June 2023	\$ 9,330.00	\$ 349.39	\$ 9,679.39
22.3	General compliance support and reporting	Fall/Winter 2020-June 2023	\$ 37,780.00	\$ 420.00	\$ 38,200.00
22.4	Additional mitigation and monitoring requirements (as needed)	Fall/Winter 2020-June 2023	\$ 21,460.00	\$ 525.00	\$ 21,985.00
22.5	Water quality monitoring during air purging (as needed)	As needed	\$ 8,220.00	\$ 234.68	\$ 8,454.68
<i>Task 22 Subtotal</i>			\$ 194,000.00	\$ 9,856.61	\$ 203,856.61
23	Phase 3 cultural resources mitigation (as needed)	July 2020-June 2023	\$ 21,510.00	\$ 525.00	\$ 22,035.00
24	Phase 3 air quality/GHG mitigation and SJVAPCD permit	2020-2021	\$ 31,360.00	\$ -	\$ 31,360.00
25	Phase 3 operational noise mitigation	2020-2021	\$ 14,480.00	\$ -	\$ 14,480.00
26	SRF reporting	2020-2023	\$ 9,925.00	\$ -	\$ 9,925.00
27	Additional CEQA compliance	2020-2023	\$ 21,800.00	\$ 1,160.78	\$ 22,960.78
28	Project coordination and communications	2020-2023	\$ 36,020.00	\$ 105.00	\$ 36,125.00
<i>Task 23-28 Subtotal</i>			\$ 135,095.00	\$ 1,790.78	\$ 136,885.78
Total, Phase 3			\$ 445,890.00	\$ 14,133.53	\$ 460,023.53

SRWA Surface Water Supply Project
Phase 3 Contract Amendment Request - Detail
June 9, 2020

	Task Name / Description	Labor								Subtotal Labor Hours per Task	Subtotal Labor Fee per Task	Direct Expenses				Markup on Direct Expenses	Subtotal Direct Expense Fee per Task	Task Total
		Principal	Project Mgr/ Senior Associate II	Director	Senior Associate II	Associate II	Analyst II	Analyst I	Administrative Assistant			Repro- ductions	Postage/ Delivery	Mileage (Current IRS Rate)	Con- ference Calls			
	2020 hourly rate	\$ 230.00	\$ 195.00	\$ 205.00	\$ 195.00	\$ 170.00	\$ 150.00	\$ 140.00	\$ 95.00					\$0.575/mile	5.00%			
20	Continued Phase 2 Revegetation Monitoring (2020-2025)	2	5		10	96				113	\$ 19,705.00	\$ 5.00		\$ 650.00	\$ 32.75	\$ 687.75	\$ 20,392.75	
	Task 20 Subtotal	2	5	0	10	96			0	#REF!	\$ 19,705.00	\$ 5.00		\$ 650.00	\$ 32.75	\$ 687.75	\$ 20,392.75	
21	Phase 3 Biological Resources Permitting																	
21.1	USFWS VELB negotiations	10	16		8	20				54	\$ 10,380.00			\$ 30.00	\$ 1.50	\$ 31.50	\$ 10,411.50	
	VELB monitoring during transplanted				10	24				34	\$ 6,030.00			\$ 327.75	\$ 16.39	\$ 344.14	\$ 6,374.14	
	VELB mitigation credits (to be paid by SRWA, not part of this amendment)									0	\$ 214,000.00							
21.2	Lake and Streambed Alteration Agreements	5	10		100				100	215	\$ 36,600.00	\$ 200.00	\$ 200.00		\$ 20.00	\$ 420.00	\$ 37,020.00	
21.3	Waste Discharge Requirements for Initial Air Purging	1	4		20				20	45	\$ 7,710.00	\$ 40.00	\$ 25.00		\$ 3.25	\$ 68.25	\$ 7,778.25	
21.4	USACE Section 404 Compliance (if needed)	4	10		100				100	214	\$ 36,370.00	\$ 200.00	\$ 40.00	\$ 650.00	\$ 44.50	\$ 934.50	\$ 37,304.50	
	Task 21 Subtotal	20	40	0	238	44			220	562	\$ 97,090.00	\$ 440.00	\$ 265.00	\$ 977.75	\$ 30.00	\$ 85.64	\$ 1,798.39	\$ 98,888.39
22	Phase 3 Biological Resources Mitigation Measure/Permit Compliance																	
22.1	Biological surveys and monitoring										\$ 117,210.00					\$ 8,327.55	\$ 125,537.55	
	Elderberry shrub avoidance measures and monitoring	1	2		24	108			140	275	\$ 43,260.00	\$ 15.00		\$ 3,496.00	\$ 175.55	\$ 3,686.55	\$ 46,946.55	
	Burrowing owl surveys		2		4	32			32	70	\$ 11,090.00	\$ 10.00		\$ 655.50	\$ 33.28	\$ 698.78	\$ 11,788.78	
	Nesting bird surveys	1	1		4	40			40	86	\$ 13,605.00	\$ 10.00		\$ 874.00	\$ 44.20	\$ 928.20	\$ 14,533.20	
	Swainson's hawk/White-tailed kite surveys	1	3		88	88			32	212	\$ 37,415.00	\$ 15.00		\$ 2,185.00	\$ 110.00	\$ 2,310.00	\$ 39,725.00	
	Western pond turtle surveys		1		4	20			20	45	\$ 7,175.00	\$ 10.00		\$ 437.00	\$ 22.35	\$ 469.35	\$ 7,644.35	
	Special-status bat surveys		1		10				18	29	\$ 4,665.00	\$ 5.00		\$ 218.50	\$ 11.18	\$ 234.68	\$ 4,899.68	
22.2	Phase 3 Revegetation Plan Implementation		1		5	48				54	\$ 9,330.00	\$ 5.00		\$ 327.75	\$ 16.64	\$ 349.39	\$ 9,679.39	
22.3	General compliance support and reporting	8	32		60	40			80	220	\$ 37,780.00	\$ 200.00	\$ 200.00		\$ 20.00	\$ 420.00	\$ 38,200.00	
22.4	Additional mitigation and monitoring requirements (as needed)	8	12		32	32			40	124	\$ 21,460.00			\$ 500.00	\$ 25.00	\$ 525.00	\$ 21,985.00	
22.5	Water quality monitoring during air purging (as needed)	1	2		16				32	51	\$ 8,220.00	\$ 5.00		\$ 218.50	\$ 11.18	\$ 234.68	\$ 8,454.68	
	Task 22 Subtotal	20	57	0	247	408			434	1166	\$ 194,000.00	\$ 275.00	\$ 200.00	\$ 8,912.25	\$ -	\$ 469.36	\$ 9,856.61	\$ 203,856.61
23	Phase 3 Cultural Resources Mitigation Measure Implementation	2	10	60		40				112	\$ 21,510.00			\$ 500.00	\$ 25.00	\$ 525.00	\$ 22,035.00	
24	Phase 3 Air Quality/GHG Mitigation	20	18		50				90	178	\$ 31,360.00				\$ -	\$ -	\$ 31,360.00	
25	Phase 3 Operational Noise Mitigation	10	4		20				50	84	\$ 14,480.00				\$ -	\$ -	\$ 14,480.00	
26	State Revolving Fund Reporting	5	30		15					50	\$ 9,925.00				\$ -	\$ -	\$ 9,925.00	
27	Additional CEQA Compliance	10	100							110	\$ 21,800.00	\$ 250.00	\$ 200.00	\$ 655.50	\$ 55.28	\$ 1,160.78	\$ 22,960.78	
28	Project coordination and communications	40	120						36	196	\$ 36,020.00				\$ 100.00	\$ 5.00	\$ 105.00	\$ 36,125.00
	Tasks 23 - 28 Subtotal	87	282	60	85	40	140	0	36	730	\$ 135,095.00	\$ 250.00	\$ 200.00	\$ 1,155.50	\$ 100.00	\$ 85.28	\$ 1,790.78	\$ 136,885.78
	Total Labor Hours	129	384	60	580	588	140	654	36	2309								
	Totals	\$ 29,670.00	\$ 74,880.00	\$ 12,300.00	\$ 113,100.00	\$ 99,960.00	\$ 21,000.00	\$ 91,560.00	\$ 3,420.00		\$ 445,890.00	\$ 970.00	\$ 665.00	\$ 11,695.50	\$ 130.00	\$ 673.03	\$ 14,133.53	\$ 460,023.53



From: Robert Granberg, General Manager

Prepared by: Robert Granberg, General Manager

1. ACTION RECOMMENDED:

Motion: Approving Amendment No. 8 to the Agreement for Special Services with West Yost Associates for Phase 3 Program Management Services for the Regional Surface Water Supply Project in an amount not to exceed \$7,431,642

2. DISCUSSION OF ISSUE:

On October 26, 2017, the SRWA Board approved Amendment No. 5 to the Agreement for Special Services with West Yost Associates (West Yost) to continue Phase 2 Program Management Services through execution of a design-build contract for Phase 3 design and construction services. Some of the completed tasks in Amendment No. 5 included:

- Routine program management activities
- Environmental support and permitting
- Funding and financing support
- Water quality sampling and reporting/cording with the Division of Drinking Water
- Wetwell construction support
- Regional facilities pre-design
- Design-build procurement/negotiations
- Cost allocations
- Construction/Operations & Maintenance estimating
- Public outreach support

As of the end of June 2020, West Yost will have completed Amendment No. 5 tasks approximately 25% under the \$5,667,453 budget. Contract Amendment Nos. 6 & 7 were for time extensions only to complete Phase 2 program management services concurrent with Design-Build contract award activities.

West Yost provided excellent service to the SRWA through Amendment No. 5. Program management and support will be needed during Phase 3 project activities.

Phase 3 service contemplated under Amendment No. 8 are administrative program management and design-build contract oversight. More particularly the tasks include:

- Regular meetings with the Project team (TAC, Executive TAC and Board)
- Environmental compliance support
- Non-environmental permitting/utility coordination
- Funding and financing tracking/reporting
- Water quality sampling and reporting to Division of Drinking Water
- Public outreach
- Technical services in support of design-build contract
- Construction oversight
- 5% contingency to address out-of-scope tasks

As with prior Amendments, all work contemplated in Amendment No. 8 will be done on a time-and-materials basis with a not-to-exceed amount as identified below. The Technical Advisory Committee (TAC) has reviewed and recommends the Board approve Amendment No. 8 to the Agreement for Phase 3 Special Services with West Yost Associates.

The scope of work, fee estimate and Amendment are attached for a 3-year period concurrent with Phase 3 Project activities through Fiscal Year 22/23.

3. FISCAL IMPACT / BUDGET AMENDMENT:

The total estimated fee for the duration of Amendment No. 8 is \$7,341,642. Funding will be via contributions from SRWA participating agencies as outlined in the Regional Surface Water Supply Phase 3 Design and Construction Funding Agreement dated February 28, 2020 and any future supplements. Annual appropriations will be included in the fiscal year budget process and allocated to account number 950-53-552.43060_012 "Contract Services-Program Management Services" and 950-53-553.43060_012 "Treatment Plant Construction Program Management Services".

4. GENERAL MANAGER'S COMMENTS:

Recommend approval.

5. ENVIRONMENTAL DETERMINATION:

N/A

6. ALTERNATIVES:

The Board could choose to not approve this amendment and direct the General Manager to solicit proposals for Program Management Services in its entirety or for certain tasks contained in West Yost's proposed scope of work.



AMENDMENT NO. 8
to the
AGREEMENT FOR SPECIAL SERVICES
between
STANISLAUS REGIONAL WATER AUTHORITY
and
WEST YOST ASSOCIATES
for
PROGRAM MANAGEMENT SERVICES

THIS AMENDMENT, dated July 1, 2020, 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, Inc., a California corporation, hereinafter referred to as “CONSULTANT”.

WHEREAS, the Stanislaus Regional Water Authority (SRWA) entered into an agreement dated April 13, 2016 with West Yost Associates (West Yost) for program management services (hereinafter the “Agreement”) in the amount of \$2,007,472; and

WHEREAS, on September 22, 2016, the Agreement was amended (Amendment No. 1) in the amount of \$105,000); and

WHEREAS, on November 10, 2016, the Agreement was amended (Amendment No. 2) in the amount of \$255,232; and

WHEREAS, on January 26, 2017, the Agreement was amended (Amendment No. 3) in the amount of \$177,206; and

WHEREAS, on August 3, 2017, the Agreement was amended (Amendment No.4) in the amount of \$273,255); and

WHEREAS, on October 26, 2017, the Agreement was amended (Amendment No. 5) in the amount of \$5,667,453); and

WHEREAS, on August 1, 2019, the Agreement was amended (Amendment No. 6), to extend the Agreement term from August 31, 2019 to December 31, 2019 with no additional compensation; and

WHEREAS, on November 21, 2019, the Agreement was amended (Amendment No. 7), to extend the Agreement term from December 31, 2019 to June 30, 2020 with no additional compensation.

WHEREAS, the parties have identified the need to commence with Phase 3 of the Regional Surface Water Supply Project (Project); and

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 scope of work as set forth and described in Exhibit A attached hereto to this Amendment in a manner compatible with the standards of its profession and that is acceptable to the SRWA. The parties acknowledge that with the start of work under Amendment No. 8 CONSULTANT has completed the earlier scope of work through Amendment No. 7.”

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 Seven Million Three Hundred Forty One Thousand Six Hundred and Forty Two Dollars (\$7,341,642) in accordance with Exhibit B attached hereto to this Amendment and the payment related provisions of the Agreement for services to be performed under Amendment No. 8. The compensation for completion of all items of work, as set forth in the Agreement as amended by Amendment Nos. 1 through 8 shall not exceed \$15,827,260, which includes a 5% contingency for Amendment No. 8 services. Such maximum amount shall be compensation for all of CONSULTANT’S expenses incurred in the performance of the Agreement, as amended by Amendment Nos. 1 through 8”.

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

“5. Term: This Amendment shall become effective July 1, 2020, and end upon satisfactory completion, as determined by the SRWA, of the entire Scope of Work as set forth in the Agreement, as amended, unless sooner terminated as provided by the Agreement. Work under this Amendment is anticipated to span the period from July 1, 2020 to June 30, 2023.”

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: _____
Chris Vierra
Board Chair

Date: _____

APPROVED AS TO FORM:

By: _____
Richard P. Shanahan
Interim General Counsel

WEST YOST & ASSOCIATES, Inc.
a California corporation

By: _____

Name: Jeffery Pelz

Title: Vice President

Date: _____

West Yost Phase 3 Proposed Services DB Contract Execution Through Acceptance Testing

This document defines the services that the West Yost Associates Consultant Team (West Yost) will provide the Stanislaus Regional Water Authority (SRWA) in support of the Regional Surface Water Supply Project (RSWSP). Following the description of the work tasks, a cost table is presented that identifies the cost estimated for each work task. This work will be completed in accordance with the overall project schedule. The contract period for Phase 3 is assumed to be July 1, 2020 through the completion of startup and testing. For the purposes of making assumptions in this scope of work, we assume that startup and testing will be complete in June 2023.

The tasks and subtasks included in this scope of work follow the task structure established under the Phase 1 and Phase 2 scope of work. West Yost proposes maintaining this structure to maintain continuity and to add clarity and ease to budget tracking, invoicing, and billing. With this in mind, some tasks or subtasks are no longer needed in Phase 3 but are included in this document to keep the task list complete. Where a previous task is not proposed for Phase 3, the task number and title appear with a note that reads "NOT NEEDED in PHASE 3".

TASK 1. PROGRAM MANAGEMENT AND ADMINISTRATION

Subtask 1.01. Executive TAC and TAC Meetings

- Communication/coordination with GM and TAC
- Preparation for and attendance at TAC meetings and action items resulting from TAC meetings
- Preparation for and attendance at Exec TAC meetings
- General project/program management

SRWA Involvement:

- Meeting participation

Deliverables:

- TAC meeting agendas and notes
- Exec TAC meeting agendas

Assumptions:

- 60 monthly TAC meetings (roughly twice monthly)
- 30 Executive TAC meetings to be held via conference call (roughly monthly)
- Weekly calls with GM
- Attendance by Program Manager (PM) and half of the meetings by Deputy PM at TAC meetings (attendance by other PM team members is identified under each relevant work task)
- Attendance by Program Manager (PM) at Exec TAC meetings

West Yost Phase 3 Proposed Services DB Contract Execution through Acceptance Testing



- Two hours per week allocated for communication and coordination with TAC between meetings

Subconsultants:

- None

Subtask 1.04. Program Controls

- Program status reports
- Budget tracking
- Schedule tracking
- Document controls
- Project SharePoint site updates
- Invoice processing
- Contract administration

SRWA Involvement:

- Provide West Yost team with schedule and budget expenditure updates for SRWA schedule and budget line items
- Provide West Yost with monthly SRWA Summary of Activity budget summary tables and invoices for SRWA consultants for use in preparing monthly Program Status Reports

Deliverables:

- Monthly Program Status Reports, including schedule and budget updates, and Project cash flow projections
- Regularly Updated Project SharePoint site
- Budget Transfer Request Forms

Assumptions:

- SRWA updates their Summary of Activity budget summary at least monthly

Subconsultants:

- None

Subtask 1.06. SRWA Board Meetings

- Attendance at Board Meetings
- Prepare staff reports, as requested

- Prepare presentations, as requested

SRWA Involvement:

- Board Meeting coordination and preparations
- Prepare GM update presentations
- Prepare staff reports and presentations (unless otherwise requested of West Yost)

Deliverables:

- Staff reports and presentations, as requested

Assumptions:

- 30 SRWA Board Meetings (roughly monthly)
- Attendance by PM (attendance by other PM team members is identified under each relevant work task)
- Board meetings occur on the same days as TAC meetings so travel costs are only included in Task 1.01
- Prepare a total of 6 draft staff reports
- Prepare a total of 12 draft presentations

Subconsultants:

- None

TASK 2. ASSISTANCE WITH SRWA GENERAL MANAGER SELECTION

- NOT NEEDED in PHASE 3

TASK 3. WATER SUPPLY ANALYSIS

- NOT NEEDED in PHASE 3

TASK 4. ENVIRONMENTAL SUPPORT

Subtask 4.01. Environmental Documentation and Permitting Technical Support to Horizon

- As-needed supplemental CEQA documentation coordination
- As-needed environmental permitting assistance. Examples:
 - As-needed USACE permitting for WOTUS (if recent changes to WOTUS rules are changed again)
 - Lake and Streambed Alteration Agreement (lead by Horizon)

SRWA Involvement:

- As-needed meeting participation and review of written documentation prepared or edited by West Yost

Deliverables:

- As-needed, written contributions to CEQA and environmental permitting documents

Assumptions:

- Assume two (2) EIR addenda prepared by Horizon with technical support and review by West Yost
- Up to 40 hours of staff time assumed for as-needed USACE and LSAA permitting assistance
- West Yost assistance with RWQCB permitting for discharges to Ceres Main Canal will not be required

Subconsultants:

- None

TASK 5. NON-ENVIRONMENTAL PERMITS/AGREEMENTS/UTILITY COORDINATION

Subtask 5.01. Non-Environmental Permits/Agreements/Utility Coordination

- West Yost will provide technical support for the Division of Drinking Water (DDW) Permit to Operate, Technical Managerial and Financial (TMF) Assessment, and Permit Technical Report (application preparation lead by Jacobs), including the following:
 - Participation in quarterly meetings with DDW
 - Development of discrete sections of the TMF Assessment and Permit Technical Report for insertion into the completed report by Jacobs, as listed below:
 - TMF Assessment
 - System information
 - Consolidation feasibility
 - System description
 - Certified operators
 - Source capacity
 - Ownership documentation
 - Water rights documentation
 - 5-year budget projection and CIP
 - Budget control documentation
 - Permit Technical Report
 - General water system information

- Financial information
- Source water information (including description, water rights, 10-year growth/demand projections, climate/topographical description, source water assessment of vulnerability to contamination)
- Environmental documentation summary
- Summary of permits from other agencies for construction
- Document review
 - Completed Technical, Managerial, Financial Report
 - Completed Permit Technical Report
 - Commissioning Plan
- West Yost will provide technical support for the DDW Interim Operations Approval (lead by Jacobs), including the following:
 - Participation in two (2) meetings with DDW
- Monitor compliance with permit requirements for state and local authorities (72 permits, 88 conditions of approval, 190 mitigation measures), including attendance at permitting kick-off meetings, assurance that permit applications have been filed, permit reporting is submitted and close-out documentation is complete
- Coordination with the Cities of Ceres, Hughson, and Turlock; Turlock Irrigation District; Stanislaus County; and BNSF railway regarding utilities and road encroachment agreements and as needed to support Jacobs and SRWA

SRWA Involvement:

- Meeting participation
- Review of permit application packages
- SRWA will adopt and provide documentation of agency management policies for inclusion in TMF Assessment
- SRWA will provide budget control documentation and other financial information for inclusion in TMF Assessment and Permit Technical Report
- SRWA will provide copies of certified operators current certificates with names and grades for incorporation into the TMF Assessment

Deliverables:

- Permit compliance tracking matrix
- Meeting agendas and minutes
- Written elements of Permit Technical Report as described above
- Written elements of TMF Assessment as described above

Assumptions:

- Quarterly, two-hour meetings with DDW will be required for DDW Permit to Operate, TMF Assessment, and Drinking Water Technical Report coordination. Assume that all meetings are in person. Attendance by representatives from Jacobs, Trussell Technologies (by phone), and two West Yost team members
- Two, two-hour meetings with DDW will be required for the Interim Operations Approval. Assume that one meeting is in person and one meeting is a phone conference. Attendance by representatives from Jacobs, Trussell Technologies, and two West Yost team members
- Jacobs will revise the design drawings and associated documentation to incorporate DDW comments.
- The emergency response plan prepared by Jacobs will meet DDW requirements and be included in the Permit Technical Report without requiring additional modification by West Yost
- West Yost will represent SRWA by attending one meeting to discuss each of the following permit applications. Attendance is assumed to be in person unless indicated otherwise
 - Construction General Permit for stormwater (by phone)
 - SWRCB construction dewatering permit (by phone)
 - One of the following:
 - SWRCB Statewide General Waste Discharge Requirements for Discharges to Land with a Low Threat to Water Quality
 - SWRCB Statewide NPDES Permit for Drinking Water System Discharges to Waters of the US
 - CVRWQCB Limited Threat Discharges to Surface Water
 - TID encroachment permit
 - Discharge to TID canals agreement
 - TID electrical power agreement
 - Stanislaus County encroachment permit
 - San Joaquin Valley Air Pollution Control District authority to construct/permit to operate
 - BNSF Railway encroachment permit (by phone)

Subconsultants:

- Trussell

TASK 6. FUNDING TRACKING AND SUPPORT

Subtask 6.01. Funding Tracking and Support

- Funding Tracking through 2021

West Yost Phase 3 Proposed Services DB Contract Execution through Acceptance Testing



- Funding Opportunities Log Updates through 2021
- Quarterly funding update memos through 2021
- Meetings with funding agencies regarding new funding opportunities

SRWA Involvement:

- SRWA representatives to attend meetings with funding agencies for grant programs

Deliverables:

- Funding Opportunities Log updates
- Quarterly funding update memos through 2021
- Funding agencies meeting agendas, notes, and meeting action items

Assumptions:

- West Yost will coordinate and participate in up to four (4) meetings with funding agencies

Subconsultants:

- Sylvir Consulting

Subtask 6.02. SRF Administration Support

- Coordination with SRF staff and support for execution of SRF funding agreement
- SRF loan administration services including cost reimbursement claims and quarterly and final project completion reports

SRWA Involvement:

- SRWA and City representatives to attend meetings with SWRCB DFA staff
- SRWA to review draft funding agreements
- SRWA staff to review and approve for submittal to DFA cost reimbursement claims and project status reports

Deliverables:

- Meeting agendas, notes, and meeting action items
- Monthly cost reimbursement claims
- Quarterly project status reports
- Final Project Completion Report

Assumptions:

- Time for coordination with SRF staff assumes four (4) hours per week until a funding agreement is signed
- West Yost will coordinate and participate in up to seven (7) meetings and weekly conference calls with SWRCB DFA staff during SRF grant administration
- SRWA will receive SRF Funding Agreement no later than December 2020
- Includes coordination and gathering of all required information requested by DFA as accommodated by the task budget

Subconsultants:

- None

Subtask 6.03. Funding Application

- Funding applications, as requested

SRWA Involvement:

- SRWA and City staff support may include any of the following: reports/studies; data regarding existing conditions/limitations/violations—pending/past/current; environmental documents; financial statements; assisting with budget development; staff bios; information concerning previous experience with managing grant funds; and Board and/or City Council resolutions authorizing the funding application
- SRWA to review draft applications and supporting materials

Deliverables:

- Grant applications (as requested)

Assumptions:

- Preparation of one grant funding application
- Detailed budget for each grant application will be developed and authorized by the GM when the grant solicitation is available

Subconsultants:

- Sylvir Consulting

Subtask 6.05. Grant Administration Support: WaterSMART Ceres Pipeline

- Coordination with USBR re: Funding Agreement and semi-annual and final reports and reimbursement claims
- Prepare and submit semi-annual and final reports

- Prepare and submit reimbursement claims

SRWA Involvement:

- SRWA staff to review and approve reimbursement claims and project status reports

Deliverables:

- Semi-annual project status reports
- Reimbursement claims
- Final project report

Assumptions:

- Six semi-annual reports are required
- Two (2) reimbursement claims submitted

Subconsultants:

- None

Subtask 6.06. Grant Administration Support: WaterSMART WTP/Turlock Pipeline

- Coordination with USBR re: Funding Agreement and semi-annual and final reports and reimbursement claims
- Prepare and submit semi-annual and final reports
- Prepare and submit reimbursement claims

SRWA Involvement:

- SRWA staff to review and approve reimbursement claims and project status reports

Deliverables:

- Semi-annual project status reports
- Reimbursement claims
- Final project report

Assumptions:

- Five semi-annual reports are required
- Two (2) reimbursement claims submitted
- Funding Agreement is signed by September 2020

Subconsultants:

- None

Subtask 6.07. Grant Administration Support: IRWM

- Coordination with DWR regarding Funding Agreement and quarterly and final reports and reimbursement claims
- Prepare Project 2's (SRWA Water Treatment Plant Elements) project specific invoicing documentation; submit to IRWM Grant Administrator
- Assist IRWM Grant Administrator with preparing and submitting the Region's quarterly DWR Invoice Packet. This work includes preparing Project 1's (Grant Administration) invoicing documentation and other relevant supporting documentation required in the DWR IRWM agreement. The DWR Invoice Packet will include costs and reporting for both Project 1 (Grant Administration) and Project 2 (SRWA Water Treatment Plant Elements).
- Prepare and submit the following reports written to meet the requirements in Exhibit F of the grant agreement:
 - Quarterly Progress Reports: The first report is due four months after execution of the agreement and then quarterly while the project is active. Budget assume 30 active months and 10 reports
 - Project Completion Reports for Project 1 (Grant Administration) and Project 2 (SRWA Water Treatment Plant Elements): Reports due 90 days after project completion. Draft Report prepared for DWR Project Manager's review. Final Report prepared based on DWR's comments
 - Grant Completion Report: Report due 90 days after submitting the Final Project Completion Report. Draft Report prepared for DWR Project Manager's review. Final Report prepare based on DWR's comments

SRWA Involvement:

- SRWA staff to review and approve submittal of reimbursement claims and project status reports

Deliverables:

- Two reimbursement claims for SRWA project
- Quarterly grant project progress reports
- Project Completion Reports for Project 1 and Project 2, Draft and Final
- Grant Completion Reports, Draft and Final

Assumptions:

- Ten quarterly project status reports are required

- Funding Agreement is signed by September 2020, project completed in June 2023
- SRWA will complete Post-Performance Reports (or contract with West Yost to complete these reports in a separate contract)
- All reports will be submitted to the DWR Project Manager using the DWR “Grant Review and Tracking System” (GRanTS)

Subconsultants:

- None

TASK 7. WATER QUALITY AND INTAKE FACILITIES

Subtask 7.03. Water Quality Sampling and Analysis

- Continuation of raw water quality monitoring program, as required for regulatory permitting through DDW:
 - Semi-annual River sampling
 - Monthly parallel River and infiltration gallery / wet well sampling
- Coordination between Owners (TID and SRWA), Jacobs, sampling crews (Fishbio) and analytical laboratory (Eurofins)
- Maintenance of master raw water quality database
- Preparation of annual TMs summarizing raw water quality data and anticipated impacts to WTP design, startup and operation
- Preparation of TM for DDW to request reduction in *Giardia* and virus treatment requirements through the WTP, if requested by SRWA and if supported by parallel raw water sampling coliform data

SRWA Involvement:

- Review of annual water quality summary TMs and TM for DDW
- As-needed coordination assistance with TID, Jacobs and sampling crews

Deliverables:

- Annual TM’s summarizing raw water quality data and anticipated impacts to WTP design, startup and operation
- Raw water quality database, in Excel spreadsheet format
- TM to DDW regarding coliform related log reduction petition

Assumptions:

- Semi-annual sampling will continue, as originally envisioned, through the start of construction of the WTP (anticipated to occur in Q2 2021)

- Parallel raw water sampling will have a total duration of 24 months, including sampling events conducted to date (through June 2020)
- Parallel raw water sampling will remain on a monthly schedule. If sampling frequency is increased to bi-weekly to accelerate collection of data required by DDW related to potential relaxation of log removal requirements related to coliforms, a fee adjustment will be required.
- Any discussions with DDW warranted as a result of ongoing coliform monitoring will be conducted electronically (email) or incorporated into planned meetings with DDW described under Subtask 5.01

Subconsultants:

- Trussell Technologies
- Fishbio
- Eurofins Eaton Analytical Laboratory (Eurofins)

TASK 8. TECHNICAL SUPPORT AND REVIEW OF TID'S WATER RIGHT MODIFICATIONS

Subtask 8.02. Engineering Support for Water Right Permit Hearing (as needed)

- No budget is included for this task. Should the water right petition go to hearing a scope and budget will be developed (for GM approval) to provide technical support to TID

TASK 9. PIPELINE PREDESIGN AND RIGHT-OF-WAY ACQUISITION

Subtask 9.02: ROW Acquisition-Related to Ceres Finished Water Transmission Main

- ARWS support related to Geer Ranch Property subordination

SRWA Involvement:

- GM will maintain direct contact with ARWS to support including a subordination clause as part of the Geer Ranch Property easement

Deliverables:

- Easement agreement

Assumptions:

- Resolved in early FY 20/21
- Will not require legal/court action

Subconsultants:

- ARWS

Subtask 9.03: ROW Acquisition – Related to Turlock Finished Water Transmission Main (ARWS)

- ARWS and minimal West Yost support related to easement transfer to SRWA for Terminal Tank property

SRWA Involvement:

- City of Turlock will purchase the Terminal Tank property and request support, as needed, from ARWS

Deliverables:

- Easement agreement

Assumptions:

- Easement transfer will take place in 2020
- Will not require legal/court action

Subconsultants:

- ARWS

TASK 10.03A HYDRAULIC SYSTEM MODELING FOR DBP MONITORING PLAN - CERES

- As-needed distribution system hydraulic modeling in support of identifying monitoring location revisions for Lead and Copper Rule and/or Stage 2 Disinfectants and Disinfection Byproducts Rule

SRWA Involvement:

- Cities will provide water models and additional supporting information needed to complete modeling effort

Deliverables:

- TBD

Assumptions:

- Activity will be completed on an as-needed basis as requested by one or both of the Cities, and as accommodated by the task

Subconsultants:

- None

TASK 11. TREATMENT PROCESS

- NOT NEEDED in PHASE 3

TASK 12. PROJECT PROCUREMENT

- NOT NEEDED in PHASE 3

TASK 13. DISCUSSIONS WITH POTENTIAL WATER CONTRACTORS/PROJECT PARTNERS

- Cost projections and technical support to further discussions with potential water contractors
- May contract with Municipal Financial Services (MFS), as needed, to run some simple financial scenarios

SRWA Involvement:

- GM to interact with potential water contractors

Deliverables:

- TBD based on needs of water agency (likely to include cost information based on desired WTP capacities)

Assumptions:

- Up to 40 hours of technical assistance
- \$5,500 of support from MFS

Subconsultants:

- MFS

TASK 14. MASTER PROJECT SCHEDULE MAINTENANCE

- Update master high-level project schedule
- Schedule summary updates

SRWA Involvement:

- Review project schedule summary tables

Deliverables:

- Schedule summary tables
- High-level master project schedule

Assumptions:

- Detailed design-build schedule to be maintained by Jacobs

Subconsultants:

- None

TASK 15. BUDGETING AND PARTNER ALLOCATIONS

Subtask 15.01. Fiscal Year Budgeting, Tracking and Annual Reconciliation

- Assist SRWA finance director with fiscal year budgeting, tracking expenditures against budget, budget adjustments, and annual reconciliation of expenditures vs. revenues.
- Advise on allocation of costs between project partners

SRWA Involvement:

- Finance director maintain financial accounts and requests support from West Yost as needed

Deliverables:

- Annually updated 10-year cash flow projection
- Updates to project partner cost allocation percentages, as needed

Assumptions:

- 10-year cash flow projection updated annually (3 total)
- Project partner cost allocations updated twice (once during construction and once in advance of operations)
- Cost reconciliations prepared annually (3 total) with finance director
- 48 hours of miscellaneous budget support

Subconsultants:

- None

Subtask 15.03. O&M Cost Estimates

- As-needed updates to O&M costs based on design information, acceptance test results, O&M staff hiring, and input from WTP Operations Manager

SRWA Involvement:

- Review and comment on updated cost information, particularly related to staffing

Deliverables:

- As-needed updates to Excel-based O&M cost estimate spreadsheets

Assumptions:

- Up to 60 hours of total West Yost staff time are assumed for development of updated cost information and related summary documentation
- Jacobs will supply necessary input data for chemicals (type, unit cost and consumption) and power (demand, utilization and time-based usage pattern information)
- SRWA will supply necessary input data for SRWA staffing (titles, base and total compensation, and shift details)

Subconsultants:

- Trussell Technologies
- Ryan Water Consulting

TASK 16. PROJECT DEFINITION

- NOT NEEDED in PHASE 3

TASK 17. SCOPE FOR NEXT PHASE

Subtask 17.01 Next Phase Planning

- Planning for operational and technical support following acceptance testing
- May involve discussions and contract development with Jacobs for providing technical/trouble-shooting and O&M support for designated period of time

SRWA Involvement:

- GM involvement in identifying support needs for early operation of WTP
- Review proposal for Jacobs' O&M support, as needed

Deliverables:

- Draft and final Phase 4 scope

Assumptions:

- 40 hours of support (in addition to next phase scope development) to develop contract amendment with Jacobs to provide additional O&M support

Subconsultants:

- None

Subtask 17.02. O&M Staffing Plan and Implementation

- Review staffing plan and hiring schedule prepared by GM
- Assist GM in the preparation of job descriptions, assist GM with performing outreach to potential candidates, review resumes and recommend shortlist, and participate in interviews for the first two hires
- For first two hires, provide project background information and get them up-to-speed and integrated with the project team, including Jacobs

SRWA Involvement:

- GM prepare draft staffing plan and hiring schedule
- GM prepare draft job descriptions and lead outreach to potential candidates
- Attend interviews with Operations and Maintenance staff candidates

Deliverables:

- Comments on staffing plan
- Input/comments on job descriptions drafted by GM
- Suggested interview questions
- Summary of interview results and recommendations

Assumptions:

- Participate in interviews for first two hires

Subconsultants:

- Ryan Water Consulting

TASK 18. PRELIMINARY FINANCIAL EVALUATION OF IMPACT TO EXISTING RATES

- NOT NEEDED in PHASE 3

TASK 19. PUBLIC OUTREACH

Subtask 19.01 Public Outreach – Public Outreach Plan Implementation/Construction Outreach

- Continued implementation of Public Outreach Plan (3-year duration)
- Develop and maintain Public Outreach Activities schedule
- Update Public Outreach Plan to reflect construction activities
- Monthly reports on outreach activities
- Meetings with Circlepoint, GM and/or TAC related to outreach efforts

- Development and deployment of construction email blasts
- Development and updates to email blast distribution list comprised of local agencies, stakeholder organizations
- Support Ceres' and Turlock's efforts to reach out to constituents with project information as needed
- Updated general and financial fact sheet (copy and design are to be updated)
- Development of draft and final press releases related to the project
- Development of monthly website copy (draft and final)
- Development of procedure for responding to stakeholder complaints related to construction activities
- Development of complaint/response log
- Monthly website update copy development
- Monthly email blasts developed (includes draft and final copy, and email distribution)
- Development and maintenance of an info line during construction
- Monthly website update copy development

SRWA Involvement:

- Review content of email blasts
- Review Public Outreach Plan and Public Outreach Activities schedule updates
- Participate in Quarterly Conference calls
- Coordinate/update website with monthly updates

Deliverables:

- Monthly project status updates for website
- Updated website content
- Press releases
- Public Outreach Plan and Public Outreach Activities schedule for design and construction
- E-mail content
- Complaint/response log

Assumptions:

- Public Outreach Activities schedule will be updated monthly
- Public Outreach Plan will be updated annually
- One conference call per Quarter with WYA, GM and Circlepoint

- Press releases will be developed on an as-needed basis (assumption is no more than four per year during construction)
- City support assumes quarterly message development specific to each jurisdiction, email and social media content creation
- Construction related email blasts will be sent no more frequently than monthly
- No more than two rounds of review for all copy development

Subconsultants:

- Circlepoint

Subtask 19.02 Public Outreach – Maintain Stakeholder List

- Update the existing draft stakeholder list

SRWA Involvement:

- Comment on stakeholder list

Deliverables:

- Stakeholder database

Assumptions:

- Database will contain no more than 7,500 entries

Subconsultants:

- Circlepoint

Subtask 19.03 Public Outreach – Event Planning and Management

- Planning and execution of one event (e.g., ribbon cutting ceremony)
- Develop detailed event plan with a timeline and delineated responsibilities for each task
- Manage vendor coordination
- Pre-event site visits
- Draft and design final invitation copy and design
- Draft and design final event program
- Draft and final talking points for speakers
- Draft and final display board layouts
- Identify and obtain commemorative event gifts

- Event attendance and onsite logistics coordination
- Coordinate event refreshments
- Coordinate event set up and tear down
- Manage event rental equipment, including tents, tables, chairs, linens, audio equipment
- Coordinate event parking
- Create up to eight (8) display boards
- Prepare and place event signage

SRWA Involvement:

- Participate in event planning and participate in event
- Gm will identify 6 potential speakers
- Help select commemorative event gift and identify gift recipients

Deliverables:

- Detailed event plan
- Draft and design final invitation copy and design
- Draft and design final event program
- Draft and final talking points for speakers
- Event signage
- Up to eight (8) display boards

Assumptions:

- One event (such as a ribbon-cutting ceremony); it is assumed that a groundbreaking ceremony will not be possible due to COVID-19 and the related restrictions on large gatherings
- Two rounds of review/edits to event plan
- Two rounds of review/edits to invitation
- Up to two pre-event site visits
- Planning meetings will be one hour in length and will be weekly teleconferences for two months
- Two rounds of review/edits to event program
- Two rounds of review/edits to talking points
- Food and beverage service will be “light” refreshments (water, coffee, pastries/cookies type refreshments)

- Commemorative event gifts not to exceed \$25 a piece
- Up to 20 commemorative event gifts will be procured
- Event invitations will be delivered via email

Subconsultants:

- Circlepoint

Subtask 19.04 Public Outreach – Social Media Management

- Regular social media content to engage with public that rely on social media for the latest news about community activities
- SRWA-specific profiles on Facebook, Instagram, Twitter and YouTube
- Graphic and text content for uploading to Facebook, Instagram, Twitter (content can also be shared with both Turlock and Ceres for their social media feeds)
- Video content for uploading to YouTube
- Develop and maintain a social media editorial calendar for content and graphics used in SRWA social media feeds

SRWA Involvement:

- Review social media content
- Monitor social media channels and respond to comments

Deliverables:

- Editorial calendar of content for Facebook, Twitter, Instagram, You Tube
- Regular posts on social media feeds (weekly for Facebook, Twitter, Instagram, once a month for YouTube)
- Development of graphics for social media (one graphic per month will be developed)

Assumptions:

- Monthly social media posts until construction begins (assumes construction begins March 2021 and continues through May 2023)
- Up to 4 social media posts created per month during construction (assumes construction begins March 2021)
- Posts developed will be shared across platforms (Twitter, Facebook, Instagram)
- Jacobs will provide video content for You Tube
- Original graphics (.png/.jpg format) related to content will be developed 12 times per year (i.e., monthly) and will be shared across all social media platforms

Subconsultants:

- Circlepoint

Subtask 19.05 Website Redevelopment and Maintenance (Optional)

- Develop and implement a new Project website
- Meet with SRWA to identify the needs and requirements for the site
- Develop a sitemap (a detailed outline) and wireframe (a skeletal map of the homepage)
- Designing at least two initial homepage design concepts
- Develop, identify, and optimize the remaining copy, content and an asset library for the site
- Work with the current vendor that manages/owns the website to obtain the current site content via FTP transfer, or Website development can be implemented through a phased approach, if needed
- Make recommendations on website maintenance and management (i.e., perform back-end technical maintenance as well as content as-needed)
- Provide a beta site for testing, troubleshooting, and optimizing functionality under all browser and bandwidth conditions and allow time for SRWA GM/TAC to “test drive” and provide feedback
- Provide recommendations on Search Engine Optimization, Meta Tags, Social Media tools, and e-mail promotions to increase viewership both internally and externally
- Provide monthly content updates to the project website
- Provide an ongoing website monitoring service and coordinate with SRWA to enable a prompt and accurate response to all public inquiries and feedback

SRWA Involvement:

- Collaborate with West Yost and Circlepoint to establish updated website
- Review website sitemap and wireframe
- “Test drive” beta site and provide feedback

Deliverables:

- Draft and final wireframe and sitemap
- Draft and final versions of Website design and theme
- Website hosting
- Domain name renewal prior to expiration
- Regular website maintenance

- Updates to website content and new content
- Webmaster services

Assumptions:

- Site will contain no more than six pages.
- The website will be an entirely new site and include a new website platform (WordPress)
- Website design and approval includes no more than two rounds of revisions
- The cost estimate includes vendor fees, such as hosting and domain name purchase and maintenance costs
- The period of maintenance is assumed to continue from the start of public access to the new website to completion of construction and beginning of operations and updates and/or maintenance will be performed on a bi-weekly basis for no more than 30 months

Subconsultant:

- Circlepoint

TASK 20. TECHNICAL SERVICES AND ENGINEERING CONTINGENCY

Subtask 20.01. Engineering Contingency

- 5% contingency

Subtask 20.02. Technical Services for City of Turlock

- Provide on-call technical support to the City of Turlock related to the SRWA project, as requested by City of Turlock staff

SRWA Involvement:

- Provide direction to West Yost to complete work under this task

Deliverables:

- TBD

Assumptions:

- \$10,000 per year of as-needed services

Subconsultants:

- None

Subtask 20.03. Technical Services for City of Ceres

- Provide on-call technical support to the City of Ceres related to the SRWA project, as requested by City of Ceres staff

SRWA Involvement:

- Provide direction to West Yost to complete work under this task

Deliverables:

- TBD

Assumptions:

- \$10,000 per year of as-needed services

Subconsultants:

- None

Subtask 20.04. Technical Services for Turlock Irrigation District

- Provide on-call technical support to TID related to the SRWA project, as requested by TID staff

SRWA Involvement:

- Provide direction to West Yost to complete work under this task

Deliverables:

- TBD

Assumptions:

- \$5,000 per year of as-needed services

Subconsultants:

- None

TASK 21. DESIGN BUILD REVIEW AND CONTRACT OVERSIGHT

Subtask 21.01 Design Build Project Management and DB Contractor Coordination

- Regular communication and coordination with Jacobs
- Regular check-in meetings with GM and Jacobs
- Attendance at two Partnering sessions

- Review monthly progress reports
- Review proposed changes to key personnel and subcontractors and provide recommendation to GM

SRWA Involvement:

- Weekly calls with GM, West Yost, and Jacobs
- Host partnering sessions

Deliverables:

- Comments on Jacobs' monthly reports
- Documenting changes to key personnel and subs via Contract Administrative Memorandum (via list of minor contract modifications list)
- Dick Shanahan review adequacy of insurance and bonds submitted by Jacobs

Assumptions:

- Weekly calls with Jacobs
- 2 hours per week of communication with Jacobs
- Two people from West Yost attending Partnering Sessions

Subconsultants:

- None

Subtask 21.02 Design Build Pre-Design Plan Reviews

- Review Basis of Design Report, including geotechnical reports
- Review baseline design and construction schedule
- Review schedule of values
- Review Project Management Plan
- Review the Review and Approval Matrix
- Review Communications Protocol
- Review Design-Build Quality Management Plan
- Review Emergency Response Plan

SRWA Involvement:

- Review West Yost comments on pre-design plans

Deliverables:

- Review comments based on requirements of Contract

Assumptions:

- One round of reviews required on pre-design plans

Subconsultants:

- Trussell Technologies
- Ryan Water Consulting
- A T.E.E.M.
- VE Solutions
- JDH Corrosion
- Crawford and Associates

Subtask 21.03 Design Build Design Review Conformance

- Coordinate review and discussion of near-term (i.e., prior to Jacobs' development of the Basis of Design Report) parallel river and infiltration gallery testing results as they relate to potential WTP process changes (e.g., clarification, pathogen removal, and residuals handling) and make recommendations to TAC on potential deviations from Contract requirements, if applicable
- Participation in bi-weekly design review meetings
- Review and provide comments on intermediate design deliverables:
- 30% design package(s)
- Interim submittal design package(s) (assumed to be equivalent of 60% complete design)
- 90% design package(s)
- Final design package(s)
- Design review checklists and response summaries to ensure consistency and review relative to contract requirements
- Participate in design review meetings with Jacobs and subsequent internal meetings with TAC to identify issues requiring discussion or resolution, and to discuss recommended comments
- Review any Jacobs-requested changes to Design and Construction Requirements and Secondary Technical Criteria and make recommendations to TAC on response
- Attend physical wet well hydraulic modeling demonstration

- Review baffle factor CFD model results review (if conducted) for ozone contactors, clearwell, pipeline contactor for onsite CT compliance, and/or finished water transmission mains
- Review of networking and control systems for compliance with AWWA-recommended cybersecurity controls
- Review of pump hydraulic testing plan and attend field demonstration test
- Review disinfection plan
- Review utility avoidance plan
- Confirm construction date conditions met and make recommendation to GM

SRWA Involvement:

- TAC review of near-term parallel river and infiltration gallery testing results as they relate to potential WTP process changes, and review of written recommendations developed by PM Team
- Review written responses developed by PM Team of Jacobs' intermediate design deliverables
- Participation in bi-weekly design review meetings and review of meeting notes and logs (as prepared by Jacobs)

Deliverables:

- Written recommendations (PowerPoint slides, email communication or brief TM) on potential changes, if applicable, to design-build contract requirements following review of near-term parallel river and infiltration gallery water quality results
- Compiled written PM Team comments on Jacobs' design deliverables. Comment documents will follow a consistent format centered on design-build contract compliance and conformance to final Basis of Design Report
- Written comments or memoranda documenting PM Team responses to:
 - Physical modeling demonstration results.
 - Proposed networking and controls system cybersecurity measures
 - CFD modeling for baffle factors
 - Pump hydraulic testing plan and field demonstration test
 - Disinfection plan
 - Utility avoidance plan
 - Status of construction date conditions

Assumptions:

- A total of 26 bi-weekly design review meetings will be conducted. West Yost staff will attend all but two meetings remotely, and two meetings in person. Meeting notes, decision logs and action item logs will be maintained by Jacobs
- Review of design deliverable packages will focus on design-build contract compliance and conformance to the final Basis of Design Report. Reviews of Jacobs' detailed calculations for code compliance will not be provide
- A single in-person design review workshop will be conducted by Jacobs and attended by West Yost staff and key subconsultants. Additional design review meetings will be attended remotely by West Yost and key subconsultants
- A third-party hired by Jacobs will review for building code compliance
- Wet well physical modeling demonstration will occur over two (2) days
- Field demonstration tests for pump hydraulic testing will occur over two (2) days

Subconsultants:

- Trussell Technologies
- Ryan Water Consulting
- A T.E.E.M.
- VE Solutions
- JDH Corrosion
- Crawford and Associates

Subtask 21.04 Key Equipment Submittal and RFI Review

- Review Jacobs' submittal and shop drawing lists and identify key submittals for SRWA review
- Anticipated key submittal reviews include:
 - Concrete mix designs
 - Structural metals
 - Yard piping
 - Transmission main piping
 - Cathodic protection system equipment
 - Architectural materials / equipment / finishes
 - Laboratory equipment
 - Non-SCADA IT equipment
 - Landscaping

- Flocculation mixers
- Inclined plates
- Filter underdrain system
- Sludge removal equipment (sedimentation and backwash EQ basins)
- Vertical turbine pumps
- Submersible pumps
- Compressed air system at Raw Water Pump Station
- Ozone system equipment
- Control valves
- Chemical storage equipment
- Chemical metering equipment
- MCCs
- PLCs and HMIs
- Instrumentation
- Control strategies
- Security system equipment
- Standby generators
- O&M manuals
- CMMS
- RFI review associated with key submittals or contract provision/compliance issue

SRWA Involvement:

- As-needed consultation and review related to resolution of contract provision/compliance issues identified in submittal or RFI reviews

Deliverables:

- Compiled written PM Team comments on key submittals identified above. Comment documents will follow a consistent format centered on design-build contract compliance and conformance to final Basis of Design Report
- Compiled written PM Team comments on RFIs related to key submittals identified above and or contract provision/compliance issues

Assumptions:

- Reviews of submittals and RFIs will primarily focus on design-build contract compliance and conformance to the final Basis of Design Report, rather than

compliance with detailed technical specifications developed by Jacobs. Accordingly, detailed reviews of calculations, dimensions, material specifications, etc. contained in equipment and material supplier submittals will not ordinarily be conducted, except as spot checks conducted at the discretion of the reviewer

- SRWA O&M staff to prepare Standard Operating Procedures and Operations Plan

Subconsultants:

- Trussell Technologies
- Ryan Water Consulting
- A T.E.E.M.
- VE Solutions
- JDH Corrosion
- Crawford and Associates

Subtask 21.05 Design/Construction Coordination

- Participation in monthly construction meetings conducted by Jacobs
- Coordination with design and construction staff regarding design modifications due to construction issues
- Technical assistance related to change orders, if any
- Review and approval of raw material price adjustments
- Tracking of use of cost allowances and unit price items
- Review of Storm Drain Pond Management Plan
- Review of CMMS implementation plan and coordination of rollout
- Coordination with County regarding pre- and post-construction Pavement Condition Index (PCI) and associated road restoration
- Coordination with County regarding County-funded road widening and grind/overlay

SRWA Involvement:

- Review written responses developed by PM Team
- TAC participation in construction progress meetings and review of meeting notes and logs (as prepared by Jacobs)

Deliverables:

- Compiled written PM Team comments and/or summaries on:
- Raw material price adjustments
- Jacobs' use of cost allowances and unit price items

- Storm Drain Pond Management Plan
- CMMS implementation plan
- Change order requests

Assumptions:

- Construction progress meetings are assumed to occur on the same days as standing TAC meetings. Lindsay Smith will participate in up to 24 construction progress meetings in person (prior to or following TAC meetings). Andy Smith (or a designee) will participate in up to 12 construction progress meetings in person. Meeting notes, decision logs and action item logs will be maintained by Jacobs
- A total of 24 hours of PM Team staff time are assumed for review and coordination of Jacobs' CMMS plan and rollout
- A total of 32 hours of PM Team staff time are assumed for review and coordination of pre- and post-construction PCI determinations and associated road restoration requirements
- A total of 32 hours of PM Team staff time are assumed for review and coordination of County-funded road widening and grind/overlay requirements

Subconsultants:

- Trussell Technologies
- Ryan Water Consulting
- A T.E.E.M.
- VE Solutions
- Crawford and Associates

Subtask 21.06 Acceptance Plan, Testing and Closeout

- Pre-Acceptance Test Plan review
- Acceptance Test Plan review
- Review Training Plan
- Pre-AT meeting attendance
- Participation in process and controls systems operations training conducted by Jacobs
- Review of documentation provided to substantiate GMED and GMEU compliance, including the Electricity Demand and Utilization Report and factory test data for high electricity demand equipment
- Chemical consumption data reviews
- Acceptance Test coordination, daily meetings, and daily reporting
- Acceptance Test report review

West Yost Phase 3 Proposed Services DB Contract Execution through Acceptance Testing



- Record drawings review for contract compliance
- Punchlist development and tracking

SRWA Involvement:

- TAC participation in daily Acceptance Test meetings
- TAC review of daily Jacobs and PM Team Acceptance Test summaries

Deliverables:

- Compiled written PM Team comments on Pre-Acceptance Test Plan, Acceptance Test Plan, and Training Plan. Comment documents will follow a consistent format centered on design-build contract compliance
- Written comments summarizing results of PM Team reviews of electricity and chemical consumption data reviews described above
- Written, high-level summaries of daily Acceptance Test results indicating daily parameters, performance, and any issues of concern and/or requiring TAC review and concurrence
- Compiled written PM Team comments on Acceptance Test report
- As-needed written markups and/or comments on record drawings prepared by Jacobs

Assumptions:

- Overview process and controls system operation training will be conducted over two (2) days on site at the WTP
- Acceptance Test will occur over a total duration of 24 days, allowing for up to 4 days of “pauses” or “re-do’s” beyond the mandated test duration of 20 days. If the test duration exceeds 24 days, additional fee will be required
- A PM Team representative will attend all daily Acceptance Test meetings with at least 12 meetings attended in person
- A total of 32 hours of PM Team engineering staff time are assumed for review of Jacobs’ record drawings
- A total of 12 hours of PM Team engineering staff time are assumed for punch list development and tracking

Subconsultants:

- Trussell Technologies
- Ryan Water Consulting
- A T.E.E.M.

Subtask 21.07. Local Facilities Coordination - Turlock

- POI design and construction coordination
- Oversee coordination between Company and City Contractor
- Pertinent design and construction progress meetings / reviews for local facilities

SRWA Involvement:

- Participation in as-needed meetings between Jacobs and City contractor(s)

Deliverables:

- As needed

Assumptions:

- A total of 60 hours of PM Team engineering staff time are assumed for this subtask

Subconsultants:

- None

Subtask 21.08. Local Facilities Coordination - Ceres

- POI design and construction coordination
- Oversee coordination between Company and City Contractor
- Pertinent design and construction progress meetings / reviews for local facilities

SRWA Involvement:

- Participation in as-needed meetings between Jacobs and City contractor(s)

Deliverables:

- As needed

Assumptions:

- A total of 60 hours of PM Team engineering staff time are assumed for this subtask

Subconsultants:

- None

Subtask 21.09. Coordination with TID Facilities (power and irrigation)

- Review and coordination of design and construction documents / activities affecting TID operations:

- RWPS
- Ceres Main Canal outlet structure
- Bridge at Ceres Main Canal and Aldrich
- Bridge at Quincy Rd.
- Crossing at Geer Rd. and Hatch Rd. near the Tuolumne substation
- Discharges to TID canals during disinfection and testing
- Participation in as-needed meetings with TID representatives to discuss the above documents or activities and identify coordination needs between Jacobs, SRWA and TID

SRWA Involvement:

- TAC representation at as-needed special meetings with TID

Deliverables:

- Written documentation (PowerPoint slides, email or brief memoranda) summarizing potential impacts to TID – including access, operations and maintenance – associated with Jacobs’ design and construction documents for the facilities described above, based on PM Team reviews of Jacobs deliverables

Assumptions:

- A total 96 hours of PM Team staff time, including A T.E.E.M., are assumed for the entirety of this subtask, including as-needed special meetings

Subconsultants:

- A T.E.E.M.

TASK 22. CONSTRUCTION MANAGEMENT OVERSIGHT

Subtask 22.01. Pre-Construction Coordination

- Participate in one partnering session
- Review design drawings to become familiar with particulars of construction activities and work packages
- Coordination with Company regarding SRWA trailer and furniture/equipment
- Confirm adequate construction signage, including the requirements of Appendix 13, is in place prior to the start of construction

SRWA Involvement:

- Participate in the initial Partnering session

Deliverables:

- Inspection reports documenting mobilization efforts and signage erection prior to start of construction

Assumptions:

- None

Subconsultants:

- None

Subtask 22.02. Safety Management

- Review Site Specific Health and Safety Plan
- Review Hazardous Materials Management Plan, including Emergency/Spill Response Plan
- Monitor safety management practices of Jacobs
- Review safety incident reports and provide input into the accuracy and completeness
- Conduct safety observations of Jacobs' general contractor and the subcontractors performing their work

SRWA Involvement:

- Respect the safety requirements with the use of PPEs when making any site visits or job walks during construction

Deliverables:

- Review comments to the Site-Specific Health & Safety Plan, Hazardous Materials Management Plan, and the Emergency/Spill Response Plan

Assumptions

- The General Contractor places a high importance on jobsite safety in the performance of the work including monitoring the safety practices of their subcontractors

Subconsultants:

- None

Subtask 22.03. Quality Management

- Review and comment on Jacobs' Quality Management Plan (QMP)
- Monitor Jacobs' adherence to their accepted QMP

- Monitor Jacobs furnished inventory of all required submittals and track receipt and approval of each submittal
- Confirm all “Make Corrections Noted” submittal comments are included in the fabrication of equipment and the construction means and methods utilized in the field work
- Confirm that the latest design submittals are being used by Jacobs’ inspectors monitoring the quality of work being constructed in the field
- Develop a summary of the frequency of quality control (QC) testing required by the approved contract specifications and confirm adherence by Jacobs to that level of testing
- Review every QC test report submitted by Jacobs to confirm that the correct testing was performed and to the correct frequency and location(s). Any failed results will be tabulated and tracked until corrective action is taken
- Confirm that all required special inspections to be performed by special inspectors hired by Jacobs are performed on the applicable work and for the correct level and frequency of inspection
- Confirm that Jacobs has created and maintained a deficiency list of work items that are discovered during the reviews of Jacobs’ QMP adherence, testing discrepancies, special inspection non-compliance findings, and factory testing deficiencies, etc.
- Confirm delivery of material and equipment is being properly inspected, accepted, stored, and maintained during storage and installation by Jacobs (confirm receipt of material and delivery inspection reports)
- Conduct weekly QC meetings with Jacobs to review work plans, deficiency list closeout, inspection reports obtained and forthcoming, and status of the QMP compliance
- Prepare and issue CM-RFIs to Jacobs when issues or design deficiencies or omissions appear to be present
- Create and maintain a rolling quality control deficiencies list of field items in need of correcting as the work progresses. Conduct bi-weekly meetings with Jacobs’ QC manager to confirm validity of items and status of resolution
- Conduct daily inspection observations and document progress with a daily report that includes a description of the work performed and photographs depicting
- Participate in field meetings with Jacobs and County to determine pre- and post-construction Pavement Condition Index (PCI) and associated road restoration, and document decisions made
- Confirm appropriate coordination with utilities, Cities, County and TID is taking place well in advance of associated construction activities
- Confirm Company pre- and post-construction photos are adequate to document before and after construction conditions. Confirm adequate construction photos are being

taken to document work progress. Ensure photos, including aerial photos, are meeting the requirements of Appendix 3

SRWA Involvement:

- Support the efforts to obtain timely participation with the external agencies
- Participate in county road discussions with Stanislaus County

Deliverables:

- Review comments to Jacobs' QMP
- Updated reports showing the status of all "MCN" submittals demonstrating compliance with the returned review comments
- Types and frequency of QC testing to be performed by Jacobs
- CM-RFIs written by the CM team regarding open design issues not presented by Jacobs in their approved design packages
- Creation and updates to the rolling deficiency log prepared by the Program CM team
- Correspondence with any external agency that relates to the coordination of construction activities

Assumptions:

- Quality of QMP, submittals, reporting, etc. transmitted by Jacobs are of sufficient content and quality to be accepted with no more than one (1) resubmittal.

Subconsultants:

- None

Subtask 22.04. Schedule Oversight

- Review and comment to Jacobs' Baseline construction schedule
- Review and comment to Jacobs' monthly updated construction schedule
- Analyze time extension requests made by Jacobs
- Prepare and issue weekly statements of contract time that summarize weather conditions and if a valid non-compensable time extension is warranted

SRWA Involvement:

- Support the schedule to address any submittals and RFIs requiring input from the Agency by responding timely and completely
- Support the schedule by furnishing SRWA staff members who will be assigned to operate and maintain the new facilities by the appropriate time shown in Jacobs' construction schedule

Deliverables:

- Review comments to Jacobs' Baseline Schedule
- Review comments to Jacobs' Monthly Schedule Updates
- Provide time extension analysis of any request made by Jacobs
- Provide weekly statements of contract time to Jacobs and SRWA

Assumptions:

- Quality of Baseline and Monthly Updates transmitted by Jacobs are of sufficient content and quality to be accepted with no more than one (1) resubmittal.

Subconsultants:

- None

Subtask 22.05. Cost Management

- Review and comment to Jacobs' Schedule of Values
- Review and negotiate the monthly payment application process with Jacobs and recommend approval to the Agency
- Conduct reviews of Jacobs' as-built record drawings as part of the payment application approval process
- Review change order claims, if any, to determine their legitimacy and evaluate the cost impact; make recommendation to TAC on how to proceed
- Verify quantities of material/work associated with any unit cost work (i.e., grind & overlay)
- Complete prevailing wage confirmations including staff interviews and reviewing certified payrolls

SRWA Involvement:

- Ensure prompt monthly payments are made to Jacobs once the payment application process has been approved by the CM team
- Provide written direction on any specific owner-initiated change order well in advance of the planned work in the field
- Provide copies of any Stop Notices received from any subcontractor or supplier under contract with Jacobs

Deliverables:

- Review comments to Jacobs' SOV
- Approval recommendations for the monthly payment applications made by Jacobs

- Provide monthly updates to the Potential Change Order/Exposure Log
- Provide monthly labor compliance interviews conducted with the field craft labor

Assumptions:

- The quantity of change order requests made by Jacobs will be less than 1% of the construction cost.
- Jacobs will confirm labor union benefit, training, apprenticeship requirements, etc. are being met

Subconsultants:

- None

Subtask 22.06. Environmental Management

- Confirm receipt, acceptance, and filing of the SWPPP with the State's SMARTS system
- Monitor the installation of the SWPPP BMPs during mobilization and throughout the duration of the project
- Confirm that all pre-event and post-event inspections are performed by Jacobs and that these reports are filed within the SWPPP jobsite files

SRWA Involvement:

- Make prompt payment to the State for filing of the project SWPPP into SMARTS

Deliverables:

- Documentation that SWPPP BMPs are installed prior to the start of construction and maintained throughout the duration of construction

Assumptions:

- Jacobs employs a QSP for the duration of the project and they have the proper authority to maintain the performance of the BMPs installed
- Horizon will take the lead in all environmental monitoring, confirmation that all environmental mitigation measures are in compliance and confirmation that all environmental surveys are complete

Subconsultants:

- None

Subtask 22.07. Communications and Coordination

- Participate in weekly or bi-weekly progress coordination meetings conducted by Jacobs to confirm that all parties are being kept informed as to the progress of the work and that items needing more attention and involvement by others are being addressed
- Prepare weekly progress reports describing the work performed, planned work ahead, and photos showing the progress of the work
- Prepare monthly reports that summarize the progress of work, schedule updates, schedule variances, cost reports, cash flow analysis, design/construction issues, and overall budget performance and CM budget performance
- Confirm that communication is taking place between Jacobs and property owners impacted by construction with enough prior notice as defined in the DB Contract
- Track resident inquiries and ensure proper communication and resolution by Jacobs. Keep TAC informed of all public inquires and determine when SRWA response/involvement is required

SRWA Involvement:

- Attendance and participation at Progress Meetings conducted by Jacobs (attendance at least once monthly)
- Read the weekly and monthly reports to stay informed as to the progress of the work and the potential issues that may arise during construction

Deliverables:

- Weekly and monthly reports
- Updates to the Public Outreach tracking log

Assumptions:

- That action items assigned in the Progress Meetings are actively pursued to be closed out by the responsible party

Subconsultants:

- Circlepoint (as part of Task 19)

Subtask 22.08. Startup and Commissioning

- Review and comment on Jacobs' Baseline Commissioning CPM Schedule
- Review and comments on Jacobs' Test Plan submittals
- Review and comment on Jacobs' Test Procedures submittals
- Monitor Jacobs' adherence to the Commissioning Schedule

- Monitor Jacobs' completion of the required testing of each device and piece of equipment
- Track Jacobs' performance of the O&M Manual submittals
- Track and coordinate scheduling and conducting of the equipment training sessions

SRWA Involvement:

- Support the schedule for conducting equipment and systems training of SRWA staff assigned to the facility when completed by providing the staff at the appropriate time frame

Deliverables:

- Review comments to the Commissioning Schedule, Test Plans, and Test Procedures, and tracking spreadsheet showing the status of the testing, startup, and training

Assumptions:

- That the quality of the Test Plans, Test Procedures, Training Outlines, and O&M manuals do not require more than one (1) resubmittal
- SRWA O&M staff to prepare Standard Operating Procedures and Operations Plan

Subconsultants:

- None

Subtask 22.09. Project Closeout

- Review Jacobs' request for Substantial Completion and assess the accuracy and completeness of their final Punchlist
- Monitor the closeout of the Punchlist and confirm Jacobs' inspectors are confirming the resolution of each line item
- Review Jacobs' as-built record drawings, O&M manuals, and the transmittal of all required special warranties, spare parts, or additional maintenance materials

SRWA Involvement:

- Participate in the approval process of granting Substantial Completion
- Make final payment and release of retention after filing Certificate of Completion with the County
- Make arrangements to accept and store any spare parts or additional maintenance materials required to be transmitted by Jacobs

Deliverables:

- Correspondence granting Substantial Completion and Final Acceptance

Assumptions:

- None

Subconsultants:

- None

Subtask 22.10. SRWA Quality Assurance Testing

- Hire, coordinate, and schedule quality assurance testing, as needed or desired by SRWA. Include up to 10% of initial testing and special inspections to verify the testing results provided by Jacobs. Testing services could include soil testing, concrete cylinders, weld testing, and special inspections

SRWA Involvement:

- Approval to expend budget to conduct QA materials testing to confirm accuracy of the materials testing conducted by Jacobs

Deliverables:

- Summary of test reports conducted by the CM team

Assumptions:

- \$27,500 worth of testing

Subconsultants:

- Kleinfelder (or TBD)

TRT	CIR	MFS	CAI	ATM	EUR	FIS	ARW	VES	JDH	SYL	PAT	KLF	Costs			
													Sub. w/ markup 10%	Other Direct	Total Costs	
														\$ 7,560	\$ 431,802	
															\$ 415,710	
															\$ 51,744	
														\$ 7,560	\$ 899,256	
															\$ 22,008	
															\$ 22,008	
\$ 84,507														\$ 92,958	\$ 3,285	\$ 314,584
\$ 84,507														\$ 92,958	\$ 3,285	\$ 314,584
										\$ 5,280				\$ 5,808	\$ 37,020	
														\$ 560	\$ 222,162	
										\$ 11,000				\$ 12,100	\$ 34,196	
															\$ 37,688	
															\$ 37,688	
															\$ 114,278	
										\$ 16,280				\$ 17,908	\$ 560	\$ 483,032
\$ 81,386					\$ 63,132	\$ 42,303								\$ 205,503		\$ 233,699
\$ 81,386					\$ 63,132	\$ 42,303								\$ 205,503		\$ 233,699

West Yost Associates	PVP \$312	EM/SM/GM II \$308 L. Smith	EM/SM/GM II \$308 Boissevain	ETM II \$307 Groves	ETM I \$304 Cox	PTS II \$292 Ohrl	PE/PS/PG II \$284 Malone/Wright	PE/PS/PG II \$284 Ross/Young	PE/PS/PG I \$269 A. Smith	PE/PS/PG I \$269 Day	STS II \$268 Hesse	SE/SS/SG II \$252 Johnson/Kondo	AE/AS/AG II \$222 Sandelin	TS III \$209 Gruenbaum	AE/AS/AG I \$207 Greenwood	AE/AS/AG I \$207 Pavlic	ESG I \$167 Calms	ADM IV \$141 Colorado/Endean/T	ADM III \$129 WPI/Accounting	CM IV \$262 Harman	RL_G2 \$197 Hansen	CM II \$195 Rangel	PVP \$312	Labor	
																								Hours	Fee
Task 9 Pipeline Pre-design and Right-of-Way Acquisition																									
9.01 NOT USED																								0	
9.02 Finished Water Transmission Main															8									8	\$ 1,656
9.03 Finished Water Transmission Main															8									8	\$ 1,656
Subtotal, Task 9 (hours)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	16	0	0	0	0	0	0	0	0	16	
Subtotal, Task 9 (\$)															\$ 3,312										\$ 3,312
Task 10 Hydraulic System Modeling																									
10.01 NOT USED																								0	
10.02 NOT USED																								0	
10.03 Monitoring Plan - Ceres			40									70												110	\$ 29,960
Subtotal, Task 10 (hours)	0	0	40	0	0	0	0	0	0	0	0	70	0	0	0	0	0	0	0	0	0	0	110		
Subtotal, Task 10 (\$)			\$ 12,320									\$ 17,640													\$ 29,960
Task 11 NOT USED																									
11.01 NOT USED																								0	
Subtotal, Task 11 (hours)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Subtotal, Task 11 (\$)																									
Task 12 NOT USED																									
12.01 NOT USED																								0	
Subtotal, Task 12 (hours)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Subtotal, Task 12 (\$)																									
Task 13 Discussions with Potential Water Contractors/Project Partners																									
13.01 Contractors/Project Partners		10							20			10												40	\$ 10,980
Subtotal, Task 13 (hours)	0	10	0	0	0	0	0	0	20	0	0	10	0	0	0	0	0	0	0	0	0	0	40		
Subtotal, Task 13 (\$)		\$ 3,080							\$ 5,380			\$ 2,520													\$ 10,980
Task 14 Master Project Schedule																									
14.01 Master Project Schedule Maintenance										56													128	\$ 29,968	
Subtotal, Task 14 (hours)	0	0	0	0	0	0	0	0	0	56	0	0	0	0	0	0	0	0	0	0	0	0	128		
Subtotal, Task 14 (\$)										\$ 15,064															\$ 29,968
Task 15 Budgeting and Partner Allocations																									
15.01 Annual Reconciliation		98					120				174						24						416	\$ 116,038	
15.02 NOT USED																							0		
15.03 O&M Cost Estimates		4							24				32										60	\$ 14,792	
Subtotal, Task 15 (hours)	0	102	0	0	0	0	120	0	24	174	0	0	32	0	0	24	0	0	0	0	0	0	476		
Subtotal, Task 15 (\$)		\$ 31,416					\$ 34,080		\$ 6,456	\$ 46,806			\$ 7,104			\$ 4,968								\$ 130,830	
Task 16 NOT USED																									
16.01 NOT USED																							0		
Subtotal, Task 16 (hours)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Subtotal, Task 16 (\$)																									
Task 17 Scope for Next Phase																									
17.01 Next Phase Planning		80							20	20													120	\$ 35,400	
17.02 O&M Staffing Plan and Implementation		72																					72	\$ 22,176	
Subtotal, Task 17 (hours)	0	152	0	0	0	0	0	0	20	20	0	0	0	0	0	0	0	0	0	0	0	0	192		
Subtotal, Task 17 (\$)		\$ 46,816							\$ 5,380	\$ 5,380															\$ 57,576
Task 18 NOT USED																									
18.01 NOT USED																							0		
Subtotal, Task 18 (hours)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Subtotal, Task 18 (\$)																									

TRT	CIR	MFS	CAI	ATM	EUR	FIS	ARW	VES	JDH	SYL	PAT	KLF	Costs		
													Sub. w/ markup 10%	Other Direct	Total Costs
							\$ 4,000						\$ 4,400		\$ 6,056
							\$ 5,860						\$ 6,446		\$ 8,102
							\$ 9,860						\$ 10,846		\$ 14,158
															\$ 29,960
															\$ 29,960
		\$ 5,000											\$ 5,500		\$ 16,480
		\$ 5,000											\$ 5,500		\$ 16,480
															\$ 29,968
															\$ 29,968
															\$ 116,038
\$ 11,720											\$ 1,160		\$ 14,168		\$ 28,980
\$ 11,720											\$ 1,160		\$ 14,168		\$ 144,998
											\$ 10,122		\$ 11,134	\$ 252	\$ 33,562
											\$ 10,122		\$ 11,134	\$ 252	\$ 68,962

TRT	CIR	MFS	CAI	ATM	EUR	FIS	ARW	VES	JDH	SYL	PAT	KLF	Costs		
													Sub w/markup 10%	Other Direct	Total Costs
	\$ 105,265												\$ 115,792		\$ 158,084
	\$ 3,470												\$ 3,817		\$ 7,808
	\$ 62,275												\$ 68,503	\$ 696	\$ 88,409
	\$ 25,460												\$ 28,006		\$ 38,922
	\$ 50,250												\$ 55,275		\$ 61,887
	\$ 246,720												\$ 271,392	\$ 696	\$ 355,109
														\$ 349,602	\$ 349,602
															\$ 30,063
															\$ 30,063
															\$ 15,042
														\$ 349,602	\$ 424,770
														\$ 2,320	\$ 237,096
\$ 38,030			\$ 14,313	\$ 4,680				\$ 5,850	\$ 5,600		\$ 9,048		\$ 85,273		\$ 183,641
\$ 91,749			\$ 9,776	\$ 15,470				\$ 15,600	\$ 13,500		\$ 9,233		\$ 170,860	\$ 3,000	\$ 488,184
\$ 25,914			\$ 4,368	\$ 15,132				\$ 12,480	\$ 13,230		\$ 14,703		\$ 94,410		\$ 290,502
\$ 37,235			\$ 11,830	\$ 14,898				\$ 6,240			\$ 7,540		\$ 85,517	\$ 1,700	\$ 279,770
\$ 40,599				\$ 4,290							\$ 8,265		\$ 58,469	\$ 3,000	\$ 202,491
															\$ 16,732
															\$ 16,732
				\$ 4,640									\$ 5,104	\$ 350	\$ 19,198
\$ 233,527			\$ 40,287	\$ 59,110				\$ 40,170	\$ 32,330		\$ 48,789		\$ 499,634	\$ 10,370	\$ 1,734,347
														\$ 1,360	\$ 38,802
														\$ 416	\$ 13,343
														\$ 47,648	\$ 1,367,860
														\$ 5,680	\$ 186,020
														\$ 4,592	\$ 142,030
														\$ 2,208	\$ 62,906
														\$ 16,096	\$ 495,920
														\$ 4,960	\$ 147,480
														\$ 3,056	\$ 83,700
													\$ 25,000	\$ 27,500	\$ 160
													\$ 25,000	\$ 27,500	\$ 86,176
													\$ 25,000	\$ 27,500	\$ 86,176
\$ 411,140	\$ 246,720	\$ 5,000	\$ 40,287	\$ 59,110	\$ 63,132	\$ 42,303	\$ 9,860	\$ 40,170	\$ 32,330	\$ 16,280	\$ 60,071	\$ 25,000	\$ 1,156,543	\$ 458,501	\$ 7,341,642