



SRWA
STANISLAUS REGIONAL
WATER AUTHORITY

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

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

Board Meeting Agenda

November 21, 2019 at 3:30 p.m.
2701 4th Street, Ceres, CA, Council Chambers

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

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

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. A. CALL TO ORDER

B. SALUTE TO THE FLAG

2. RECOGNITION, APPOINTMENTS, ANNOUNCEMENTS & PRESENTATIONS: None

3. A. SPECIAL BRIEFINGS: None

B. STAFF UPDATES

1. General Manager Update (*Granberg*)
2. Finance Director Report (*Lorenzi*)

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:* Approve minutes of Regular Meeting of October 17, 2019

6. **PUBLIC HEARINGS:** None

7. **SCHEDULED MATTERS**

- A. Approve amendment No. 7 to the Agreement between West Yost Associates and SRWA, extending the agreement term and authorize continued Phase 2 Program Management Services from December 31, 2019 through June 30, 2020 (*Granberg*)

Recommended Action:

Motion: Approving amendment No. 7 to the Agreement between West Yost Associates and SRWA, extending the agreement term and authorizing continued Phase 2 Program Management Services from December 31, 2019 through June 30, 2020

- B. Approve a \$24,401 increase to the Wet Well Design contract with West Yost Associates (West Yost) and a corresponding decrease to the Program Management Services contract with West Yost for engineering services provided during the construction of the Wet Well project, and approve a \$23,580 increase to the Wet Well Design contract with West Yost for engineering services provided during the construction of the Wet Well project to be funded via contributions from SRWA participating agencies based on previously approved cost sharing agreements, and authorize a \$47,981 budget increase to account number 950-53-552.51800_001 "Wet Well Design" and a budget decrease of \$24,401 to account number 950-53-552.43060_012 "Program Management Services" to properly account for the contract changes related to the SRWA's Program Management and Wet Well Design contracts with West Yost Associates. The net increase of \$23,580 will be funded via contributions from SRWA participating agencies based on previously approved cost sharing agreements. (*Lorenzi*)

Recommended Action:

Motion: Approving a \$24,401 increase to the Wet Well Design contract with West Yost Associates (West Yost) and a corresponding decrease to the Program Management Services contract with West Yost for engineering services provided during the construction of the Wet Well project

Motion: Approving a \$23,580 increase to the Wet Well Design contract with West Yost for engineering services provided during the construction of the Wet Well project to be funded via contributions from SRWA participating agencies based on previously approved cost sharing agreements

Resolution: Authorizing a \$47,981 budget increase to account number 950-53-552.51800_001 "Wet Well Design" and a budget decrease of \$24,401 to account number 950-53-552.43060_012 "Program Management Services" to properly

account for the contract changes related to the SRWA's Program management and Wet Well Design contracts with West Yost Associates. The net increase of \$23,580 will be funded via contributions from SRWA participating agencies based on previously approved cost sharing agreements.

- C. Adopt a resolution authorizing the submittal of a proposal to the California Department of Water Resources to obtain a Riverine Stewardship Program San Joaquin Fish Population Enhancement Grant, and authorize the General Manager to enter into an agreement to receive the grant on behalf of the SRWA (*Granberg*)

Recommended Action:

Resolution: Adopting a resolution authorizing the submittal of a proposal to the California Department of Water Resources to obtain a Riverine Stewardship Program San Joaquin Fish Population Enhancement Grant, and authorizing the General Manager to enter into an agreement to receive the grant on behalf of the SRWA

- D. Approve the Regional Surface Water Supply Phase 3 Project Design and Construction Funding Agreement in substantially the form as presented at this meeting and authorize and direct the General Manager to finalize, approve, and sign the agreement and to take action to implement the approved agreement (*Granberg*)

Recommended Action:

Motion: Approving the Regional Surface Water Supply Phase 3 Project Design and Construction Funding Agreement in substantially the form as presented at this meeting and authorizing and directing the General Manager to finalize, approve, and sign the agreement and to take action to implement the approved agreement

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:** December 19, 2019, Regular meeting

- 12. CLOSED SESSION:** Conference with Legal Counsel Regarding Existing Litigation. Cal. Gov't Code § 54956.9(d)(1), Turlock Irrigation District Petition for Change Involving Long-Term Water Transfer, Point of Rediversion, and Purpose of Use Transfer under License 11058 (Application 14127) before the State Water Resources Control Board.

13. ADJOURNMENT

3.B.2.



November 21, 2019

To: SRWA Board
From: Marie Lorenzi, Finance Director
Subject: Financial Summary as of November 21, 2019

Attached Financial Documents include:

Activity for 6-30-2019 as of 11-8-2019

1 - SRWA financial status as of 11-8-2019 for the 2018-19 fiscal year (Exhibit A):
Revenue received from the participating agencies \$8,002,400.00
Interest income allocated for 2018-19 \$41,267.03
Expenses paid total \$7,740,782.03

2 - SRWA financial status - life to date as of 11-8-2019 (Exhibit B):
Revenue life to date totals \$13,525,915.18 (includes \$45,664.81 of interest)
Expenses life to date total \$13,201,647.57
Cumulative unexpended Revenues \$324,267.61

Activity for 6-30-2020 as of 11-8-2019

3 - SRWA financial status as of 11-8-2019 for the 2019-20 fiscal year (Exhibit C):
Revenue received from the participating agencies \$3,952,700.00
Expenses paid total \$1,861,720.78

4 - SRWA financial status - life to date as of 11-8-2019 (Exhibit D):
Revenue life to date totals \$17,478,615.18 (includes \$45,664.81 of interest)
Expenses life to date total \$15,292,626.79
Cumulative unexpended Revenues \$2,185,988.39

5 - Invoices submitted but unpaid as of 11-8-2019:
The following invoices are in the process of being paid at 11-8-2019 and the related costs are not included in the information presented in Exhibits.

MID - watershed sanitary survey	\$ 4,475.28
TID - water rights acquisition	6,718.66

\$ 11,193.94

Stanislaus Regional Water Authority
For FY 2018-19 (Updated 11-08-2019)

Account Name		Original Budget	Amendments	Amended Budget 2018-19	Unaudited Actual 2018-19	Ceres	Turlock	TID	Totals for 2018-19
REVENUES									
	Interest Income			0.00	41,267.03				
34900_001	Agency Contribution - City of Turlock	8,198,150.00	(102,274.00)	8,095,876.00	4,072,700.00	20,633.52	20,633.51		41,267.03
34900_002	Agency Contribution - City of Ceres	5,456,850.00	25,062.00	5,481,912.00	2,872,300.00	2,872,300.00	4,072,700.00		4,072,700.00
34900_004	Agency Contribution - Turlock Irrigation District	2,062,360.00	(5,130.00)	2,057,230.00	1,057,400.00			1,057,400.00	1,057,400.00
	Total Revenues	15,717,360.00	(82,342.00)	15,635,018.00	8,043,667.03	2,892,933.52	4,093,333.51	1,057,400.00	8,043,667.03
EXPENDITURES									
43011	Gov't Relations	37,350.00	(4,530.00)	32,820.00	27,377.50	13,688.75	13,688.75		27,377.50
43055_002	Consultant Audit	4,440.00		4,440.00	5,750.00	2,875.00	2,875.00		5,750.00
43060_000	Contract Services	0.00	650.00	650.00	640.00	320.00	320.00		640.00
43060_012	Contact Services Program Mgmt	4,817,610.00	(199,730.00)	4,617,880.00	2,056,908.10	984,840.74	1,007,170.01	64,897.35	2,056,908.10
43060_021	Contract Services General Manager	300,000.00		300,000.00	194,215.13	97,107.57	97,107.56		194,215.13
43060_022	Contract Services - Contractor Finan Eval	42,515.00		42,515.00	38,650.00	18,944.30	18,944.30	761.40	38,650.00
43060_023	Contract Services - Watershed Sanitary Survey	100,000.00		100,000.00					
43195	Special Legal Counsel	440,505.00	(6,580.00)	433,925.00	156,754.67	77,009.79	77,009.80	2,735.08	156,754.67
43329	Environmental Services	100,805.00		100,805.00	34,360.00	17,180.00	17,180.00	0.00	34,360.00
43332	Permitting	53,500.00		53,500.00	10,826.00	5,413.00	5,413.00		10,826.00
43332_001	Permitting - Environmental Mitigation	120,000.00	(80,850.00)	39,150.00		0.00	0.00		0.00
43332_002	Permitting - Water Rights Acquisition	0.00	80,850.00	80,850.00	75,836.96	37,918.48	37,918.48		75,836.96
51001	Property Acquisition - Delivery Facilities	1,436,675.00	126,000.00	1,562,675.00		0.00	0.00		0.00
51001	Property Acquisition - Regional Facilities	50,700.00		50,700.00					
51800_001	Wet Well Design	46,465.00	29,273.00	60,013.00	62,002.21	16,535.99	33,065.78	12,400.44	62,002.21
			(15,725.00)						
	Wet Well Construction								
51801_001	Construction Contract (Overaa)	7,297,400.00		7,297,400.00	4,597,064.00	1,227,416.09	2,450,235.11	919,412.80	4,597,064.00
51801_002	Construction Management (Infererra)	607,755.00	(11,050.00)	596,705.00	300,625.14	80,266.91	160,233.20	60,125.03	300,625.14
51801_005	Environmental (Horizon)	232,040.00		232,040.00	157,177.84	53,574.65	78,086.49	25,516.70	157,177.84
43105_003	Interdepartmental Admin Support								
	Legal			0.00		0.00	0.00		0.00
	Clerical	12,500.00		12,500.00	10,084.19	5,042.10	5,042.09		10,084.19
	Financial/Accounting	10,000.00		10,000.00	11,483.98	5,741.99	5,741.99		11,483.98
43106_001	Admin Support - Ceres			0.00		0.00	0.00		0.00
44001_000	Supplies	100.00		100.00	186.08	93.04	93.04		186.08
44035	Photocopies	200.00		200.00	71.33	35.67	35.66		71.33
44040_000	Postage	5,000.00	(650.00)	4,350.00	18.90	9.45	9.45		18.90
47010	Bank Charges	50.00		50.00		0.00	0.00		0.00
47040_000	Dues	750.00		750.00	750.00	375.00	375.00		750.00
47090_001	Testing & Recruitment - General Manager			0.00		0.00	0.00		0.00
47095_000	Training	1,000.00		1,000.00		0.00	0.00		0.00
	Total Expenditures	15,717,360.00	(82,342.00)	15,635,018.00	7,740,782.03	2,644,388.52	4,010,544.71	1,085,848.80	7,740,782.03
Revenues Over (Under) Expenditures		0.00	0.00	0.00	302,885.00	248,545.00	82,788.80	(28,448.80)	302,885.00

0.00

Stanislaus Regional Water Authority

Updated as of 11-08-2019

	City of Ceres	City of Turlock	TID	Project to Date Total Since Dec 2015	Actuals Thru 6/30/2018	Actuals For 2018-19	Total
Agency Contributions							
Received from Agencies - 2015-16	379,561.50	347,487.50		727,049.00	727,049.00		727,049.00
Received from Agencies - 2016-17	1,138,659.60	1,175,000.00	106,958.25	2,420,617.85	2,420,617.85		2,420,617.85
Received from Agencies - 2017-18	1,055,176.00	1,160,500.00	114,507.52	2,330,183.52	2,330,183.52		2,330,183.52
Received from Agencies - 2018-19	2,872,300.00	4,072,700.00	1,057,400.00	8,002,400.00		8,002,400.00	8,002,400.00
Interest Income	22,832.41	22,832.40		45,664.81	4,397.78	41,267.03	45,664.81
					0.00		0.00
Total Agency Contributions	5,468,529.51	6,778,519.90	1,278,865.77	13,525,915.18	5,482,248.15	8,043,667.03	13,525,915.18
Expenditures							
Government Relations	(74,723.55)	(74,723.55)	0.00	(149,447.10)	(122,069.60)	(27,377.50)	(149,447.10)
Environmental Services (Phase I)	(250,664.65)	(250,664.65)	(32,520.11)	(533,849.41)	(499,489.41)	(34,360.00)	(533,849.41)
Project Management Services	(2,829,638.76)	(2,947,439.49)	(147,570.04)	(5,924,648.29)	(3,867,740.19)	(2,056,908.10)	(5,924,648.29)
Special Legal Expenses	(160,108.47)	(160,108.48)	(3,572.19)	(323,789.14)	(167,034.47)	(156,754.67)	(323,789.14)
Wet Well Design (West Yost)	(154,083.35)	(181,234.49)	(83,829.46)	(419,147.30)	(359,418.34)	(62,002.21)	(421,420.55)
Fees to Stan County-CEQA related to wet well	(1,136.63)	(1,136.62)	0.00	(2,273.25)			
Permitting	(11,543.58)	(11,543.59)	0.00	(23,087.17)	(12,261.17)	(10,826.00)	(23,087.17)
Permitting - Water Rights Acquisition	(37,918.48)	(37,918.48)	0.00	(75,836.96)	0.00	(75,836.96)	(75,836.96)
Wet Well Construction							
Construction Contract	(1,227,416.09)	(2,450,235.11)	(919,412.80)	(4,597,064.00)		(4,597,064.00)	(4,597,064.00)
Construction Management	(84,534.51)	(168,752.42)	(63,321.74)	(316,608.67)	(15,983.53)	(300,625.14)	(316,608.67)
Environmental (Phase II)	(69,504.18)	(102,429.38)	(31,869.91)	(203,803.47)	(46,625.63)	(157,177.84)	(203,803.47)
Contractor Financial Evaluation	(18,944.30)	(18,944.30)	(761.40)	(38,650.00)	0.00	(38,650.00)	(38,650.00)
Administrative Support							
Clerical Services	(14,815.90)	(14,815.88)	0.00	(29,631.78)	(19,547.59)	(10,084.19)	(29,631.78)
Accounting Services	(16,835.33)	(16,835.33)	0.00	(33,670.66)	(22,186.68)	(11,483.98)	(33,670.66)
Interim JPA attorney	(22,662.50)	(22,662.50)	0.00	(45,325.00)	(45,325.00)		(45,325.00)
Interim General Manager	(121,991.80)	(121,991.80)	0.00	(243,983.60)	(243,983.60)		(243,983.60)
General Manager	(110,222.85)	(110,222.84)	0.00	(220,445.69)	(26,230.56)	(194,215.13)	(220,445.69)
External Audit	(6,625.00)	(6,625.00)	0.00	(13,250.00)	(7,500.00)	(5,750.00)	(13,250.00)
Supplies and other Miscellaneous Expenses	(3,568.04)	(3,568.04)	0.00	(7,136.08)	(5,469.77)	(1,666.31)	(7,136.08)
Total Expenditures	(5,216,937.97)	(6,701,851.95)	(1,282,857.65)	(13,201,647.57)	(5,460,865.54)	(7,740,782.03)	(13,201,647.57)
Contributions over (under) Expenditures - project to date	251,591.54	76,667.95	(3,991.88)	324,267.61	21,382.61	302,885.00	324,267.61

Stanislaus Regional Water Authority

For FY 2019-20 (Updated 11-08-2019)

Account Name		Original Budget	Amendments	Amended Budget 2019-20	Unaudited Actual 2019-20	Ceres	Turlock	TID	Totals for 2019-20
REVENUES									
	Interest Income			0.00					0.00
34900_001	Agency Contribution - City of Turlock	4,340,300.00		4,340,300.00	2,355,700.00		2,355,700.00		2,355,700.00
34900_002	Agency Contribution - City of Ceres	3,458,900.00		3,458,900.00	1,315,500.00	1,315,500.00			1,315,500.00
34900_004	Agency Contribution - Turlock Irrigation District	724,700.00		724,700.00	281,500.00			281,500.00	281,500.00
	Total Revenues	8,523,900.00	0.00	8,523,900.00	3,952,700.00	1,315,500.00	2,355,700.00	281,500.00	3,952,700.00
EXPENDITURES									
43011	Gov't Relations			0.00		0.00	0.00		0.00
43055_002	Consultant Audit	4,590.00		4,590.00	890.00	445.00	445.00		890.00
43060_000	Contract Services			0.00		0.00	0.00		0.00
43060_012	Contact Services Program Mgmt	2,339,464.00		2,339,464.00	338,796.85	161,394.97	169,502.46	7,899.42	338,796.85
43060_021	Contract Services General Manager	300,000.00		300,000.00	55,332.36	27,666.18	27,666.18		55,332.36
43060_022	Contract Services - Contractor Finan Eval			0.00					0.00
43060_023	Contract Services - Watershed Sanitary Survey	64,876.00		64,876.00	26,928.46	13,464.23	13,464.23		26,928.46
43195	Special Legal Counsel	259,403.00		259,403.00	38,894.76	19,100.81	19,100.81	693.14	38,894.76
43329	Environmental Services	55,060.00	(16,266.00)	38,794.00					0.00
43332	Permitting	6,000.00		6,000.00	5,313.00	2,656.50	2,656.50		5,313.00
43332_001	Permitting - Environmental Mitigation			0.00		0.00	0.00		0.00
43332_002	Permitting - Water Rights Acquisition	35,000.00		35,000.00	6,414.74	3,207.37	3,207.37		6,414.74
51001	Property Acquisition - facility site	1,436,675.00		1,436,675.00		0.00	0.00		0.00
51001	Property Acquisition - infiltration gallery	739,445.00		739,445.00		0.00	0.00		0.00
51800_001	Wet Well Design			0.00					0.00
	Wet Well Construction								
51801_001	Construction Contract (Overaa)	2,872,909.00		2,872,909.00	1,461,206.00	390,142.00	778,822.80	292,241.20	1,461,206.00
51801_002	Construction Management (Inferrera)	311,840.00		311,840.00	103,776.94	27,708.44	55,313.11	20,755.39	103,776.94
51801_005	Environmental (Horizon)	72,294.00	16,266.00	88,560.00	53,401.84	17,145.85	27,554.47	8,701.52	53,401.84
43105_003	Interdepartmental Admin Support								
	Legal			0.00		0.00	0.00		0.00
	Clerical	12,500.00		12,500.00		0.00	0.00		0.00
	Financial/Accounting	10,000.00		10,000.00		0.00	0.00		0.00
43106_001	Admin Support - Ceres			0.00		0.00	0.00		0.00
44001_000	Supplies	500.00		500.00		0.00	0.00		0.00
44035	Photocopies	500.00		500.00	12.43	6.22	6.21		12.43
44040_000	Postage	500.00		500.00	11.84	5.92	5.92		11.84
47010	Bank Charges	100.00		100.00		0.00	0.00		0.00
47040_000	Dues	1,000.00		1,000.00		0.00	0.00		0.00
47090_001	Testing & Recruitment - General Manager			0.00		0.00	0.00		0.00
47095_000	Training	1,000.00		1,000.00		0.00	0.00		0.00
	Total Expenditures	8,523,656.00	0.00	8,523,656.00	2,090,979.22	662,943.49	1,097,745.06	330,290.67	2,090,979.22
Revenues Over (Under) Expenditures		244.00	0.00	244.00	1,861,720.78	652,556.51	1,257,954.94	(48,790.67)	1,861,720.78

0.00

Stanislaus Regional Water Authority

Updated as of 11-08-2019

	City of Ceres	City of Turlock	TID	Project to Date Total Since Dec 2015	Actuals Thru 6/30/2019	Actuals For 2019-20	Total
Agency Contributions							
Received from Agencies - 2015-16	379,561.50	347,487.50		727,049.00	727,049.00		727,049.00
Received from Agencies - 2016-17	1,138,659.60	1,175,000.00	106,958.25	2,420,617.85	2,420,617.85		2,420,617.85
Received from Agencies - 2017-18	1,055,176.00	1,160,500.00	114,507.52	2,330,183.52	2,330,183.52		2,330,183.52
Received from Agencies - 2018-19	2,872,300.00	4,072,700.00	1,057,400.00	8,002,400.00	8,002,400.00		8,002,400.00
Received from Agencies - 2019-20	1,315,500.00	2,355,700.00	281,500.00	3,952,700.00		3,952,700.00	3,952,700.00
Interest Income	22,832.41	22,832.40		45,664.81	45,664.81		45,664.81
					0.00		0.00
Total Agency Contributions	6,784,029.51	9,134,219.90	1,560,365.77	17,478,615.18	13,525,915.18	3,952,700.00	17,478,615.18
Expenditures							
Government Relations	(74,723.55)	(74,723.55)	0.00	(149,447.10)	(149,447.10)	0.00	(149,447.10)
Environmental Services (Phase I)	(250,664.65)	(250,664.65)	(32,520.11)	(533,849.41)	(533,849.41)	0.00	(533,849.41)
Project Management Services	(2,991,033.73)	(3,116,941.95)	(155,469.46)	(6,263,445.14)	(5,924,648.29)	(338,796.85)	(6,263,445.14)
Special Legal Expenses	(179,209.28)	(179,209.29)	(4,265.33)	(362,683.90)	(323,789.14)	(38,894.76)	(362,683.90)
Wet Well Design (West Yost)	(154,083.35)	(181,234.49)	(83,829.46)	(419,147.30)	(419,147.30)	0.00	(419,147.30)
Fees to Stan County-CEQA related to wet well	(1,136.63)	(1,136.62)	0.00	(2,273.25)	(2,273.25)		(2,273.25)
Permitting	(14,200.08)	(14,200.09)	0.00	(28,400.17)	(23,087.17)	(5,313.00)	(28,400.17)
Permitting - Water Rights Acquisition	(41,125.85)	(41,125.85)	0.00	(82,251.70)	(75,836.96)	(6,414.74)	(82,251.70)
Water Shed Survey	(13,464.23)	(13,464.23)	0.00	(26,928.46)	0.00	(26,928.46)	(26,928.46)
Wet Well Construction							
Construction Contract	(1,617,558.09)	(3,229,057.91)	(1,211,654.00)	(6,058,270.00)	(4,597,064.00)	(1,461,206.00)	(6,058,270.00)
Construction Management	(112,242.95)	(224,065.53)	(84,077.13)	(420,385.61)	(316,608.67)	(103,776.94)	(420,385.61)
Environmental (Phase II)	(86,650.03)	(129,983.85)	(40,571.43)	(257,205.31)	(203,803.47)	(53,401.84)	(257,205.31)
Contractor Financial Evaluation	(18,944.30)	(18,944.30)	(761.40)	(38,650.00)	(38,650.00)	0.00	(38,650.00)
Administrative Support							
Clerical Services	(14,815.89)	(14,815.89)	0.00	(29,631.78)	(29,631.78)	0.00	(29,631.78)
Accounting Services	(16,835.33)	(16,835.33)	0.00	(33,670.66)	(33,670.66)	0.00	(33,670.66)
Interim JPA attorney	(22,662.50)	(22,662.50)	0.00	(45,325.00)	(45,325.00)		(45,325.00)
Interim General Manager	(121,991.80)	(121,991.80)	0.00	(243,983.60)	(243,983.60)		(243,983.60)
General Manager	(137,889.03)	(137,889.02)	0.00	(275,778.05)	(220,445.69)	(55,332.36)	(275,778.05)
External Audit	(7,070.00)	(7,070.00)	0.00	(14,140.00)	(13,250.00)	(890.00)	(14,140.00)
Supplies and other Miscellaneous Expenses	(3,580.18)	(3,580.17)	0.00	(7,160.35)	(7,136.08)	(24.27)	(7,160.35)
Total Expenditures	(5,879,881.45)	(7,799,597.02)	(1,613,148.32)	(15,292,626.79)	(13,201,647.57)	(2,090,979.22)	(15,292,626.79)
Contributions over (under) Expenditures - project to date	904,148.06	1,334,622.88	(52,782.55)	2,185,988.39	324,267.61	1,861,720.78	2,185,988.39



DRAFT Minutes
Regular Board Meeting
October 17, 2019

1. A. **CALL TO ORDER:** Chair Vierra called the meeting to order at 3:32 p.m.
 PRESENT: Chair Vierra, Vice Chair Esquer, Director Durossette, Director Bublak
 ABSENT: None

- B. **SALUTE TO THE FLAG**

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 negotiations with CH2M Hill Engineers, Inc. on the design-build contract for the Regional Surface Water Supply Project, the SRF Loan application packages and timing of the interim financing, the TID water rights change petition and Bureau of Reclamation protest resolution, and the wet well construction oversight. Upcoming tasks and milestones include completing the design-build negotiations and bringing the contract to the SRWA Board for review and approval, completing the SRF application packages, completing the interim finance plans, and resolving the Bureau of Reclamation's water rights protest.

Chair Vierra inquired about upcoming meetings with the Bureau of Reclamation and TID. General Manager Granberg stated that no meetings have been scheduled at this time as TID is currently compiling information to share with the Bureau of Reclamation. Legal Counsel Shanahan advised the Board that the scheduled closed session is to discuss the water rights change petition proceeding and related Bureau protest.

Director Bublak inquired about the length of time for the water rights protest dialogue between TID and the Bureau of Reclamation. General Manager Granberg answered that the protest was filed in August 2018 and the first meeting with the Bureau of Reclamation was in March or April of 2019.

2. Finance Director Marie Lorenzi provided an update on financial activity as of October 7, 2019. Revenue and expenses were reviewed.

- C. **PUBLIC PARTICIPATION:** None

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

5. **CONSENT CALENDAR:**

Action: Motion by Director Durossette, second by Director Bublak, approving the minutes for the Regular Meeting of August 15, 2019. Motion carried by the following vote:

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

6. PUBLIC HEARINGS: None

7. SCHEDULED MATTERS:

A. Finance Director Marie Lorenzi recommended that the Board adopt the Stanislaus Regional Water Authority Debt Management Policy in accordance with requirements of Government Code Section 8855(i).

Discussion:

Finance Director Marie Lorenzi stated that public agencies are required to adopt debt policies that provide goals and objectives for various debt considerations. The Debt Management Policy was modified for the SRWA due to participant involvement and meeting requirements.

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

Action: Motion by Director Durossette, second by Vice Chair Esquer, adopting the Stanislaus Regional Water Authority Debt Management Policy in accordance with requirements of Government Code Section 8855(i). Motion carried by the following vote:

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

B. General Manager Robert Granberg recommended that the Board adopt a resolution authorizing the submittal of a proposal to the California Department of Water Resources to obtain a Round 1 Integrated Regional Water Management Implementation Grant pursuant to the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Water Code § 79700 *et seq.*), and authorizing the General Manager to enter into an agreement to receive the grant on behalf of the SRWA.

Discussion:

Chair Vierra inquired on the award timeline. Lindsay Smith from West Yost estimated the summer of 2020 for the executed agreement.

Chair Vierra stated that the SRWA Board needs to review the agreement before execution.

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

Action: Resolution 2019-009 Motion by Director Durossette, second by Vice Chair Esquer, adopting a resolution authorizing the submittal of a proposal to the California Department of Water Resources to obtain a Round 1 Integrated Regional Water Management Implementation Grant pursuant to the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Water Code § 79700 *et seq.*), and

authorizing the General Manager to enter into an agreement to receive the grant on behalf of the SRWA. Motion carried by the following vote:

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

- C. Finance Director Marie Lorenzi recommended that the Board adopt a resolution approving a \$16,266.42 increase to the Phase II contract with Horizon Water and Environment, LLC and a corresponding decrease to the original contract with Horizon Water and Environment, LLC and authorizing a \$16,266 budget increase to account number 950-53-552.51801_005 "Wet Well Construction Environmental Services" and a corresponding budget decrease to account number 950-53-552.43329 "Environmental Services" to properly account for the contract changes related to the SRWA's two contracts with Horizon Water and Environment, LLC.

Discussion:

Finance Director Marie Lorenzi stated that additional funds are needed for the Horizon Water and Environment, LLC Wet Well Construction Environmental Services contract due to unanticipated Swainson's hawk monitoring, but the Horizon Water and Environment, LLC Environmental Services contract contains additional funds that will not be spent. Funds can be transferred from one contract to the other to account for the additional work.

Vice Chair Esquer inquired if the additional Environmental Services funds could be needed at a later date. General Manager Robert Granberg responded in the negative as the contract tasks were completed.

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

Action: Resolution 2019-010 Motion by Vice Chair Esquer, second by Director Bublak, adopting a resolution approving a \$16,266.42 increase to the Phase II contract with Horizon Water and Environment, LLC and a corresponding decrease to the original contract with Horizon Water and Environment, LLC and authorizing a \$16,266 budget increase to account number 950-53-552.51801_005 "Wet Well Construction Environmental Services" and a corresponding budget decrease to account number 950-53-552.43329 "Environmental Services" to properly account for the contract changes related to the SRWA's two contracts with Horizon Water and Environment, LLC. Motion carried by the following vote:

Director Bublak	Director Durossette	Vice Chair Esquer	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: November 21, 2019 Regular Meeting

12. **CLOSED SESSION:** Conference with Legal Counsel Regarding Existing Litigation. Cal. Gov't Code § 54956.9(d)(1) *"Nothing in this chapter shall be construed to prevent a legislative body of a local agency, based on advice of its legal counsel, from holding a closed session to confer with, or receive advice from, its legal counsel regarding pending litigation when discussion in open session concerning those matters would prejudice the position of the local agency in the litigation. For purposes of this section, litigation shall be considered pending when any of the following circumstances exist: litigation, to which the local agency is a party, has been initiated formally."*
Existing Cases: (1 case)

Following the closed session, Mr. Shanahan stated that there was no action to report from the closed session.

13. **ADJOURNMENT:** Motion by Director Durossette, second by Vice Chair Esquer, to adjourn at 4:36 p.m. Motion carried 4/0.

Respectfully submitted,

DRAFT

Allison Martin, Board Secretary



From: Robert Granberg, General Manager
Technical Advisory Committee

Prepared by: Robert Granberg, General Manager

1. ACTION RECOMMENDED:

Motion: Approving Amendment No. 7 to the Agreement between West Yost Associates and SRWA, extending the agreement term and authorizing continued Phase 2 Program Management Services from December 31, 2019 through June 30, 2020

2. DISCUSSION OF ISSUE:

Due to the delay in receiving an approved water rights transfer outside of West Yost's control, there has been a delay in Design-Build negotiations that will require an extension of the Phase 2 Program Management Services contract duration to allow West Yost Associates time to complete previously anticipated contract tasks leading to the award of a Design-Build contract. Therefore, a six-month extension of time is requested, from December 31, 2019 through June 30, 2020, to allow West Yost to complete these Phase 2 Program Management Tasks. Funds have been previously authorized and budget remains to complete these Project Management Support activities, so a cost increase is not being requested.

The Phase 2 Work that has been budgeted but still needs to be completed includes:

- Providing support to the GM during negotiations with the preferred proposer; and
- Continuing to coordinate and provide Program Management support to the GM and TAC on the following on-going items:
 - Turlock Irrigation District's Water Rights Petition
 - CEQA support for Horizon Water and Environment, LLC
 - SRF and grant funding applications
 - City of Ceres and City of Turlock Water System Integration Plans

All work will be done on a time-and-materials basis under the terms of the previously approved Amendment No. 5.

3. FISCAL IMPACT / BUDGET AMENDMENT:

No fiscal impact, as there is no increase in cost to SRWA.

4. **GENERAL MANAGER'S COMMENTS:**

The General Manager supports moving forward with the proposed amendment to extend the terms of the Agreement.

5. **ENVIRONMENTAL DETERMINATION:**

N/A

6. **ALTERNATIVES:**

The Board may reject the proposed amendment.



**AMENDMENT NO. 7
to the
AGREEMENT FOR SPECIAL SERVICES
between
STANISLAUS REGIONAL WATER AUTHORITY
and
WEST YOST ASSOCIATES
for
PROGRAM MANAGEMENT SERVICES**

THIS AMENDMENT, dated November 21, 2019, is entered into by and between the **STANISLAUS REGIONAL WATER AUTHORITY**, a Joint Powers Authority of the State of California, hereinafter referred to as “SRWA” and **WEST YOST ASSOCIATES**, a Consulting Engineering Firm, hereinafter referred to as “CONSULTANT”.

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

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

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

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

WHEREAS, the Agreement was amended (“Amendment No. 4”) on August 3, 2017, in the amount of Two Hundred Seventy Three Thousand Two Hundred and Fifty Five Dollars (\$273,255); and

WHEREAS, the Agreement was amended (“Amendment No. 5”) on November 13, 2017, in the amount of Five Million, Six Hundred Sixty Seven Thousand, Four Hundred Fifty Three Dollars and No/100ths (\$5,667,453.00); and

WHEREAS, the Agreement was amended (Amendment No. 6”) on August 1, 2019, to extend the TERM of this Agreement from August 31, 2019 to December 31, 2019 with no additional compensation, to allow West Yost to continue to provide Program Management Services as SRWA negotiated with the preferred proposer for Design-Build services.

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

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

“5. **TERM:** This Agreement shall become effective April 15, 2016, and end upon satisfactory completion, as determined by the SRWA, of the entire Scope of Work as set forth in the Agreement, Amendment No. 1, Amendment No. 2, Amendment No. 3, Amendment 4, Amendment No. 5, Amendment No 6, and this Amendment No. 7. Amendment No. 7 is anticipated to span the period from December 31, 2019, through June 30, 2020.”

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

Date: _____

ATTEST:

By: _____
Allison Martin
Board Secretary

Date: _____

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

By: _____
Name: Jeffery Pelz

Title: Vice President

Date: _____



From: Marie Lorenzi, Finance Director

Prepared by: Marie Lorenzi, Finance Director

1. ACTION RECOMMENDED:

Motion: Approving a \$24,401 increase to the Wet Well Design contract with West Yost Associates (West Yost) and a corresponding decrease to the Program Management Services contract with West Yost for engineering services provided during the construction of the Wet Well project

Motion: Approving a \$23,580 increase to the Wet Well Design contract with West Yost for engineering services provided during the construction of the Wet Well project to be funded via contributions from SRWA participating agencies based on previously approved cost sharing agreements

Resolution: Authorizing a \$47,981 budget increase to account number 950-53-552.51800_001 "Wet Well Design" and a budget decrease of \$24,401 to account number 950-53-552.43060_012 "Program Management Services" to properly account for the contract changes related to the SRWA's Program Management and Wet Well Design contracts with West Yost Associates. The net increase of \$23,580 will be funded via contributions from SRWA participating agencies based on previously approved cost sharing agreements.

2. DISCUSSION OF ISSUE:

In April 2016, the SRWA entered into its initial contract with West Yost Associates (West Yost) to provide program/project management (PM) services related to the SRWA's surface water supply project (Project). The approved contract amount, including multiple addendums, is \$8,485,618 of which just over \$2.3 million is unexpended as of August 31, 2019. In September 2016, the SRWA entered into a second contract with West Yost to provide various services specific to the design and construction of the Wet Well Project. The approved contract, including one amendment, is \$419,432 of which \$285 was unexpended as of August 31, 2019.

West Yost and their subconsultants have been providing engineering services during construction of the Wet Well project under the Wet Well Design contract approved in 2016. The basis for budgeting tasks under this contract assumed a certain level of effort in design support, including responding to contractor requests for information, construction submittal reviews, attendance at construction progress meetings and development and/or coordination of project scope modifications. Previously approved contract modifications addressed time spent on the contractor efforts to

advance an excavation support system which ultimately was abandoned in favor of ground freezing.

Significant work performed by West Yost to review and comment on the contractor's requests for information and design review exceeded West Yost's anticipated budget. In response to a SRWA request to reduce costs, West Yost subsequently reduced their meeting participation and deferred more decisions to the construction management team. While this helped to reduce the number of hours spent answering the high volume of contractor requests, ultimately additional funds are necessary to compensate West Yost for the contractor's ground freezing design, settling basin design, and pump testing plan.

West Yost is currently requesting two actions in order to complete their work related to the Wet Well project and invoice the SRWA accordingly. First, they request the transfer of \$24,401 from the PM contract to the Wet Well contract. West Yost has identified five (5) individual tasks in the PM contract which they believe have allocated funds that will not be expended. Second, they request the appropriation of \$23,580 in additional funds to the Wet Well contract to complete their work related to the Wet Well construction project. If approved, the total requested increase to the Wet Well contract of \$47,981 will be sufficient for West Yost to complete their task list associated with the wet well design and construction.

3. FISCAL IMPACT / BUDGET AMENDMENT:

The two West Yost contracts are being accounted for in different general ledger accounts. Therefore, Staff requests the following budget amendments to properly account for the contract changes:

1. Increase account number 950-53-552. 51800_001 "Wet Well Design" by \$47,981; and
2. Decrease account number 950-53-552.43060_012 "Program Management Services" by \$24,401;

The net overall increase of \$23,580 will be funded via contributions from SRWA participating agencies based on previously approved cost sharing agreements in approximately the following amounts:

City of Ceres	\$ 6,290
City of Turlock	\$ 12,575
Turlock Irrigation District	\$ 4,715

4. GENERAL MANAGER'S COMMENTS:

Recommend approval.

5. ENVIRONMENTAL DETERMINATION:

N/A

6. ALTERNATIVES:

These contract modifications are required to compensate West Yost for work performed. Contract funds are not sufficient to compensate for this additional work and to complete remaining work required under this contract; therefore, these contract modifications are necessary and cannot be performed under any other means or contract.



SRWA
 STANISLAUS REGIONAL
 WATER AUTHORITY

BEFORE THE BOARD OF THE STANISLAUS REGIONAL WATER AUTHORITY

**IN THE MATTER OF AUTHORIZING A \$47,981 BUDGET }
 INCREASE TO ACCOUNT NUMBER }
 950-53-552.51800_001 "WET WELL DESIGN" AND A }
 A BUDGET DECREASE OF \$24,401 TO ACCOUNT }
 NUMBER 950-53-552.43060_012 "PROGRAM }
 MANAGEMENT SERVICES" TO PROPERLY ACCOUNT }
 FOR THE CONTRACT CHANGES RELATED TO THE }
 SRWA'S PROGRAM MANAGEMENT AND WET WELL }
 DESIGN CONTRACTS WITH WEST YOST ASSOCIATES. }
 THE NET INCREASE OF \$23,580 WILL BE FUNDED VIA }
 CONTRIBUTIONS FROM SRWA PARTICIPATING }
 AGENCIES BASED ON PREVIOUSLY APPROVED COST }
 SHARING AGREEMENTS }**

RESOLUTION NO. 2019-

WHEREAS, by separate action, the SRWA Board approved amending its two contracts with West Yost Associates by increasing the value of the Wet Well Design contract by \$47,981 and decreasing the value of the Program Management Services contract by \$24,401; and

WHEREAS, each of these contracts is accounted for in its individual general ledger account; and

WHEREAS, to properly account for the approved contract amendments, corresponding budget amendments are necessary.

NOW, THEREFORE, BE IT RESOLVED that the Board of the Stanislaus Regional Water Authority does hereby authorize a \$47,981 budget increase to account number 950-53-552.51800_001 "Wet Well Design" and a budget decrease of \$24,401 to account number 950-53-552.43060_012 "Program Management Services" to properly account for the contract changes related to the SRWA's Program Management and Wet Well Design contracts with West Yost Associates. The net increase of \$23,580 will be funded via contributions from SRWA participating agencies based on previously approved cost sharing agreements

PASSED AND ADOPTED at a special meeting of the Board of the Stanislaus Regional Water Authority this 21st day of November, 2019, by the following vote:

AYES:
NOES:
NOT PARTICIPATING:
ABSENT:

ATTEST:

Allison Martin, Board Secretary

From: Robert Granberg, General Manager

Prepared by: Monique Day, West Yost Associates

1. ACTION RECOMMENDED:

Resolution: Adopting a resolution authorizing the submittal of a proposal to the California Department of Water Resources to obtain a Riverine Stewardship Program San Joaquin Fish Population Enhancement Grant, and authorizing the General Manager to enter into an agreement to receive the grant on behalf of the SRWA

2. DISCUSSION OF ISSUE:

The SRWA Regional Surface Water Supply Project results in multiple benefits to improve water quality and benefit Tuolumne River fish and other aquatic resources by increasing seasonal releases from La Grange Dam to accommodate the diversion of water. The fish restoration that is expected to result from this Project aligns well with the Department of Water Resources' Riverine Stewardship Program San Joaquin Fish Population Enhancement Grant program. West Yost Associates prepared and submitted an application on November 15, 2019 to this program on behalf of the SRWA. To complete the application, SRWA needs to provide DWR with a signed resolution designating an authorized representative for this grant.

The grant application requested over \$19 million for the construction of the raw water pump station and raw water transmission main.

3. FISCAL IMPACT / BUDGET AMENDMENT:

Other than staff costs, there is no cost to submit a proposal. If successful in securing a Riverine Stewardship Program San Joaquin Fish Population Enhancement Grant, the overall project cost reduction will be realized by the cities.

4. GENERAL MANAGER'S COMMENTS:

Recommends approval.

5. ENVIRONMENTAL DETERMINATION:

N/A

6. ALTERNATIVES:

The Board could choose to not complete the proposal for a Riverine Stewardship Program San Joaquin Fish Population Enhancement Grant and forego a possible \$19 million reduction in project cost.



BEFORE THE BOARD OF THE STANISLAUS REGIONAL WATER AUTHORITY

IN THE MATTER OF AUTHORIZING THE SUBMITTAL } RESOLUTION NO. 2019-
OF A PROPOSAL TO THE CALIFORNIA DEPARTMENT }
OF WATER RESOURCES TO OBTAIN A RIVERINE }
STEWARDSHIP PROGRAM SAN JOAQUIN FISH }
POPULATION ENHANCEMENT GRANT, AND }
AUTHORIZING THE GENERAL MANAGER TO ENTER }
INTO AN AGREEMENT TO RECEIVE THE GRANT ON }
BEHALF OF THE SRWA }
_____ }

WHEREAS, the Stanislaus Regional Water Authority proposes to implement a Water Supply Raw Water Pump Station and Raw Water Transmission Main; and

WHEREAS, Stanislaus Regional Water Authority has the legal authority and is authorized to enter into a funding agreement with the State of California; and

WHEREAS, Stanislaus Regional Water Authority intends to apply for grant funding from the California Department of Water Resources for the Water Supply Raw Water Pump Station and Raw Water Transmission Main.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Stanislaus Regional Water Authority as follows:

1. That pursuant and subject to all of the terms and provisions of the Costa-Machado Water Act of 2000 (Wat. Code, § 79000 et seq.), the Stanislaus Regional Water Authority General Manager, or designee is hereby authorized and directed to prepare and file an application for funding with the Department of Water Resources and take such other actions as necessary or appropriate to obtain grant funding.
2. The Stanislaus Regional Water Authority General Manager, or designee is hereby authorized and directed to execute the funding agreement with the Department of Water Resources and any amendments thereto.
3. The Stanislaus Regional Water Authority General Manager, or designee is hereby authorized and directed to submit any required documents, invoices, and reports required to obtain grant funding.

PASSED AND ADOPTED at a meeting of the Governing Board of the Stanislaus Regional Water Authority this 21st day of November 2019, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

Allison Martin, Board Secretary

CERTIFICATION

I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the Governing Board of the Stanislaus Regional Water Authority held on November 21, 2019.

Allison Martin
Board Secretary

From: Robert Granberg, General Manager

Prepared by: Richard Shanahan, General Counsel

1. ACTION RECOMMENDED:

Motion: Approving the Regional Surface Water Supply Phase 3 Project Design and Construction Funding Agreement in substantially the form as presented at this meeting and authorizing and directing the General Manager to finalize, approve, and sign the agreement and to take action to implement the approved agreement

2. DISCUSSION OF ISSUE:

Stanislaus Regional Water Authority plans to award a design-build contract for the design and construction of the Regional Surface Water Supply Project (RSWSP), including the raw water pump station, water treatment plant, and raw and treated water pipelines. The project costs will be funded by the Cities of Ceres and Turlock and Turlock Irrigation District (the "Funding Agencies"). The Funding Agency cost shares are set forth in the attached SRWA Project Management Team memo dated June 19, 2019.

SRWA and the Funding Agencies have negotiated and prepared a proposed Regional Surface Water Supply Phase 3 Project Design and Construction Funding Agreement (which is attached) to facilitate the funding, cash flow, and bookkeeping for the performance of the planned design-build work. The proposed agreement is similar to the construction funding agreement that the parties approved for the raw water pump station, phase 1 (a.k.a. wet well) construction contract.

The following are the key terms of the proposed phase 3 funding agreement:

- The cities consent to (1) SRWA approval and award of the design-build contract, and (2) SRWA's application to the State Water Resources Control Board (SWRCB) for loan financing under the Drinking Water State Revolving Fund (SRF) program.
- SRWA agrees to deliver and each city agrees to purchase dedicated water capacity of the project facilities, with 5 million gallons per day (mgd) of water capacity purchased by Ceres and 10 mgd purchased by Turlock.
- TID agrees to pay for available capacity provided by the raw water pump station and raw water pipeline RSWSP elements.
- Each Funding Agency agrees to fund its respective share of the project capital costs in accordance with the cost allocation percentages in the June 19, 2019

memo. SRWA and the cities plan to eventually fund the project costs through the SRF financing. However, the SRF financing is not expected to be approved until sometime in 2020. Between now and the SRF financing, each city agrees to fund its share of the costs through cash and/or interim financing arranged by each city.

- There are detailed procedures concerning the capital costs budget, quarterly forecasts and payments, SRF financing reconciliation, and year-end and post-construction accountings.
- There are provisions concerning SRWA and Funding Agency cooperation on project change orders.

Approval of the funding agreement at this time would demonstrate city financial commitment toward the project. This would enable SRWA staff to represent to the SWRCB that it has a firm project funding source, which would facilitate ongoing SWRCB review and processing of the SRF financing application.

3. FISCAL IMPACT / BUDGET AMENDMENT:

Approval of the agreement by all parties would obligate the Funding Agencies to pay their respective shares of the project capital costs (after SRWA award of the design-build contract). For the cities, the agreement would obligate the cities to provide interim financing until approval of the planned SRF financing.

4. GENERAL MANAGER COMMENTS:

Recommend approval of the agreement with the proposed motion as set forth above.

5. ENVIRONMENTAL DETERMINATION:

The approval of the agreement would provide for funding of the design and construction of the project-related improvements that are set forth in the project description in the SRWA final Environmental Impact Report (EIR) for the project. This action therefore is consistent with and covered by the EIR.

6. ALTERNATIVES:

Do not approve the agreement at this time. Under this scenario, SWRCB review and processing of the SRF financing application would be delayed.

REGIONAL SURFACE WATER SUPPLY PHASE 3 PROJECT DESIGN AND CONSTRUCTION FUNDING AGREEMENT

THIS AGREEMENT is made between Stanislaus Regional Water Authority, a joint powers authority (“SRWA”), City of Ceres, a general law city (“Ceres”), City of Turlock, a general law city (“Turlock”), and Turlock Irrigation District, a special district (“TID”). Ceres and Turlock are referred to collectively as the “Cities” or a “City.” This Agreement will become effective on the date that it is signed by the last party to sign as indicated by the date associated with that party’s signature below (referred to herein as the “Effective Date”). The parties agree as follows:

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

1.1. SRWA was formed by the Cities pursuant to the 2015 Amended Drinking Water Supply Project Joint Exercise of Powers Agreement Between the Cities of Ceres and Turlock for the Purpose of Creating a Joint Powers Authority Responsible for Decisions in Certain Matters Pertaining to the Municipal and Industrial Water Supply Programs for the Aforementioned Public Entities, as amended (the “**Joint Powers Agreement**”). SRWA was established to, among other things, design, construct, own and operate the Project Facilities (as defined in the Joint Powers Agreement). The Project Facilities consist of facilities to divert and treat surface water from the Tuolumne River and deliver it for use by the Cities in order to provide a safe, reliable, and high-quality surface water supply (the “**Regional Water Project**”).

1.2. On July 28, 2015, SRWA and TID approved the Water Sales Agreement (as amended, the “**TID/SRWA Agreement**”) by which TID agrees to sell and deliver raw water to SRWA and SRWA and TID agree to cooperate on the construction of facilities to deliver water through an existing TID infiltration gallery and a to-be-constructed wet well, raw water pump station, and raw water delivery pipelines. SRWA and TID plan to use the existing infiltration gallery as the river water intake facility for both the Regional Water Project and emergency operations and limited deliveries for TID uses. The TID/SRWA Agreement provides for the capital costs to design and construct the new wet well, raw water pump station, and raw water delivery pipelines to be allocated between SRWA and TID as follows: SRWA - 80%; TID - 20%.

1.3. In 2018, the parties approved the Raw Water Pump Station Phase 1 Project Construction Funding Agreement that provides construction funding and cost sharing for SRWA’s construction of the Raw Water Pump Station Phase 1 Project (aka Infiltration Gallery Testing Project; the “**Phase 1 Project**”), which is the first phase of the Regional Water Project. The Phase 1 Project involves the (a) excavation of an area to access the infiltration gallery, (b) construction of a wet well and associated facilities above and around the existing infiltration gallery, (c) pumping of river water through the infiltration gallery to inspect and evaluate the infiltration gallery condition, production capacity, and raw water quality, and (d) development test pumping of the infiltration gallery pipes to dislodge sediment. SRWA awarded a contract to C. Overaa & Co. in 2018 for the construction of the Phase 1 Project and related work. The Phase 1 Project remains under construction.

1.4. In 2018 and 2019, the parties performed and undertook various Regional Water Project planning, preliminary design work, and design-build procurement tasks and work, which constituted Phase 2 of the Regional Water Project.

1.5. SRWA now plans to award a contract in 2020 for the design and construction of the remaining Regional Water Project facilities (the “**Phase 3 Project**”). The Phase 3 Project facilities are the raw water pump station at the wet well, raw water pipelines connecting the pump station to the existing, nearby TID Ceres Main Canal (for use within the TID irrigation water system) and to a new water treatment plant (for treatment and delivery to the Cities), water treatment plant, finished water pipelines to each City, and demolition and replacement of a bridge crossing the TID Ceres Main Canal. The Phase 3 Project facilities are described in more detail in the draft SRWA Design-Build Contract for the Regional Surface Water Supply Project and its appendices (the “**Design-Build Contract**”), which has been provided to the Cities and TID. The Phase 3 Project is being designed to provide Regional Water Project facilities capable of delivering 15 million gallons per day (“**mgd**”) of treated water to the Cities.

1.6. SRWA has applied to the State Water Resources Control Board (“**SWRCB**”) for financing under the Drinking Water State Revolving Fund program (the “**SRF Financing**”) to fund the Cities’ share of the Phase 3 Project design, construction, and related capital costs (the “**Phase 3 Project Costs**”). SRWA continues to process the SRF Financing application and SRWA anticipates entering into a SRF Financing agreement with the SWRCB in late 2020.

1.7. Each City has approved or expects to approve interim financing (the “**Interim Financing**”) to finance a portion of its share of the Phase 3 Project design, construction, and related capital costs until the anticipated SRF Financing is received from the SWRCB, which SRF Financing is expected to be used to reimburse each City for the principal portion of its respective Interim Financing and cover all remaining Phase 3 Project Costs.

1.8. The Cities and TID (the “**Funding Parties**” or a “**Funding Agency**”) have agreed on a methodology for allocating the Regional Water Project costs among them as set forth in a memorandum from the SRWA Project Management Team to the SRWA Technical Advisory Committee dated June 19, 2019 which is attached as Exhibit A. The cost sharing percentages provided for in this Agreement are consistent with that memorandum.

1.9. The principal purposes of this Agreement are (a) for TID and the Cities to fund the Phase 3 Project Costs, and (b) for the Cities to coordinate funding their portion of such Phase 3 Project Costs (in advance of the anticipated reimbursement thereof by the proceeds of the SRF Financing). Nothing herein is intended to amend or modify any provision in the TID/SRWA Agreement.

2. City Consent and SRF Financing

2.1. Each City consents that SRWA may award the Design-Build Contract and commence Project design and construction.

2.2. Each City consents that the SRWA General Manager may sign and file a financial assistance application for an SRF Financing agreement with the SWRCB to fund Phase 3

Project Costs and that the SRF Financing is for and on behalf of each City's interests under the Joint Powers Agreement. SRWA will provide a final draft of the SRF Financing Agreement to the Cities, prior to final approval. If SWRCB decides to approve the SRF Financing agreement with SRWA, then, prior to the final approval of that agreement, SRWA and the Cities plan to enter into a separate agreement as a supplement to this Agreement that would (a) confirm each City's commitment to fund its share of the SRF Financing costs, (b) pledge certain City water system enterprise net revenue to support the SRF Financing, and (c) set forth additional acceptable City covenants and other contract terms relating to the SRF Financing.

3. Sale of Dedicated Capacity to Cities

3.1. **“Dedicated Capacity”** for purposes of this Agreement means the 15 million gallons per day of water capacity of the Regional Water Project facilities. The **“Ceres Dedicated Capacity”** for purposes of this Agreement means the 5 million gallons per day of Dedicated Capacity purchased by Ceres pursuant to this Agreement. The **“Turlock Dedicated Capacity”** for purposes of this Agreement means the 10 million gallons per day of Dedicated Capacity purchased by Turlock pursuant to this Agreement. The Cities agree that the provisions of Section 3 of this Agreement amend and replace the provisions of the Joint Powers Agreement relating to Dedicated Capacity. The Dedicated Capacity shares are as follows:

Table 1
Dedicated Capacity Shares

City	Daily Flow Limit	Percentage Share
Ceres	5 mgd	33.3%
Turlock	10 mgd	66.7%
Total	15 mgd	100%

3.2. SRWA agrees to sell and convey the Ceres Dedicated Capacity in the Regional Water Project facilities to Ceres, and Ceres agrees to purchase the Ceres Dedicated Capacity in the Regional Water Project facilities from SRWA. SRWA agrees to sell and convey the Turlock Dedicated Capacity in the Regional Water Project facilities to Turlock, and Turlock agrees to purchase the Turlock Dedicated Capacity in the Regional Water Project facilities from SRWA. Each City agrees to purchase its share of Dedicated Capacity through satisfaction of its respective payment and funding obligations under its **Interim Financing** or SRF Financing and sections 4, 5 and 6 of this Agreement. Each City shall be entitled to exclusive use of its Dedicated Capacity in the Regional Water Project facilities as set forth in Table 1 without regard to whether such City actually uses such facilities for the delivery of water.

3.3. Upon completion of construction of the Regional Water Project facilities, SRWA shall make available and deliver to each City a total amount of treated water up to its Dedicated Capacity, subject to the terms and conditions of this Agreement, Joint Powers Agreement (as amended by this Agreement), TID/SRWA Agreement, and the availability of water. The treated water shall be delivered to each City's point of delivery as shown on the final Regional Water Project plans and specifications. SRWA shall operate, or cause to be operated, the Regional Water Project and use its best efforts to ensure that the (1) Ceres

Dedicated Capacity is, at all times, fully available for use by Ceres within its service area and (2) Turlock Dedicated Capacity is, at all times, fully available for use by Turlock within its service area.

3.4. All Regional Water Project facilities, lands, and easements shall be owned or leased by and held in the name of SRWA for the benefit of the Cities in accordance with the terms of this Agreement and the Joint Powers Agreement.

3.5. Joint Powers Agreement article 23 authorizes the Cities to “adjust their respective Dedicated Capacity shares and redistribute their respective shares among themselves, so long as the total Dedicated Capacity share percentages of the Participants in the redistribution remains the same after the redistribution.” The modified Dedicated Capacity shares as set forth in this section 3 constitutes an adjustment and redistribution pursuant to Joint Powers Agreement article 23. This change is permanent and will remain in effect until modified by subsequent action by the Cities pursuant to Joint Powers Agreement article 23 or an amendment of the Joint Powers Agreement.

4. Funding Commitment by Cities and TID

4.1. For purposes of this Agreement, “**Capital Costs**” mean the costs of the following: (a) the “**Design-Build Work**” as defined and used in the final Design-Build Contract as approved by SRWA, and including any SRWA-approved change orders (subject to section 6); (b) SRWA procurement of any SRWA-provided materials, parts, or equipment for the Design-Build Work; (c) Phase 3 Project design/construction management, inspection, testing, and claims/dispute evaluation and resolution services and work performed by the SRWA General Manager (Granberg & Associates), engineer (West Yost Associates), attorney (Bartkiewicz, Kronick & Shanahan), or construction manager (a person or firm to be retained by SRWA prior to the start of the Design-Build Work); (d) Phase 3 Project services and work relating to CEQA mitigation and monitoring plan and permit condition monitoring, compliance, and implementation performed by the SRWA CEQA/permitting consultant (Horizon Water and Environment); and (e) any other engineering or consulting services agreement approved by SRWA with a scope of work that directly relates to the design, construction, management, startup, or closeout of the Phase 3 Project. If SRWA changes one of the above-listed firms or adds a firm performing Capital Costs-related work, then the meaning of Capital Costs shall be modified concurrent with that change to include services by the new or additional firm.

4.2. In managing the agreements, services, and work described in section 4.1 and the related bookkeeping, SRWA shall fairly and reasonably allocate and apportion the Capital Costs among the tasks set forth on Table 1 (Cost Allocation Percentages for Project Costs Effective July 1, 2019) of Exhibit A.

4.3. Each Funding Agency agrees and commits to fund its respective share of the Capital Costs for the various components of the Phase 3 Project facilities in accordance with section 5. The Capital Costs shares are shown as the Funding Agency responsibility percentages listed on Table 1 of Exhibit A. Each Funding Agency shall budget and appropriate sufficient funds to satisfy its funding obligation under this Agreement in accordance with section 5. The Phase 3 Project budget to be prepared by SRWA pursuant to section 5.1 and the quarterly forecasts, payment requests, reconciliations, and statements

to be prepared by SRWA pursuant to sections 5.2 to 5.5 shall incorporate and the Capital Costs shall be broken out and allocated based on the Phase 3 Project facilities and cost share percentages as set forth in Exhibit A.

4.4. For the Cities, their Capital Costs payment obligations are expected to be financed initially through each City's Interim Financing and later, if approved, the SRF Financing (and any grant funding for the Phase 3 Project received by SRWA). If the SRF Financing is not entered into, each City shall use its best efforts to enter into a long-term financing arrangement (the "**Long-Term Financing**") in order to take-out the applicable Interim Financing and cover that City's remaining share of the Capital Costs.

4.5. In the event a Funding Agency fails or refuses to timely pay its share of the Capital Costs funding as required by this Agreement, SRWA shall provide written notice to such Funding Agency of this failure and if payment is not received within 30 days after receipt of such notice, the Funding Agency shall be liable to SRWA for (a) any late payment, penalty, interest, costs, or attorney fees incurred by SRWA or recovered by third parties from SRWA as a result of the Funding Agency's default, and (b) any costs, including consequential damages, incurred by SRWA or recovered by third parties from SRWA as a result of any contract termination or cancellation or breach of contract action by any contractor, subcontractor, supplier, or service provider as a result of the Funding Agency's default. SRWA shall provide a calculation of any such amounts to the Funding Agency. Any such liability shall be paid from net revenues of the Funding Agency.

5. Capital Costs Budget, Quarterly Payments, and SRF Reconciliation

5.1. Design and construction funding pursuant to this Agreement will commence concurrent with the design-build contractor's start of work under the Design-Build Contract. Upon the Effective Date of this Agreement and at least 30 days prior to the Design-Build Contract start of work, SRWA shall prepare a proposed budget for the planned expenditure of the Capital Costs, including a projected cash flow during the design and construction period. SRWA may include a 10% contingency/reserve in its budget of expected design and construction costs in order to cover unanticipated or extraordinary costs or aid in covering SRWA cash flow needs. Upon completion of the proposed Capital Costs budget, SRWA shall provide the proposed budget to each of the Funding Agencies. The budget will be subject to the review and approval by each of the Funding Agencies. SRWA may approve a mid-fiscal year Capital Costs budget adjustment in the event of any significant change in the expected or planned expenditures or other significant changed circumstance, subject to the review and approval by each of the Funding Agencies.

5.2. After SRWA and the Funding Agencies have approved the Capital Costs budget, SRWA shall prepare and provide to the Funding Agencies a forecast of Capital Costs funds needed from the start of the Design-Build Work until the completion of the next calendar quarter and based on the approved budget. Thereafter, prior to the beginning of each quarter during the term of Phase 3 Project work, SRWA shall prepare and provide to the Funding Agencies a forecast of funds needed for the upcoming quarter. The quarterly funding forecasts shall be based upon the Capital Costs budget and, if and after the SWRCB approves the SRF Financing, the actual and expected receipt of the proceeds of the SRF Financing. Each quarterly forecast also shall include each Funding Agency's share

(based on section 4.3) of the funds needed for the upcoming quarter broken down by each component of the Phase 3 Project facilities (the “**Quarterly Payment Request**”).

5.3. Within 30 days after receipt of a quarterly forecast and Quarterly Payment Request, each Funding Agency shall deposit its Quarterly Payment Request amount with SRWA to fund the Capital Costs allocated to such Funding Agency (subject to annual appropriation). SRWA will deposit the Funding Agency deposits into a special fund called the “Capital Costs Fund” with separate accounts therein for each Funding Agency called the “Ceres Capital Costs Account,” the “Turlock Capital Costs Account” and the “TID Capital Costs Account” for the purpose of paying such Capital Costs and SRWA will draw on the funds in each Funding Agency’s account to pay the Capital Costs allocated to such Funding Agency. SRWA will keep and maintain accurate bookkeeping records documenting all the deposits and withdrawals from the Capital Costs Fund, the Ceres Capital Costs Account, the Turlock Capital Costs Account and the TID Capital Costs Account, quarterly forecasts, Quarterly Payment Requests, Quarterly Payment Request deposits, and Capital Costs (broken down by each component of the Phase 3 Project facilities for each Funding Agency) paid from the Capital Costs Fund, the Ceres Capital Costs Account, the Turlock Capital Costs Account and the TID Capital Costs Account. If and after the SWRCB approves the SRF Financing, SRWA shall deposit the proceeds of the SRF Financing into a separate special fund called the “SRF Financing Fund”. The proceeds on deposit in the SRF Financing Fund shall only be used by SRWA to (1) fund the Capital Costs allocated to the Cities or (2) reimburse the Cities for prior payment by Cities of such Capital Costs, in each case, in the manner directed by each City to SRWA. SRWA shall prepare and provide to each Funding Agency an annual statement of the monies deposited into and all Capital Costs paid from the Capital Costs Fund, the Ceres Capital Costs Account, the Turlock Capital Costs Account and the TID Capital Costs Account. If and after the SWRCB approves the SRF Financing, SRWA shall prepare and provide to the Cities an annual statement of the monies deposited into the SRF Financing Fund and the use of any withdrawals from the SRF Financing Fund. Each Funding Agency and its employees, accountants, attorneys, and agents may review, inspect, copy and audit these records, including all source documents.

If the SRF Financing is not entered into, each City shall use its best efforts to enter into a Long-Term Financing, the proceeds of which shall be deposited into either the Ceres Account or the Turlock Account of the Long-Term Financing Fund, as applicable. The proceeds on deposit in the Long-Term Financing Fund shall only be used by SRWA to (1) fund the Capital Costs allocated to the Cities or (2) reimburse the Cities for prior payment by Cities of such Capital Costs, in each case, in the manner directed by each City to SRWA. SRWA shall prepare and provide to each Funding Agency an annual statement of the monies deposited into and all Capital Costs paid from the Capital Costs Fund, the Ceres Capital Costs Account, the Turlock Capital Costs Account and the TID Capital Costs Account. If Long-Term Financings are entered into, SRWA shall prepare and provide to the Cities an annual statement of the monies deposited into the Long-Term Financing Fund and the use of any withdrawals from the Long-Term Financing Fund. Each Funding Agency and its employees, accountants, attorneys, and agents may review, inspect, copy and audit these records, including all source documents.

5.4. At the end of each fiscal year, SRWA shall undertake a reconciliation of the Capital Costs forecast for the year against the actual Capital Costs paid in the year. The

reconciliation shall determine the amount to which the actual costs exceeded or were less than the Funding Agency deposits made under section 5.3 for the year and the difference shall be credited or debited, as appropriate, into the calculation of the projected Capital Costs and Quarterly Payment Requests for the subsequent year. The reconciliation shall apply any grant funding received in the year to adjust and offset the calculation of each City's share of the projected Capital Costs for the subsequent year. If and after the SWRCB approves the SRF Financing, or if a Long-Term Financing is entered into, the reconciliation also shall apply to any SRF Financing or Long-Term Financing disbursements received in the year to adjust and offset the calculation of each City's share of the projected Capital Costs for the subsequent year. If the SWRCB approves the SRF Financing, or if a Long-Term Financing is entered into, and SRWA later determines that the Capital Costs allocable to the Cities may exceed the expected proceeds of the SRF Financing or Long-Term Financing, as applicable, SRWA promptly will give written notice of this determination to each City together with a forecast and explanation of the potential or expected SRF Financing or Long-Term Financing shortfall.

5.5. Upon completion of the Design-Build Work and other Phase 3 Project work and services (e.g., permit closeout) and payment of all Capital Costs and, if applicable, after receipt of the final SRF Financing disbursement (which will occur sometime after completion of construction), SRWA will prepare and provide to each Funding Agency a final statement of the total Capital Costs for the Phase 3 Project work, including a breakdown of amounts for each component for each Funding Agency, the monies deposited to the Capital Costs Fund, the Ceres Capital Costs Account, the Turlock Capital Costs Account and the TID Capital Costs Account, all SRWA costs paid or reimbursed from such fund and accounts, the total amount of any proceeds of SRF Financing or Long-Term Financing, and any grant funding. Any amounts remaining in the Capital Costs Fund, the Ceres Capital Costs Account, the Turlock Capital Costs Account, and the TID Capital Costs Account shall be refunded without interest to the applicable Funding Agency. Any money remaining in the SRF Financing Fund shall be processed by SRWA in accordance with the SRWA/SWRCB SRF Financing agreement. Any moneys remaining in an account of the Long-Term Financing Fund shall be returned to the City on whose behalf the Account is held. For the Cities, and assuming SWRCB approval of the SRF Financing or the issuance of the Long-Term Financing, this final statement also shall include a final calculation and reconciliation of the City funding advances and SRF Financing or Long-Term Financing disbursements (and any grant funding).

6. Interim Financing and Long-Term Financing. The parties acknowledge that each City will use its best efforts to enter into an Interim Financing for the purpose of funding each City's initial share of the Capital Costs. The principal amount of the Interim Financing for Ceres is expected to be an amount not to exceed \$_____ and the principal amount of the Interim Financing for Turlock is expected to be an amount not to exceed \$_____. Each City expects to be able to use a portion of the proceeds of the SRF Financing, if and when received by SRWA, to repay the principal portion of its Interim Financing. However, in the event that the SRF Financing is not entered into, each City agrees that it will use its best efforts to enter into a Long-Term Financing to pay its proportionate share of the Capital Costs. The proceeds of each City's Long-Term Financing are expected to be used to repay such City's Interim Financing.

7. Change Orders. The Capital Costs shall include additional costs relating to any additive Design-Build Contract change order approved by SRWA. Prior to approving any such change order, SRWA shall provide the proposed change order (including a description of how the change order will impact the Capital Costs of each Funding Agency) to each Funding Agency for its prior review and approval. If a Funding Agency requests a Design-Build Work change that results in an additive change order to the Design-Build Contract, then the Funding Agency requesting the change shall pay all change order-related costs to SRWA, unless the parties otherwise agree in writing.

8. General Provisions

8.1. Entire Agreement. The parties intend this document to be the sole, final, complete, exclusive, and integrated expression and statement of the terms of their contract concerning the subject matter of this document. This Agreement supersedes all prior oral or written negotiations, representations, contracts or other documents that may be related to the subject matter of this Agreement, except those other documents that may be expressly referenced in this Agreement.

a. However, the Raw Water Pump Station Phase 1 Project Construction Funding Agreement among the parties shall continue to apply to the completion of construction and closeout of the Phase 1 Project work, SRWA/C. Overaa & Co. contract, and related costs.

b. If there are any irreconcilable differences between this Agreement and the TID/SRWA Agreement or the Joint Powers Agreement as to the funding of the Phase 3 Project and, if applicable, the SRF Financing, this Agreement shall govern.

8.2. Construction and Interpretation. The parties agree and acknowledge that this Agreement has been arrived at through negotiation, and that each party has had a full and fair opportunity to revise the terms of this Agreement. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

8.3. Waiver. The waiver at any time by any party of its rights with respect to a default or other matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or matter.

8.4. Amendment. This Agreement may be modified or amended only by a subsequent written agreement approved and executed by all parties. Amendment by SRWA requires approval by the SRWA Board of Directors at a noticed public meeting.

8.5. Assignment. This Agreement and all rights and obligations under it are personal to the parties. The Agreement may not be transferred, assigned, delegated, or subcontracted in whole or in part, whether by assignment, subcontract, merger, operation of law or otherwise, by a party without the prior written consent of the other parties. Any transfer, assignment, delegation, or subcontract in violation of this provision is null and void.

8.6. Remedies Not Exclusive. The remedies provided in this Agreement are cumulative and not exclusive, and are in addition to any other remedies that may be provided by law or

equity. A party's exercise of any remedy under this Agreement will not prejudice or affect the enforcement of any other remedy.

8.7. Notices. Any notice, demand, invoice or other communication required or permitted to be given under this Agreement must be in writing and delivered either (a) in person, (b) by prepaid, first class U.S. mail, (c) by a nationally-recognized commercial overnight courier service that guarantees next day delivery and provides a receipt, or (d) by email with confirmed receipt. Such notices, etc. shall be addressed as follows:

<p>SRWA:</p> <p>General Manager Stanislaus Regional Water Authority c/o City of Turlock 156 S. Broadway, Suite 270 Turlock, CA 95380 granbergassociates@gmail.com</p>	<p>City of Ceres:</p> <p>City Manager City of Ceres 2220 Magnolia Street Ceres, CA 95307 toby.wells@ci.ceres.ca.us</p>
<p>City of Turlock:</p> <p>City Manager City of Turlock 156 S. Broadway Turlock, CA 95380 <i>[insert email]</i></p>	<p>TID:</p> <p>General Manager Turlock Irrigation District 333 East Canal Drive P.O. Box 949 Turlock, CA 95381 <i>[insert email]</i></p>

Notice given as above will be deemed given (a) when delivered in person, (b) three days after deposited in prepaid, first class U.S. mail, (c) on the date of delivery as shown on the overnight courier service receipt, or (d) upon the sender's receipt of an email from the other

party confirming the delivery of the notice, etc. Any party may change its contact information by notifying the other party of the change in the manner provided above.

STANISLAUS REGIONAL WATER
AUTHORITY

CITY OF CERES

Dated: _____, 2019

Dated: _____, 2019

By: _____
Robert Granberg
General Manager

By: _____
Toby Wells
City Manager

Attest:

Attest:

Approved as to form and content:

Richard P. Shanahan
General Counsel

Approved as to form and content:

City Attorney

CITY OF TURLOCK

TURLOCK IRRIGATION DISTRICT

Dated: _____, 2019

Dated: _____, 2019

By: _____
City Manager

By: _____
Assistant General Manager

Attest:

Attest:

Approved as to form and content:

Douglas L. White
City Attorney

Approved as to form and content:

Roger Masuda
General Counsel

EXHIBIT A
SRWA Project Management Team Memorandum dated June 19, 2019



MEMORANDUM

DATE: June 19, 2019

TO: Technical Advisory Committee

FROM: Project Management Team

SUBJECT: Cost Allocations for SRWA Surface Water Supply Project

This memo documents cost allocations (shown as percentages in Table 1 below) for the City of Turlock, City of Ceres, and Turlock Irrigation District's (TID) financial contribution toward the Stanislaus Regional Water Authority (SRWA) Surface Water Supply Project (Project). This memo is an update to the memo dated October 10, 2018 which provided a tabulation of the percentage of each task's cost allocations. The percent allocations that have changed, or been added in the case of new tasks, since the October 2018 memo are highlighted in Table 1.

For TID's cost share, the cost allocation percentages shown in Table 1 are consistent with the District Delivery Facilities Capital Cost Allocation stated in the 2015 Water Sales Agreement, which states that TID is responsible for paying 20 percent of the District Delivery Facilities Capital Cost. Therefore, where tasks are 100% related to District Delivery Facilities, TID's responsibility shown in the last column of Table 1 is 20%. Note that many tasks are only partially related to District Delivery Facilities and therefore, because TID is only responsible for 20% of District Delivery Facility activities, TID's responsibility for these tasks is less than 20%.

All cost allocations presented in Table 1 shall be considered effective July 1, 2019.

Table 1. Cost Allocation Percentages for Project Costs Effective July 1, 2019

Task No.	General Ledger No.	Consultant Task No.	Party Performing Service	Task Name	City of Turlock Responsibility, percent	City of Ceres Responsibility, percent	TID's Responsibility, percent
100	--	--	--	Program Management	--	--	--
101	43060_012	02.00	West Yost	General Manager Selection	50.00	50.00	0.00
102	43060_012	13.00	West Yost	Discussions with Potential Project Partners	50.00	50.00	0.00
103	43060_012	19.00, 19.01, 19.12	West Yost	Public Outreach	50.00	50.00	0.00
104	43060_012	01.01, 01.02, 01.03, 01.04, 01.05, 01.06	West Yost	Program Management Activities	50.00	50.00	0.00
105	43060_012	17.00, 17.01	West Yost	Future Phase Planning	50.00	50.00	0.00
106	43105_003	NA	SRWA	SRWA Staff: Treasurer/Accounting	50.00	50.00	0.00
107	43060_021	NA	Granberg	SRWA Staff: General Manager	50.00	50.00	0.00
108	43105_003	NA	SRWA	SRWA Staff: Secretary	50.00	50.00	0.00
109	43105_003	NA	SRWA	SRWA Staff: General Counsel	50.00	50.00	0.00
110	43195	8863-0001	BKS	Specialty Legal Counsel	50.00	50.00	0.00
111	43011	N/A	TBD	Government Relations and Public Affairs Consultant	50.00	50.00	0.00
112	43055_002	N/A	SRWA	SRWA Audits	50.00	50.00	0.00
113	44001_000, 44035, 44040_000, 47010, 47040_000, 47090_001, 47095_000	N/A	SRWA	Incidental Costs	50.00	50.00	0.00
200	--	--	--	Finance/Funding	--	--	--
201	43060_012	06.00, 06.01	West Yost	Funding Strategy	50.00	50.00	0.00
202	43060_012	18.00, 18.14	West Yost	Preliminary Financial Evaluation of Impact to Existing Rates	50.00	50.00	0.00
203	43060_012	06.03	West Yost	Grant Funding	50.00	50.00	0.00
204	43060_012	N/A	West Yost	Funding Opportunities - Turlock Facilities	100.00	0.00	0.00
205	43060_012	N/A	West Yost	Funding Opportunities - Ceres Facilities	0.00	100.00	0.00
206	43060_012	06.02, 06.04, 06.20	West Yost	State Revolving Fund Loans	50.00	50.00	0.00
207	43060_012	N/A	West Yost	SRF Loan - Turlock Facilities	100.00	0.00	0.00
208	43060_012	N/A	West Yost	SRF Loan - Ceres Facilities	0.00	100.00	0.00
209	43329	18 (Phase 2 contract)	Horizon	State Revolving Fund Loans - Environmental Package	50.00	50.00	0.00
300	--	--	--	Facilities Planning	--	--	--
301	43060_012	01.07	West Yost	Review Previous Work	50.00	50.00	0.00
302	43060_012	03.00	West Yost	Demand and Supply Analysis	50.00	50.00	0.00
303	43060_012	07.01, 07.02, 07.03, 07.11, 07.17A, 07.18, 07.19 (a),(b)	West Yost	Water Quality	50.00	50.00	0.00
304	43060_012	07.04, 07.13 (c)	West Yost	Infiltration Gallery Evaluation	53.33	26.67	20.00
305	43060_012	08.00	West Yost	Technical Assistance with TID's Water Transfer	66.67	33.33	0.00
306	43060_012	09.00, 09.16A	West Yost	Alignment Study	48.10	48.10	3.80
307	43060_012	10.00, 10.02	West Yost	Hydraulic Analysis	50.00	50.00	0.00
308	43060_012	11.01, 11.02, 11.11	West Yost	Treatment Process Evaluation	50.00	50.00	0.00
309	N/A	N/A	TBD	Integration Study	50.00	50.00	0.00
310	43060_012	10.02A	West Yost	Integration Study Modeling Support - Ceres	0.00	100.00	0.00
311	43060_012	10.02B	West Yost	Integration Study Modeling Support - Turlock	100.00	0.00	0.00
312	43060_012	12.00	West Yost	Project Delivery Evaluation	50.00	50.00	0.00
313	43060_012	14.00, 14.01	West Yost	Schedule Development	50.00	50.00	0.00
314	43060_012	15.00, 15.01, 15.02, 15.03, 15.04, 15.11, 15.17, 15.20, 15.21	West Yost	Program Budgeting	50.00	50.00	0.00
315	43060_012	16.00	West Yost	Project Definition TM	50.00	50.00	0.00
316	43060_012	N/A	West Yost	Technical Services - SRWA	50.00	50.00	0.00
317	43060_012	N/A	West Yost	Technical Services - Turlock	100.00	0.00	0.00
318	43060_012	N/A	West Yost	Technical Services - Ceres	0.00	100.00	0.00
319	43060_012	N/A	West Yost	Technical Services - TID	0.00	0.00	100.00
400	--	--	--	Permitting and Environmental Documentation	--	--	--
401	43329	15 (Phase 1 contract)	Horizon	Wet Well CEQA/NEPA	53.33	26.67	20.00
402	43329	1 - 13 (Phase 1 contract), 13 (Phase 2 contract)	Horizon	Project Coordination; Regional Project CEQA/NEPA	50.00	50.00	0.00
403	43329	14 (Phase 1 contract), 16 (Phase 1 contract, for wet well), and \$56,140 of 19 (Phase 2 contract)	Horizon	Environmental Permits	41.22	41.22	17.56
404	43329	\$24,000 of Task 19 (Phase 2 contract)	Horizon	Water Transfer Environmental Support	50.00	50.00	0.00

Table 1. Cost Allocation Percentages for Project Costs Effective July 1, 2019

Task No.	General Ledger No.	Consultant Task No.	Party Performing Service	Task Name	City of Turlock Responsibility, percent	City of Ceres Responsibility, percent	TID's Responsibility, percent
405	43060_012	04.00, 04.01, 04.13, 04.17, 04.20, 04.25	West Yost	EIR Technical Assistance	46.85	46.85	6.30
406	43060_012	05.00, 05.01, 05.11, 05.15	West Yost	Non-Environmental Permits/Utility Coordination	46.39	46.39	7.22
407	43195	8863-0003	BKS	CEQA Legal Support	50.00	50.00	0.00
408	43060_023	N/A	MID/HDR	Watershed Sanitary Survey	50.00	50.00	0.00
409	43332	N/A	SRWA	Pre-Construction Permit Fees	50.00	50.00	0.00
410	43332_002	N/A	SRWA	Water Transfer Fee	66.67	33.33	0.00
500	--	--	--	ROW Acquisition	--	--	--
501	43060_012	09.01, 09.15, 09.22, 09.22A, 09.23	West Yost	ROW Acquisition - District Delivery Facilities	53.33	26.67	20.00
502	43060_012	09.03, 09.23B	West Yost	ROW Acquisition - Turlock Facilities	100.00	0.00	0.00
503	43060_012	09.02, 09.23A	West Yost	ROW Acquisition - Ceres Facilities	0.00	100.00	0.00
504	51001	N/A	SRWA	Appraisals - District Delivery Facilities	53.33	26.67	20.00
505	51001	N/A	SRWA	Appraisals - Turlock Facilities	100.00	0.00	0.00
506	51001	N/A	SRWA	Appraisals - Ceres Facilities	0.00	100.00	0.00
507	none assigned	N/A	TID	Eminent Domain - District Delivery Facilities	53.33	26.67	20.00
508	51001	N/A	SRWA	Land/Easement Purchase - District Delivery Facilities	53.33	26.67	20.00
509	51001	N/A	SRWA	Land/Easement Purchase - Regional Facilities	66.67	33.33	0.00
510	51001	N/A	SRWA	Land/Easement Purchase - Turlock Facilities	100.00	0.00	0.00
511	51001	N/A	SRWA	Land/Easement Purchase - Ceres Facilities	0.00	100.00	0.00
600	--	--	--	Infrastructure	--	--	--
601	--	--	--	Wet Well Project	--	--	--
602	51800_001	7.04 ^(c) , 1 – 5 (Wet Well Design Contract)	West Yost	Wet Well Design & Engineering Services During Construction	53.33	26.67	20.00
603	51801_002	N/A	ICM	Wet Well Construction Management	53.33	26.67	20.00
604	51801_001	N/A	Overaa	Wet Well Construction	53.33	26.67	20.00
605	43332	N/A	SRWA	Wet Well Permit and Utility Fees	53.33	26.67	20.00
606	51801_005	17 (Phase 2 contract)	Horizon	Wet Well Environmental Monitoring & Permit Compliance	53.33	26.67	20.00
607	43195	8863-0002	BKS	Legal Services Related to Wet Well and District Delivery Facilities	53.33	26.67	20.00
608		N/A	SRWA	Infiltration Gallery Construction Reimbursement	66.67	33.33	0.00
609	--	--	--	Regional Design-Build Project	--	--	--
610	43060_012	12.01, 12.02, 12.03, 12.04, 12.05, 12.11, 12.16A, 12.16B, 12.17A, 12.17B, 12.20A, 12.20B, 12.20C	West Yost	Project Procurement	49.02	49.02	1.97
611	43060_012	04.02, 05.02, 07.05, 07.16, 07-17B, 07.20, 07.25, 07.26, 09.04, 09.05, 09.22D, 09.26A, 10.01, 11.04, 11.05, 11.17, 11.20, 11.22, 11.24, 11.25, 11.26, 11.27	West Yost	Predesign & Technical Appendices	48.24	48.24	3.52
612	43060_012	09.06, 09.16B, 09.22B, 09.26B	West Yost	Ceres Pipeline Predesign & Technical Appendices	0.00	100.00	0.00
613	43060_012	09.07, 09.16C, 09.22C, 09.26C	West Yost	Turlock Pipeline Predesign & Technical Appendices	100.00	0.00	0.00
614	43195	8863-0003	BKS	Specialty Procurement Legal Counsel	49.02	49.02	1.97
615	43060_022	N/A	PFAL	Financial Evaluation of Proposers	49.02	49.02	1.97
616	43060_012	N/A	West Yost	Contract Compliance	65.68	32.35	1.97
617	43060_012	N/A	West Yost	Construction Oversight	65.68	32.35	1.97
618	43332	N/A	SRWA	Regional DB Permit and Utility Fees	49.02	49.02	1.97
619	43329	N/A	Horizon	Regional DB Environmental Monitoring	43.00	43.00	14.00
620	43332_001	N/A	SRWA	Environmental Mitigation	53.33	26.67	20.00
621	none assigned	N/A	TBD	DB Contract: Pre-Construction Date	62.50	35.00	2.50
622	none assigned	N/A	TBD	DB Contract: Raw Water Pump Station Design and Construction	53.33	26.67	20.00
623	none assigned	N/A	TBD	DB Contract: Raw Water Transmission Main Design and Construction	53.33	26.67	20.00
624	none assigned	N/A	TBD	DB Contract: Water Treatment Plant Design and Construction	66.67	33.33	0.00
625	none assigned	N/A	TBD	DB Contract: Finished Turlock Water Transmission Mains Design and Construction	0.00	100.00	0.00
626	none assigned	N/A	TBD	DB Contract: Finished Ceres Water Transmission Mains Design and Construction	100.00	0.00	0.00

Table 1. Cost Allocation Percentages for Project Costs Effective July 1, 2019

Task No.	General Ledger No.	Consultant Task No.	Party Performing Service	Task Name	City of Turlock Responsibility, percent	City of Ceres Responsibility, percent	TID's Responsibility, percent
627	none assigned	N/A	TBD	DB Contract: Project Instrumentation, Controls, and Security Systems	50.00	50.00	0.00
628	none assigned	N/A	SRWA	Raw Material Price Adjustment	62.50	35.00	2.50
629	none assigned	N/A	SRWA	SRWA Contract Risk Transfer Items	50.00	50.00	0.00
630	--	--	--	Ceres Local Improvements	--	--	--
631	none assigned	N/A	Blackwater	Ceres Design & Engineering Services During Construction	0.00	100.00	0.00
632	none assigned	N/A	TBD	Ceres Construction Management	0.00	100.00	0.00
633	none assigned	N/A	TBD	Ceres Construction	0.00	100.00	0.00
634	none assigned	N/A	TBD	Ceres Permit and Utility Fees	0.00	100.00	0.00
635	none assigned	N/A	TBD	Ceres Environmental Monitoring	0.00	100.00	0.00
636	--	--	--	Turlock Local Improvements	--	--	--
637	none assigned	N/A	Carollo	Turlock Design & Engineering Services During Construction	100.00	0.00	0.00
638	none assigned	N/A	TBD	Turlock Construction Management	100.00	0.00	0.00
639	none assigned	N/A	TBD	Turlock Construction	100.00	0.00	0.00
640	none assigned	N/A	TBD	Turlock Permit and Utility Fees	100.00	0.00	0.00
641	none assigned	N/A	TBD	Turlock Environmental Monitoring	100.00	0.00	0.00
700	--	--	--	Contingency	--	--	--
701	43060_012, 51801_001	West Yost contract: 20.00, 20.01; Overaa contract: no specific task #	Overaa, West Yost	Capital Contingency	60.05 ^(a)	37.70 ^(d)	2.25 ^(d)

- (a) SRWA line item 303 may have included West Yost Tasks 7.01, 7.02, 7.03, 7.04, 7.11, 7.13, 7.17, 7.18, or 7.19 during Phase 1 or Tasks 7.03, 7.11, 7.13, 7.18, or 7.19 during Phase 2. Prior to 2018, "Water Quality and Infiltration Gallery Evaluation" was all line item 303 but starting with the FY18/19 budget, this line item is split up into 303 (for Water Quality) and 304 (for Infiltration Gallery Evaluation).
- (b) Tasks 7.03, 7.11, 7.18, and 7.19 are 100% water quality-related and were active during Phase 1 and Phase 2; and Task 7.17A is 100% water quality-related and is only active during Phase 2.
- (c) Tasks 7.04 and 7.13 are only Infiltration Gallery Evaluation (IGE)-related and were active during Phase 1 and Phase 2.
- (d) These allocation percentages are presented only for budgeting purposes. Invoices containing charges to the Capital Contingency line item will need to specify the appropriate cost allocation percentages for the particular work done during the invoice period.

BKS = Bartkiewicz, Kronick & Shanahan
 Blackwater = Blackwater Construction
 Carollo = Carollo Engineers
 CEQA = California Environmental Quality Act
 DB = Design-Build
 EIR = Environmental Impact Report
 Granberg = Granberg & Associates
 HDR = HDR Engineering
 Horizon = Horizon Water and Environment
 ICM = Inferrera Construction Management Group, Inc.
 MID = Modesto Irrigation District
 N/A = Not applicable
 NEPA = National Environmental Policy Act
 Overaa = Overaa Construction
 PFAL = Project Finance Advisory, Ltd.
 ROW = Right-of-Way
 SRWA = Stanislaus Regional Water Authority
 TAC = Technical Advisory Committee
 TBD = To be determined
 TID = Turlock Irrigation District
 West Yost = West Yost Associates

 Cost allocations are new due to new tasks since the October 10, 2018 Cost Allocation Memo

 Cost allocations have changed since the October 10, 2018 Cost Allocation Memo