



**ENGINEERING, OPERATIONS, AND  
WATER RESOURCES  
COMMITTEE MEETING  
OF THE BOARD OF DIRECTORS  
INLAND EMPIRE UTILITIES AGENCY\*  
AGENCY HEADQUARTERS, CHINO, CALIFORNIA**

**WEDNESDAY, FEBRUARY 8, 2017  
11:00 A.M.**

*Or immediately following the  
Finance & Administration  
Committee Meeting*

**CALL TO ORDER**

**PUBLIC COMMENT**

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

**ADDITIONS TO THE AGENDA**

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

**1. ACTION ITEMS**

**A. MINUTES**

The Committee will be asked to approve the Engineering, Operations, and Biosolids Management Committee meeting minutes from the January 11, 2017.

**B. AWARD BLANKET PURCHASE AGREEMENT TO DOWNS ENERGY FOR SUPPLY AND DELIVERY OF DIESEL FUEL**

It is recommended that the Committee/Board:

1. Approve a three-year blanket purchase agreement Contract No. 4600002251 to Downs Energy for the supply and delivery of diesel fuel with a three-year blanket purchase agreement, for a not-to-exceed amount of \$100,000 to various Agency locations, through December 31, 2019; and
2. Authorize the Manager of Contracts and Procurement to issue a blanket purchase agreement.

**C. MASTER SERVICE CONTRACT AWARDS FOR THE DEVELOPMENT OF WATER RESOURCES AND THE INTEGRATED WATER RESOURCES PLAN**

It is recommended that the Committee/Board:

1. Award Master Service Contracts (Nos. 4600002275 through 4600002282) to the firms identified below for a two-year contract (two-year with two, one-year options to extend) to provide professional engineering and financial services for the development of water resources and the Integrated Water Resources Plan;
  - No. 4600002275 to Arcadis U.S., Inc.
  - No. 4600002276 to CH2M HILL Engineers, Inc.
  - No. 4600002277 to Carollo Engineers, Inc.
  - No. 4600002280 to Kennedy/Jenks Consultants
  - No. 4600002278 to Thomas Harder & Co., Inc.
  - No. 4600002282 to Daniel B. Stephens & Associates. Inc.
  - No. 4600002281 to INTERA Incorporated
  - No. 4600002279 to Michael Baker International
2. Increase the General Manager's authority set by Ordinance 101 to approve and execute task orders in the amount of not-to-exceed \$250,000 for services rendered under this project;
3. Authorize the Master Service Contracts of not-to-exceed \$3,000,000; and
4. Authorize the General Manager to approve, subject to not-substantive changes, and execute the Master Service Contracts.

**D. TEMPORARY BRINE LINE CONNECTION AGREEMENT**

It is recommended that the Committee/Board:

1. Approve the agreement amendment with Santa Ana Watershed Project Authority to extend the temporary Brine Line connection to March 2020;
2. Approve the agreement amendment with Chino Development Corporation, Chino Preserve Development Corporation, and Chino Holding Company to extend the temporary Brine Line connection to March 2020;
3. Approve the agreement amendment with the City of Chino to extend the permanent sewer facilities development guarantee to March 2020; and
4. Authorize the General Manager to execute the agreement amendments subject to non-substantive changes.

**E. RP-2 MICROTURBINE DESIGN-BUILD CONTRACT AWARD**

It is recommended that the Committee/Board:

1. Award a design-build contract for the RP-2 Microturbine Installation Project No. EN17065, to Geveden Industrial in the amount of \$1,876,809;
2. Approve a ten-year service agreement with Cal Microturbine in the amount of \$752,460 for Project No. EN17065;
3. Approve a total project budget in the amount of \$2,210,000 and FY budget in the amount of \$850,000 for Project No. EN17065; and
4. Authorize the General Manager to execute the budget amendment and the construction contract and maintenance service agreement subject to non-substantive changes.

**F. RP-4 CONSTRUCTION CONTRACT AWARD**

It is recommended that the Committee/Board:

1. Award a construction contract for the RP-4 Disinfection Facility Improvements, Project No. EN14018, to W.A. Rasic in the amount of \$1,839,400;
2. Approve a total project budget amendment in the amount of \$284,400 for Project No. EN14018; and

3. Authorize the General Manager to execute the construction contract and budget amendment.

**G. RP-1 CONSULTING ENGINEER SERVICES CONTRACT AWARD**

It is recommended that the Committee/Board:

1. Award a consulting engineering services contract for the RP-1 Primary Effluent Conveyance Improvements, Project No. EN15012, to Stantec for the not-to-exceed amount of \$461,483; and
2. Authorize the General Manager to execute the consulting engineering services contract.

**H. RP-1 ENGINEERING SERVICES CONTRACT AMENDMENT**

It is recommended that the Committee/Board:

1. Approve the consultant contract amendment for additional design efforts for the RP-1 Power System Upgrades, Project No. EN13048 to Tetra Tech Inc., for the not-to-exceed amount of \$205,825; and
2. Authorize the General Manager to execute the amendment.

**I. CCWRF CONSTRUCTION CONTRACT AWARD**

It is recommended that the Committee/Board:

1. Award a construction contract for the CCWRF Valve Replacement, Project No. EN17051, to Ferreira Construction Co., in the amount of \$178,809; and
2. Authorize the General Manager to execute the contract.

**2. INFORMATION ITEM**

**A. REGIONAL PRETREATMENT PROGRAM LOCAL LIMITS UPDATE (WRITTEN/POWERPOINT)**

**B. LABORATORY SEMI-ANNUAL UPDATE (POWERPOINT)**

**C. RP-5 EXPANSION DESIGN CONTRACT UPDATE (WRITTEN/POWERPOINT)**

**RECEIVE AND FILE INFORMATION ITEMS**

**D. ENGINEERING AND CONSTRUCTION MANAGEMENT PROJECT UPDATES (POWERPOINT)**

**3. GENERAL MANAGER'S COMMENTS**

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

\*A Municipal Water District

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

Proofed by: 

#### **DECLARATION OF POSTING**

I, April Woodruff, Board Secretary of the Inland Empire Utilities Agency, A Municipal Water District, hereby certify that a copy of the agenda has been posted by 5:30 p.m. in the foyer at the Agency's main office, 6075 Kimball Ave., Building A, Chino, CA on Thursday, February 2, 2017.

for   
April Woodruff

**ACTION  
ITEM  
1A**



## MINUTES

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

WEDNESDAY, JANUARY 11, 2017  
10:00 A.M.

#### **COMMITTEE MEMBERS PRESENT**

Michael Camacho, Chair  
Kati Parker

#### **STAFF PRESENT**

Chris Berch, Executive Manager of Engineering/AGM  
Christina Valencia, Chief Financial Officer/AGM  
Randy Lee, Executive Manager of Operations/AGM  
Jerry Burke, Deputy Manager of Engineering  
Nasrin Maleki, Senior Engineer  
Jesse Pompa, Senior Engineer  
Shaun Stone, Manager of Engineering  
Richard Mykitta, Manager of Operations and Maintenance  
Dave Mendez, Deputy Manager of Capital Improvement Program  
Jamal Zughbi, Senior Engineer/Project Manager, P.E.

#### **OTHERS PRESENT**

Tom Dodson, Tom Dodson & Associates

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

#### **ACTION ITEMS**

The Committee:

- ◆ Approved the Engineering, Operations, and Biosolids Management Committee meeting minutes of December 14, 2016.
- ◆ Recommended that the Board:
  1. Award a design-build contract for the RP-2 Microturbine Installation Project No. EN17065, to Geveden Industrial in the amount of \$1,876,809;
  2. Approve a total project budget in the amount of \$2,210,000 and FY budget in the amount of \$850,000 for Project No. EN17065; and

3. Authorize the General Manager to execute the construction contract and approve the establishment of the project budget;

as an Action Item on the January 18, 2017 Board meeting agenda.

◆ Recommended that the Board:

1. Award the consulting engineering services contract for the RP-1 Flare Improvements Project No. EN18006, to LEE & RO, Inc., for the not-to-exceed amount of \$378,030; and
2. Authorize the General Manager to execute the contract;

as a Consent Item on the January 18, 2017 Board meeting agenda.

◆ Recommended that the Board:

1. Award a construction contract for the Headquarters Building A Parking Lot Repairs, Project No. EN16047, to W.A. Rasic Construction in the amount of \$264,138; and
2. Authorize the General Manager to execute the construction contract;

as a Consent Item on the January 18, 2017 Board meeting agenda.

◆ Recommended that the Board:

1. Approve the consultant contract amendment for additional design efforts for the RP-1 Improvements, Project No. EN14019 to RMC Water and Environment for the not-to-exceed amount of \$68,204; and
2. Authorize the General Manager to execute the amendment;

as a Consent Item on the January 18, 2017 Board meeting agenda.

### **INFORMATION ITEMS**

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

- ◆ Engineering and Construction Management Industry Trends
- ◆ Engineering and Construction Management Project Update

### **GENERAL MANAGER'S COMMENTS**

General Manager Joseph Grindstaff gave an overview of the current rainfall and snowfall in the state of California.

### **COMMITTEE MEMBER COMMENTS**

There were no Committee Member comments.

### **COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS**

There were no Committee Member requested future agenda items.



With no further business, Director Camacho adjourned the meeting at 10:28 a.m.

Respectfully submitted,

April Woodruff  
Board Secretary/Office Manager

\*A Municipal Water District

**APPROVED: FEBRUARY 8, 2017**


**ACTION  
ITEM  
1B**


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Date: February 15, 2017

To: The Honorable Board of Directors

Through: Engineering, Operations, and Water Resources Committee (02/08/2017)

From:  P. Joseph Grindstaff  
General Manager

Submitted by: Randy Lee   
Operations Executive Manager

Albert VanBreukelen   
Deputy Manager of Maintenance

Subject: Award Blanket Purchase Agreement to Downs Energy for Supply and Delivery of Diesel Fuel

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### RECOMMENDATION

It is recommended that the Board of Directors:

1. Approve a three-year blanket purchase agreement Contract No. 4600002251 to Downs Energy for the supply and delivery of diesel fuel with a three-year blanket purchase agreement, for a not-to-exceed amount of \$100,000 to various Agency locations, through December 31, 2019; and
2. Authorize the Manager of Contracts and Procurement to issue a blanket purchase agreement.

### BACKGROUND

In order to effectively operate its diesel-powered vehicles, heavy equipment, and emergency generators, the Agency requires periodic deliveries of diesel fuel to 13 different destinations. Staff recommends establishing a blanket purchase agreement for a three-year period to facilitate ordering and delivering of diesel fuel on an "as needed" basis.

A competitive Request for Proposal was issued on November 9, 2016 through the BidNet procurement network. Six prospective suppliers responded and proposals were received from the firms of Supreme Oil Co., the SoCo Group, Downs Energy, AAA Oils/California Fuels, SC Fuels,

and Flyers Energy. Based on the proposals received, the lowest aggregate pricing for providing the anticipated fuel required by the Agency is offered by Downs Energy.

Issuance of a new multi-year blanket purchase agreement to Downs Energy allows for expeditious placement of diesel fuel delivery order, as they are needed by the Operations Division, and eliminates delays inherent to the requisition creation and workflow approval processes, as well as delays experience during quotation activities, purchase order generations, and approval processes,

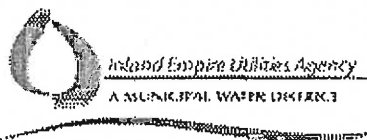
### **PRIOR BOARD ACTION**

On November 19, 2014, the Board of Directors approved Change Order # 3 of the blanket purchase agreement Contract No. 4600001126 to Downs Energy, for the purchase of diesel fuel as required by the Agency's Operations Division, for the established rates.

On December 21, 2011, the Board of Directors approved the three-year blanket purchase agreement to Downs Energy covering "as needed" purchases and deliveries of diesel fuel to various Agency locations.

### **IMPACT ON BUDGET**

If approved, procurement of diesel fuel will be funded from the operations and maintenance fuel accounts included in the FY 2016/17, 2017/18, and 2018/19 Regional Operations and Maintenance (RO) and Administrative Service (GG) funds budget.



6075 Kimball Avenue, Chino, CA 91708  
P.O. Box 9020, Chino Hills, CA 91709  
TEL (909) 993-1600 -FAX (909) 993-1987

Contract Number  
**4600002251**

This contract number must appear on all invoices, packages, and inquiries relating to this contract.

**Supplier:**  
DOWNS ENERGY  
1296 MAGNOLIA AVE  
CORONA CA 92879-2098  
USA

**Ship To:**  
Regional Plant No. 1 (RP-1) Warehouse  
2662 E. Walnut Avenue  
ONTARIO CA 91761  
USA

**Bill To:**  
Inland Empire Utilities Agency  
Accounting Department  
P.O.Box 9020,  
Chino Hills, CA 91709

Supplier PEID#: 107181

Page 1 of 4

<b>Order Date</b> 11/29/2016	<b>Attention</b>	<b>F.O.B.</b> FOB Destination	<b>Direct Inquiries to Buyer</b> Roger Hughbanks
<b>Terms Are Net 30 Unless Otherwise Stated:</b> Net 30, Payment 30 days after invoice			

**Special Instructions:**

Item	Part Number	Description	Quantity	U/M	Unit Price	Extended Cost
1		<p><b>Diesel Fuel Master Purchase Agreement</b></p> <p>This Master Purchase Agreement establishes and documents the terms and conditions covering "as-needed/as-ordered" diesel fuel deliveries to various Inland Empire Utilities Agency (IEUA) facilities at a price per gallon based on the OPIS unbranded Colton, California rack average market price published for the day of delivery, plus Seller's margin and freight changes (combined as the Seller's proposed delivery differential), plus applicable taxes and regulatory fees in accordance with rate schedule displayed as Exhibit A to this Agreement.</p> <p>The term of this agreement shall be valid from the date of its issuance through an expiration date of December 31, 2019.</p> <p>Discrete delivery orders against this Master Purchase Agreement will be placed via e-mail or via telephone by authorized IEUA personnel on an "as needed" basis. The Agency shall only be obligated to pay for deliveries made by Agency authorized personnel. The list of IEUA personnel authorized to place delivery orders against this Master Purchase Agreement is conveyed under Exhibit B to this Agreement.</p>				

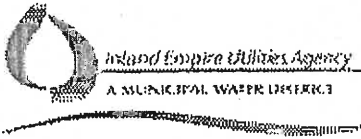
- \* Supplier is responsible for all terms and conditions listed on the front and back of this contract, or attached hereto.
- \* Changes to this contract require prior Contracts and Procurement approval.
- \* MSDS required for all hazardous products.

\*\*\* CONTINUED \*\*\*

Authorized Signature (NOT VALID UNLESS SIGNED & DATED)

Warren T. Green                      Date  
Manager of Contracts and Procurement

VENDOR



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**Special Instructions:**

Item	Part Number	Description	Quantity	U/M	Unit Price	Extended Cost
		<p>When ordering the IEUA requester shall provide a billing purchase order number which is to be referenced on the Seller's subsequent associated invoice.</p> <p>Delivery Requirements: The Supplier shall deliver the ordered product to the specified delivery site within 72 hours after receipt of a delivery order from the Buyer. Deliveries shall transpire between 7:00am to 3:30pm, Monday through Friday; excluding weekends, holidays and overtime periods, unless otherwise requested by the Buyer.</p> <p>The following information must be conveyed on each delivery packing slip and each invoice:</p> <ol style="list-style-type: none"> <li>1. Seller's name</li> <li>2. The billing purchase order number</li> <li>3. Name of IEUA employee that placed the delivery order</li> <li>4. Date of order placement</li> <li>5. Date of delivery</li> <li>6. Location of delivery</li> <li>7. Quantity of product delivered and associated unit price</li> </ol>				

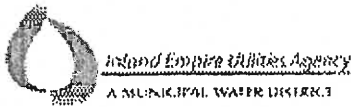
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**Special Instructions:**

Item	Part Number	Description	Quantity	U/M	Unit Price	Extended Cost
		<p>Invoice Payment Terms: All invoices subsequently submitted against this Master Purchase Agreement and its associated billing purchase orders shall reflect "Net 30 days" payment terms based on/from the date the invoice is received by the Buyer.</p> <p>Insurance Requirements: Throughout the term of this BPA, the Seller must possess, maintain and submit certifications to IEUA Buyer evidencing insurance coverage consistent with the following minimum requirements:</p> <ol style="list-style-type: none"> <li>1) General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury, and property damage, with a \$2,000,000 general liability aggregate limit.</li> <li>2) Automobile Liability: \$500,000 combined single limit per accident for bodily injury and property damage.</li> <li>3) Workers# Compensation: Limit as required by the Labor Code of the State of California. The insurer agrees to waive all rights of subrogation against the Agency, its officials and employees for losses arising from performance against this purchase order.</li> </ol>				

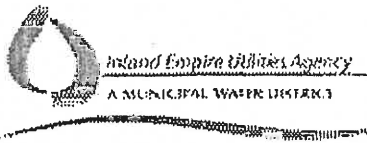
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**Special Instructions:**

Item	Part Number	Description	Quantity	U/M	Unit Price	Extended Cost
		The Buyer reserves the right to cancel and/or refrain from ordering against this Agreement, with or without cause, at any time.				

- \* Supplier is responsible for all terms and conditions listed on the front and back of this contract, or attached hereto.
- \* Changes to this contract require prior Contracts and Procurement approval.
- \* MSDS required for all hazardous products.

**Sub-Total** 0.00  
**Sales Tax**  
**Shipping**  
**GRAND TOTAL** 0.00

Authorized Signature (NOT VALID UNLESS SIGNED & DATED)

  
 Warren T. Green Date  
 Manager of Contracts and Procurement

VENDOR



**1. ACCEPTANCE:** This purchase order constitutes the Buyer's offer to the Seller. Unless the Seller notifies the Buyer, in writing to the contrary, the commencement of performance required by this offer shall be conclusive evidence of the Seller's approval of, and consent to the terms and conditions of purchase herein contained.

**2. CHANGES:** The Buyer may at any time, by a written change order, make changes in the specifications, designs or drawings, samples or other description to which the items are to conform, in methods of shipment and packaging, or in the time or place of delivery of any items. If any such change causes an increase or decrease in the cost of, or the time required for, the performance of any part of the work under this purchase order, an equitable adjustment shall be made in the price or delivery schedule, or both, and the purchase order shall be modified in writing accordingly. Any claim by Seller for such an adjustment must be made in writing. Nothing in this clause shall excuse Seller from proceeding without delay to perform this purchase order as changed.

**3. CONFLICT WITH TERMS:** Where any conflict exists between the terms and conditions of Seller and Buyer, the Buyer's terms and conditions shall prevail.

**4. COMPLIANCE WITH LAWS:** To the extent applicable hereto, Seller shall, in the performance of this purchase order, comply with all federal, state and local laws, and regulations. Further, Supplier shall indemnify, defend, and hold the Buyer harmless against any and all consequences resulting from Seller's failure to do so.

**5. PREVAILING WAGES:** If specified as a requirement elsewhere within this order, Seller shall comply with California Labor Code Sections 1720 - 1780.

**6. MATERIAL SAFETY DATA SHEETS:** If specified as a requirement elsewhere within this order, the Seller shall submit a current Material Safety Data Sheet (MSDS) in conformance with California Code of Regulations, Title 8, Section 5194, applicable to all potentially hazardous substances delivered against this purchase order.

**7. PACKING:** Unless this purchase order states otherwise, no charge shall be made for packing, crating, dunnage or other similar costs. Items shall be packed in accordance with prudent commercial practices to insure against damage from weather and/or transportation.

**8. FEDERAL, STATE, AND LOCAL TAXES:** All prices stated herein shall exclude, unless otherwise specified, all Federal, State or local taxes that may be levied or assessed as a result of this purchase order, or are otherwise applicable to this purchase order. Buyer, as a municipal agency, is exempt from Federal Excise Tax.

**9. ENGINEERING, INFORMATION, TOOLS, ETC.:** All designs, tools, plans, patterns, drawings, information or equipment supplied by the Buyer, or if supplied by the Seller specifically for this purchase order, the cost, or substantially all of the cost, of which is included in the price to be paid for items ordered hereunder, and relating to, or for use in the manufacture of items sold hereunder, shall remain the sole property of the Buyer, and Seller expressly agrees that the same will not be used in manufacture or design for the account of others, nor for the manufacture of larger quantities than called for in this purchase order, without first obtaining the consent of the Buyer in writing. All such property of the Buyer, together with spoiled and surplus materials, shall be returned to the Buyer, at termination, cancellation or completion of the purchase order, unless the Buyer shall otherwise direct. All material furnished by the Buyer under this purchase order (except that which becomes normal industrial waste or was replaced at Seller's expense) shall be returned in the form of parts or unused material and Seller shall be responsible for the use of reasonable care in the safeguarding of all such materials until so returned. All information, designs, drawings and sources of supply shall be deemed confidential unless written release is furnished by the Buyer.

**10. INSPECTION AND ACCEPTANCE:** Items purchased hereunder are subject to final inspection and approval at the Buyer's facilities, notwithstanding any other inspection, unless otherwise specifically stated on this purchase order. Neither compliance by Seller with instructions or suggestions by any employee of the Buyer, nor Buyer's payment of Seller's invoice for any item prior to final inspection shall be deemed an acceptance of the item, or a waiver of the right of inspection, or any other right herein reserved, or relieve Seller of any obligation or liability under the terms and conditions of this purchase order. Defective products will be rejected by the Buyer, and the prices thereof will be debited against the invoice covering the shipment in which such products were included. Items rejected will be held at Buyer's facility, subject to Seller's disposition for a reasonable time, and, if not disposed of by the Seller, will be sold or otherwise disposed of by the Buyer.

**11. WARRANTY:** Seller warrants that all material and work covered by this purchase order shall conform to the specifications, drawings, symbols or other descriptions specified by the Buyer, and will be of good material and workmanship, and free from defect. Seller further warrants that all material covered by this purchase order, which is the product of Seller, is

in accordance with Seller's specifications or design shall be fit and sufficient for the purpose intended by the Buyer, as disclosed to Seller. All warranties shall run to the Buyer, its successors, assigns and customers, and to the users of its products.

**12. PUBLIC RECORD:** Pursuant to California Public Records Act (Government Code Section 6250 et seq.), all information pertaining to this purchase shall become a matter of public record.

**13. PATENT PROTECTION:** To the extent the subject items are not manufactured pursuant to a design originated by the Buyer, Seller agrees it will save the Buyer and/or its Directors, employees, agents or customers harmless from any loss, damage or liability which may be incurred on account of any alleged infringement of any United States or foreign patents with respect to such items or materials, and that Seller will, at its own expense, defend any action, suit or claim in which such infringement is alleged. The Buyer agrees to notify Seller promptly of any suit or claim against the Buyer for any alleged infringement of patent.

**14. INSOLVENCY AND BANKRUPTCY:** In the event Seller shall become insolvent or makes a general assignment for the benefit of creditors, or files, or has filed against it, a petition of bankruptcy or for reorganization, or pursues any other remedy under any law relating to the relief of debtors, or in the event a receiver be appointed of Seller's property or business, the Buyer may, at its option, cancel this purchase order, in accordance with paragraph eight (8) above.

**15. NOTICE OF LABOR DISPUTES:** Whenever an actual or potential labor dispute is delaying or threatening to delay the performance of this purchase order, Seller shall immediately give notice thereof including all relevant information with respect thereto, to the Buyer.

**16. NONDISCRIMINATION IN EMPLOYMENT:** (1) The Seller in performing the work required by this purchase order shall not discriminate against any worker, employee or applicant for employment because of race, creed, color, religious preference, marital status, or national origin, and in this respect shall comply with the provisions of Executive Order 11246 in effect on the date hereof. (2) Seller agrees upon request to provide the Buyer with Certification of Submission of Current Compliance Report or Compliance Report Notification.

**17. SAFETY AND HEALTH:** Seller agrees that all items or equipment purchased hereunder shall comply with the requirements of the Federal Occupational Safety and Health Act of 1971, the California Occupational Safety and Health Act of 1973, and any amendments thereto and all other applicable laws regarding safety and health for the Buyer.

**18. INSURANCE:** If specified as a requirement elsewhere within this Purchase Order, the Seller shall provide, at no additional cost to the Buyer, verification of its current general commercial liability, automobile liability, professional liability, workers' compensation / employers liability insurance. With respect to Workers' Compensation insurance, Seller's policy shall, at no additional cost to the Buyer, be endorsed to waive all rights of subrogation against the Buyer. Failure to provide verification of the insurance coverages and subrogation waiver mentioned above shall be considered a material breach of the terms and conditions of this purchase order.

**19. ATTORNEYS' FEES:** In the event an action is commenced by a party to this Contract against the other to enforce its rights and obligations arising from such, the prevailing party in such action, in addition to any other relief and recovery ordered by the court or arbitration, shall be entitled to recover all statutory costs, plus reasonable attorneys' fees.

**20. TERMINATION:** (a) The Buyer may terminate or cancel this purchase order, in whole or in part, without liability to the Buyer, if deliveries are not made at the time and in the quantities specified, or in the event of a substantial breach of any of the other terms or conditions hereof; (b) the Buyer may also terminate this purchase order, in whole or in part, even though Seller is not in default hereunder and no breach hereof has occurred, by notice in writing at any time. Such notice shall state the extent and effective date of termination and upon the receipt by Seller of such notice, Seller will, as and to the extent prescribed by the Buyer, stop work under the purchase order and placement of further purchase orders or subcontracts hereunder, terminate work under purchase order and subcontracts outstanding hereunder, and take any necessary action to protect property in the Seller's possession in which the Buyer, has or may acquire an interest.

**21. ASSIGNMENT:** Supplier shall not assign, sell, or otherwise transfer any obligation or interest in this purchase order without the specific written consent of the Buyer.

**22. GENERAL:** All warranties shall be construed as integral conditions to this purchase order. No waiver of a breach, or of any provision of this purchase order, shall constitute a waiver of any other breach or of such provision. No modification, change in, or departure from, the provisions of this purchase order shall be valid or binding on the Buyer unless approved by the Buyer in writing.

EXHIBIT A  
Proposal Price Schedule

Proposed Delivery Differential Above OPIS - Unbranded Avg. Colton Rack Rate

Proposed Delivery  
Differential  
(in \$ per gallon)

REF	SITE	DESCRIPTION	CAPACITY	DIESEL TYPE		rate of	avg.	est. annual	OPIS UBD RACK AVG
			GALLONS	RED	CLR	reord	reorder	usage	W/ CAR FEE +
1	RP-1	SOUTH OF WAREHOUSE (Bulk Delivery)	3,000		X	2 mos.	2,400	14,400	\$ 0.095
2	RP-1	BLDG. F / PRB (Bulk)	4,000	X		1X YR	2,000	2,000	\$ 0.095
3	TP-1	EMERGENCY STAND BY GENERATOR (Bulk)	600	X		1X YR	200	200	\$ 0.25
4	RP-4	EMERGENCY STANDBY GENERATOR (Bulk)	1,500	X		1X YR	750	750	\$ 0.18
5	PHIL. LIFT	EMERGENCY STANDBY GENERATOR (Bulk)	250	X		1X YR	125	125	\$ 0.30
6	MNTCLR	LIFT STATION (Bulk)	150	X		1X YR	75	75	\$ 0.30
<del>7</del>	<del>IERCF</del>	<del>COMPOSTING FACILITY (Bulk)</del>	<del>5,500</del>	<del>X</del>		<del>monthly</del>	<del>4,000</del>	<del>48,000</del>	<del>\$ 0.065</del>
8	RP-2	BY WASTE OIL TANK OUTSIDE (Bulk)	500	X		3 mos.	500	1,500	\$ 0.18
9	RP-2	EMERGENCY STANDBY GENERATOR (Bulk)	600	X		1X YR	150	150	\$ 0.30
10	RP-2 LIFT	EMERGENCY STANDBY GENERATOR (Bulk)	150	X		1X YR	75	75	\$ 0.30
11	PRADO	EMERGENCY STANDBY GENERATOR (Bulk)	50	X		1X YR	25	25	\$ 0.30
12	PRADO	LIFT STATION/OLD CIW (Bulk)	50	X		1X YR	25	25	\$ 0.215
13	CCWRF	EMERGENCY STANDBY GENERATOR (Bulk)	4,000	X		1X YR	500	500	\$ 0.215
14	RP-5	EMERGENCY STANDBY GENERATOR (Bulk)	1,500	X		1X YR	500	500	\$ 1.25
15	CDA	OFFSITE WELLS (in 55 gallon drums)	1,520	X		4 X YR	55	220	\$

TOTAL CAPACITY/GALLONS	23,370
DIESEL/RED	20,370
DIESEL/CLEAR	3,000

TOTAL ESTIMATED ANNUAL CONSUMPTION	68,545
DIESEL/RED	54,145
DIESEL/CLEAR	14,400

**EXHIBIT B**

**Inland Empire Utilities Agency**

**Purchase Authorization List**

**For Master Purchase Agreement No. 4600002251**

**With Downs Energy**

**Effective: January 1, 2017**

Charlie Batongmalaque

Carl Kreimeyer

Francis Concemino

Robert Delgado

Mike Frazier

Michael Smith

Albert VanBreukelen

Nelson Htoy

Jon Florio

Joseph King

Tina Morse

REF	SITE	Delivery Site STREET ADDRESS	CITY	STATE	ZIP
1	RP-1	2662 E. Walnut Avenue	Ontario	CA	91761
2	RP-1	2662 E. Walnut Avenue	Ontario	CA	91761
3	TP-1	2662 E. Walnut Avenue	Ontario	CA	91761
4	RP-4	12811 6th Street	Rcho. Cuca.	CA	91729
5	PHIL. LIFT	1918 E. Philadelphia Avenue	Ontario	CA	91761
6	MNTCLR	915 W. Philadelphia Ave.	Ontario	CA	91761
<del>7</del>	<del>IERC</del>	<del>12645 6th Street</del>	<del>Rcho. Cuca.</del>	<del>CA</del>	<del>91739</del>
8	RP-2	16400 El Prado Road	Chino	CA	91708
9	RP-2	16400 El Prado Road	Chino	CA	91708
10	RP-2 LIFT	16400 El Prado Road	Chino	CA	91708
11	PRADO	16500 Johnson Ave.	Chino	CA	91708
12	PRADO	16500 Johnson Ave.	Chino	CA	91708
13	CCWRF	14950 Telephone Avenue	Chino	CA	91708
14	RP-5	6075 C Kimball Avenue	Chino	CA	91708
15	CDA	2662 E. Walnut Avenue (RP-1)	Ontario	CA	91761

Proposed additional delivery fee of \$75.00 for aggregate delivery(s)  
which total less than 300 gallons combined delivery quantity

Proposed refundable deposit for each 55 gallon drum delivered and returned in like condition: \$20.00




Please list all other current taxes/charges/regulatory fees and their associated current rates  
which will be reflected on Seller's invoices:

<b>Regulatory Compliance Fee</b>	\$ -
<b>Federal Diesel Fuel Tax</b>	\$ 0.243
<b>Federal LUST Tax</b>	\$ 0.001
<b>CA Diesel Fuel Tax</b>	\$ 0.16
<b>CA UST Tank Fee</b>	\$ 0.02
<b>Federal Oil Spill Fee</b>	\$ 0.0019
<b>AB 32 implementation Fee</b>	\$ 0.00302

**ACTION  
ITEM  
1C**



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Date: February 15, 2017  
To: The Honorable Board of Directors  
Through: Engineering, Operations and Water Resources Committee (02/08/2017)  
From:  P. Joseph Grindstaff  
General Manager  
Submitted by: Chris Berch   
Executive Manager of Engineering/Assistant General Manager  
Sylvie Lee   
Manager of Planning and Environmental Resources  
Subject: Master Service Contracts Awards for the Development of Water Resources  
and the Integrated Water Resources Plan

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### RECOMMENDATION

It is recommended that the Board of Directors:

1. Award Master Service Contracts (Nos. 4600002275 through 4600002282) to the firms identified below for a two-year contract (two-year with two, one-year options to extend) to provide professional engineering and financial services for the development of water resources and the Integrated Water Resources Plan;
  - No.4600002275 to Arcadis U.S., Inc.
  - No.4600002276 to CH2M HILL Engineers, Inc.
  - No.4600002277 to Carollo Engineers, Inc.
  - No.4600002280 to Kennedy/Jenks Consultants
  - No.4600002278 to Thomas Harder & Co., Inc
  - No.4600002282 to Daniel B. Stephens & Associates. Inc;
  - No.4600002281 to INTERA Incorporated
  - No.4600002279 to Michael Baker International
2. Increase the General Manager's authority set by Ordinance 101 to approve and execute task orders in the amount of not-to-exceed \$250,000 for services rendered under this project;
3. Authorize the Master Service Contracts of not-to-exceed \$3,000,000; and

4. Authorize the General Manager to approve, subject to non-substantive changes, and execute the Master Service Contracts.

## **BACKGROUND**

Through a collaborative process, the Inland Empire Utilities Agency (IEUA) and the retail water service providers recently developed the first Integrated Water Resources Plan (IRP) for the Chino Basin region. This is the first time the combined planning efforts went beyond the development of individual and regional Urban Water Management Plans. The goals of the IRP were to integrate and update past water resource planning efforts in a focused and holistic manner with the collective goal of improving the long-term management of water resources within the region.

Although this was the first IRP developed for the region, four prior foundational master plans collectively functioned as the region's IRP. These historical documents illustrated how, since 2000, the region has recognized the increasing uncertain future of imported water supply and the importance of developing local water supply sources. These foundational documents include:

- Optimum Basin Management Plan (2000, Chino Basin Watermaster)
- Recycled Water System Feasibility Study (2002, 2005, 2015)
- Wastewater Facilities Master Plan (2002, 2015)
- Urban Water Management Plan (2005, 2010 and 2015)

During the recent development of the IRP, the region, along with other retail and wholesale water agencies within the larger Santa Ana River Watershed, collaborated to develop its first watershed-wide conjunctive use program. The Santa Ana River Conservation and Conjunctive Use Project (SARCCUP) is a watershed-wide program that will improve the Santa Ana River Watershed's water supply resiliency through development of additional dry-year yield supply. The primary goal of the conjunctive use element is to maximize the development and use of imported water supply and to conjunctively manage local and imported water supplies in such a way to increase reliability and resilience.

To facilitate the movement of water for SARCCUP in the Chino Basin, IEUA and its retail water service providers would like to evaluate the feasibility of developing and potentially implementing a water bank to store groundwater in the Chino Basin. In concept, the water bank would offer a predefined amount of groundwater storage available to SARCCUP and other retail and wholesale water agencies. The goal of the water bank would be to develop a new source of groundwater supply managed under a coordinated storage and recovery program that would provide local, regional and statewide benefits.

IEUA, working in partnership with its retail water service providers desire to award Master Service Contracts to qualified consultants to help further evaluate how these ongoing regional and watershed-wide planning efforts can be integrated into the region and the Chino Basin water management goals, activities and programs. On November 10, 2016, IEUA issued a Request for Proposal (RFP) to invite consultants to provide various water resources planning services on an on-call basis through issuance of project-specific task orders for work within the following technical categories:

- Technical Category 1 – Integrated Water Resources Management: provide conceptual and design services, hydraulic and nutrient modeling and assistance in grant applications for water supply projects and facilities.
- Technical Category 2 – Groundwater Management Planning: provide technical support services as it relates to the management of the groundwater supply within the Chino Basin. The consultant(s) would need to integrate existing activities and modeling capabilities into the professional services being provided.
- Technical Category 3 – Water Bank Program Management: to assist in the evaluation, development and potentially the implementation of a water bank in the Chino Basin.
- Technical Category 4 – Project Cost and Valuation Analysis: provide services as it relates to capital planning and financial management of proposed water resource projects and programs.

Requested services include investigations; feasibility studies; technical analyses; technical reviews; water rate evaluations; project cost estimation; watershed and/or hydraulic modeling; and other project-related support tasks. Services will be requested in a manner that provides the most flexibility and support to IEUA staff. For example, the below service requests will be issued shortly after execution of the Master Service Contracts:

- Develop Implementation Plan for Integrated Water Resources Plan
- Hydraulic modeling
- Preliminary and final design services
- Evaluate how SARCCUP fits into the Chino Basin
- Facilitate and direct development of a water bank
- Project cost and rate evaluations
- Assist in developing technical content for Prop 1 grant applications

As the need for services arise, consultants which receive a Master Service Contracts will be requested to submit project specific proposals. It is anticipated that majority of the service requests will be below the General Manager's authorization of \$100,000 per Ordinance 101. However, staff is also anticipating the need to authorize task orders greater than \$100,000; for hydraulic modeling and technical evaluations needed to pursue Proposition 1 water storage investment grant funding, which has a tentative application deadline of May 2017. Under this action, staff is requesting that the Board of Directors increase the General Manager's authority to approve and execute task orders in the amount not-to-exceed \$250,000 for these Master Service Contracts. This will provide the flexibility and readiness to react as the Proposition 1 guidelines become available. For transparency, staff proposes to inform the Board of Directors for task orders which exceed \$100,000 through an informational item provided in the General Manager's monthly staff report.

On December 8, 2016, IEUA received a total of 15 proposals. The proposals were reviewed by a selection committee comprised of IEUA and member agencies staff. Based on the technical qualifications included in each proposal, along with feedback provided by the selection committee, staff recommends that Master Service Contracts be awarded to the firms identified below for a two-



year contract (initial two-year with two, one-year options to extend) for the development of water resources and the Integrated Water Resources Plan.

Recommended Firms based on qualifications:

- No.4600002275 to Arcadis U.S., Inc.
- No.4600002276 to CH2M HILL Engineers, Inc.
- No.4600002277 to Carollo Engineers, Inc.
- No.4600002280 to Kennedy/Jenks Consultants
- No.4600002278 to Thomas Harder & Co., Inc
- No.4600002282 to Daniel B. Stephens & Associates. Inc.
- No.4600002281 to INTERA Incorporated
- No.4600002279 to Michael Baker International

If approved, staff is recommending total Master Service Contracts expenditure limit of not-to-exceed \$3,000,000 over the four-year period. Staff requests that each Master Service Contracts not include a written not-to-exceed limit to allow for flexibility with the contract's usage. Consultants will be selected and retained based on their technical expertise and qualifications for the services requested.

Approving the Master Service Contracts support IEUA's business goal of *Water Reliability*, committed to providing a reliable and cost-effective water supply; and promoting sustainable water use throughout the region.

#### **PRIOR BOARD ACTION**

None.

#### **IMPACT ON BUDGET**

If approved, the Master Service Contracts not-to-exceed budget of \$3,000,000 will be funded from SAWPA Action SARCUP Project No. WR16024 and Water Fund (WW) Planning Documents Project No. WR16025 at an amount of \$1,500,000 each. The requested budget amounts are within each total project budget provided in the Ten-Year Capital Improvement Plan.

# Master Service Contracts for Development of Water Resources



*Inland Empire Utilities Agency*  
A MUNICIPAL WATER DISTRICT

Jason Pivovaroff

IEUA Board of Directors Meeting  
February 2017

# Project Background

**IEUA is committed to providing reliable and cost-effective water supplies; and promoting sustainable water use throughout the region.**

- **Accomplished through a variety of planning initiatives:**

- Business Goals

- Strategic Plan

- Urban Water Management Plan

- Wastewater Facilities Master Plan

- Recycled Water Program Strategy

- Long-Range Plan of Finance

- Ten Year Capital Improvement Plan

- Integrated Water Resources Plan

- Groundwater Recharge Master Plan

- Water Use Efficiency Business Plan

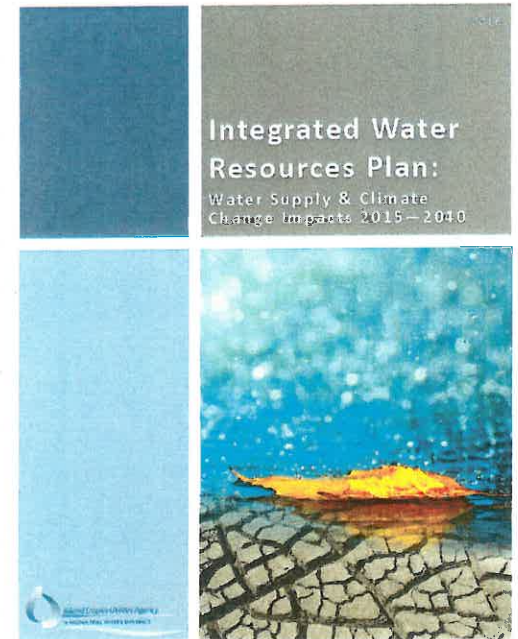
- Energy Management Plan

- Optimum Basin Management Plan

# Integrated Water Resources Plan

## In 2016, the Region completed its first IRP

- Identified Regional support in implementing projects that:
  - Provide supplemental water for groundwater storage
  - Maximize beneficial reuse of recycled water
  - Maximize local supplies and stormwater recharge
  - Increase water use efficiency



# Santa Ana River Conservation and Conjunctive Use Project

- Aligns with the recommendations of the IRP
- Started in 2014 and identified \$100M in project needs
- Project elements include: habitat restoration, water use efficiency and water delivery and storage facilities.
- Supplemental water storage component consists of:
  - 96,000 AF of storage dedicated in Chino Basin; and
  - Total of 180,000 AF of storage in the larger SAR Watershed
  - \$100 M program with \$9 M local agency cost share

# Need for Professional Services

- Develop implementation plan for IRP
- Hydraulic modeling of water supplies
- Preliminary and final design services
- Evaluate how SARCCUP fits into the Chino Basin
- Facilitate and direct development of a water bank
- Project cost and rate evaluations
- Assist in developing technical content for Prop 1 grant applications

# Request for Proposal

- On November 10, 2016, issued RFP to evaluate integration of local and watershed-wide planning efforts
  - \* Technical Category 1 – Integrated Water Resources Management
  - \* Technical Category 2 – Groundwater Planning
  - \* Technical Category 3 – Water Bank Program Management
  - \* Technical Category 4 – Project Cost Valuation
- Master service contracts via task orders
- Initial 2-yr contract with optional 2-yr extension
- On December 8, 2016, IEUA received 15 proposals
- Evaluation committee: Member agencies and staff

# Recommendation

1. Award Master Service Contracts to: Arcadis, CH2M HILL, Carollo, Kennedy/Jenks, Thomas Harder & Co., Daniel B. Stephens & Associates, INTERA, and Michael Baker International
2. Increase the General Manager's authority, set by Ordinance 101 to approve and execute task order's in the amount of not-to-exceed \$250,000 for services rendered under this project;
3. Authorize the Master Service Contracts of not-to-exceed \$3,000,000; and
4. Authorize the General Manager to approve, subject to non-substantive changes and execute the Master Service Contracts.

Approving the master service contracts support IEUA's business goal of **Water Reliability**, committed to providing a reliable and cost-effective water supply; and promoting sustainable water use throughout the region





**MASTER SERVICES CONTRACT NUMBER: 460000XXXX**  
**FOR PROVISION OF PROFESSIONAL ENGINEERING SERVICES**  
**FOR THE DEVELOPMENT OF WATER RESOURCES:**  
**TECHNICAL CATEGORY 3 – WATER BANK PROGRAM MANAGEMENT**  
**TECHNICAL CATEGORY 4 – PROJECT COST AND VALUATION ANALYSIS**

THIS CONTRACT (the "Contract"), is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2017, by and between the Inland Empire Utilities Agency, a Municipal Water District, organized and existing in the County of San Bernardino under and by virtue of the laws of the State of California (hereinafter referred to as "Agency") and xxx (hereinafter referred to as "Consultant"), in order to establish mutually acceptable terms and conditions which will hold for and govern all "Task Order" releases subsequently issued under this Master Services Contract.

**RECITALS**

Whereas the Agency anticipates future need(s) to retain the services of the Consultant to provide professional engineering services on an "as needed" Task Order assignment basis;

Whereas the Consultant is willing to undertake performance of such Task Order assignments under which the terms and conditions set forth herein shall apply;

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

1. **ORDER OF PRECEDENCE:** The documents referenced below constitute the Contract Documents and are each hereby incorporated herein. In the event of any conflicts or inconsistencies between any of the Contract Documents, the governing order of precedence shall be as follows:
  1. Amendments to Task Order releases under this Master Services Contract.
  2. Task Order releases under this Master Services Contract.
  2. Amendments to this Master Services Contract NO. 460000XXXX
  3. Master Services Contract Number 46XXXXXXX, General Terms and Conditions.
  4. Exhibit A – Consultant's Schedule of Rates.
  5. Agency's Request for Proposals Number RFP-MB-17-005
  6. Consultant's Proposal dated December 19, 2016.

2. **SCOPE OF WORK AND SERVICES:** The Consultant shall provide all labor, materials, tools, machinery, equipment, and other items and services necessary to properly perform the work (hereinafter referred to as the “Work”) as set forth in each individual Task Order agreed to and released under this Master Services Contract, including exhibits and amendments hereto. The Work shall be carried out in accordance with the Contract Documents in a diligent and workman-like manner, utilizing qualified personnel and good and sufficient materials and equipment. Further, the Consultant shall perform only those work assignments authorized by Task Orders issued in conjunction with this Contract.

The Work assigned to Consultant under Technical Category 3 shall include, but not be limited to, the evaluation, development and potentially the implementation of a water bank in the Chino Groundwater Basin.

The work assigned to Consultant under Technical Category 4 shall include but not be limited to, capital planning and financial management of the proposed water resource projects and programs.

Ordering Provisions and Understandings:

**Negotiation of Task Orders:** Agency and Consultant each reserve and retain the right to negotiate the scope of work, price, and term of any specific Task Order. However, both parties agree that the various proposed labor and expense rates used to develop each Task Order’s price will be consistent with those specified within Exhibit A – Schedule of Rates.

**Task Order Price:** A firm fixed price or not-to-exceed price for each Task Order will be addressed and authorized via the content of each specific Task Order.

**Task Order Format:** Each Task Order issued under this Master Services Contract will be of similar form to the Example Task Order that is included as RFP-MB-17-005 Attachment F – Sample Task Order.

**Task Order Assignment Method:**

- a. As the need for work arises, specific Statements of Work will be forwarded to all Consultants in possession of master services contracts for purposes of competitive proposal formulation. If the Consultant desires to propose for award of the work, the Consultant shall respond no-later-than the specified proposal submittal date/time, (which shall be not less than 5 working days after solicitation issuance) with submittal of a price and technical proposal (if applicable) to perform the requested services. This proposal will be reviewed and, if selected by the Agency, negotiated (if required) to develop mutually-agreed-upon Task Order content and price. Each Task Order will designate a specific scope of work, schedule, firm-fixed or not-to-exceed

compensation, and other specifications and terms particular to the Work. Upon agreement and execution by both parties, the Task Order will be released, a written notice-to-proceed order will be issued and the Consultant may then begin performance of the Work provided for under the executed Task Order.

- b. There is neither a maximum nor minimum number of Task Orders that may be issued under this Contract. Further, there is no guarantee that any Task Orders will be released against this Contract. Conversely, multiple Task Orders may be issued requiring work in support of concurrent projects.
  - c. Any Task Order executed during the term of this Contract, and not completed within the term of this Contract, shall nevertheless be completed within the time specified in the Task Order. This Contract shall govern the rights and obligations of the parties with respect to that Task Order to the same extent as if it were being completed within the Contract's term.
  - d. Each Task Order executed hereunder, including any changes to or terminations of such Task Orders, shall be automatically incorporated into this Contract, and therefore shall be subject to the terms and conditions of this Contract.
3. TERM OF CONTRACT AND OPTION: The initial term of this Contract shall extend from the date of the contract execution and terminate on **December 31, 2018**, unless agreed to by both parties, reduced to writing, and formally incorporated as an amendment to this Contract. Additionally, at the unilateral discretion and option of the Agency, the Consultant shall agree to allow the Agency to extend this Contract for on an annual basis, up to a total Contract term of four years. In the event the Agency desires to exercise the Contract extension option provided for in this Section, the Agency shall provide written notice to the Consultant, prior to the expiration of the original Contract term. If such option is exercised, the optional contract term rates established within Exhibit A shall be effective as of the first day of the "option" term.
4. SCHEDULE: The Consultant shall complete the Work specified by each Task Order in accordance with the schedule established within said Task Order. All Work shall be fully finished no later than the date specified in said Task Order, unless terminated sooner or extended as provided for herein.
5. INVOICING, PAYMENT DISCOUNT & PAYMENT: Throughout the term of this Contract, Consultant's invoices issued in conjunction with "time and materials" Task Orders may be submitted on a monthly basis and shall be calculated in accordance with the labor and expense rates specified within Exhibit A – Consultant's Schedule of Rates. Unless a given Task Order establishes its own milestone payment schedule, invoices in conjunction with "firm fixed price" Task Orders shall be

submitted upon completion of all Task Order scope requirements as one-time, "lump sum" invoices valued at the total price established for that Task Order.

Agency shall pay the full/approved invoice amount within thirty (30) days following receipt of the invoice. Payment will be withheld for any service which does not meet the requirements of this Contract or the associated Task Order, until such service is revised, the invoice resubmitted and accepted by the Project Manager.

Consultant's invoices shall include reference to "Contract Number 4600000XXX" and the associated Task Order Number. To expedite payment of invoices, all invoices shall be submitted via email to [apgroup@ieua.org](mailto:apgroup@ieua.org) with a copy to the Agency's Project Manager for the given task order.

1. COMPENSATION AND CHANGES: As compensation for the Work satisfactorily performed against Task Order releases under this Contract, Agency shall pay Consultant in accordance with Consultant's approved rate schedule, Exhibit A, for time and materials task orders or, alternately, the established lump-sum or fixed price milestones in the case of firm, fixed price Task Orders. Any additional services/costs must be approved in advance by the Agency's Contract Administrator and a subsequent Task Order, or Task Order Amendment, for the additional work must be issued and bi-laterally executed.
  
2. CONTROL OF THE WORK: Consultant shall perform the Work in compliance with the Task Order-specified Work Schedule. If performance of the Work falls behind schedule, the Consultant shall accelerate the performance of the Work to comply with the Work Schedule as directed by the Project Manager. If the nature of the Work is such that Consultant is unable to accelerate the Work, Consultant shall promptly notify the Project Manager of the delay, the causes of the delay, and submit a proposed revised Work Schedule for consideration by the Project Manager.
  
8. FITNESS FOR DUTY:
  - A. Fitness: Consultant's personnel on the Jobsite:
    1. Shall report for work in a manner fit to do their job;
    2. Shall not be under the influence of or in possession of any alcoholic beverages or of any controlled substance (except a controlled substance as prescribed by a physician so long as the performance or safety of the Work is not affected thereby); and
    3. Shall not have been convicted of any serious criminal offense which, by its nature, may have a discernible adverse impact on the business or reputation of Agency.
  
9. INSURANCE: During the term of this Contract, the Consultant shall maintain at Consultant's sole expense, the following insurance.

- A. Minimum Scope of Insurance: Coverage shall be at least as broad as:
1. General Liability: Insurance Services Office (ISO) Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
  2. Automobile Liability: ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, covering hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
  3. Workers' Compensation and Employers Liability: Workers' compensation limits as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
  4. Professional Liability (Errors and Omissions): Insurance appropriate to the Contractor's profession, with limit no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.
- B. Deductibles and Self-Insured Retention: Any deductibles or self-insured retention must be declared to and approved by the Agency. At the option of the Agency, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the Agency, its officers, officials, employees and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- C. Other Insurance Provisions: The policies are to contain, or be endorsed to contain, the following provisions:
1. General Liability and Automobile Liability Coverage
    - a. Additional Insured Status: The Agency, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10, CG

20 26, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used).

- b. Primary Coverage: The Contractor's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the Agency, its officer, officials, employees and volunteers. Any insurance or self-insurance maintained by the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract with the Agency shall be excess of the Contractor's insurance and shall not contribute with it.
- c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, its officers, officials, employees or volunteers.
- d. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- e. The Contractor may satisfy the limit requirements in a single policy or multiple policies. Any Such additional policies written as excess insurance shall not provide any less coverage than that provided by the first or primary policy.

## 2. Workers' Compensation and Employers Liability Coverage

Contractor hereby grants to Agency a waiver of any right to subrogation which any insurer of said Contractor may acquire against the Agency by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Agency has received a waiver of subrogation endorsement from the insurer.

## 3. All Coverages

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

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

- E. Verification of Coverage: Contractor shall furnish the Agency with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the Agency before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The Agency reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
- F. Submittal of Certificates: Contractor shall submit all required certificates and endorsements to the following:

Inland Empire Utilities Agency  
Attn: Angela Witte  
P.O. Box 9020  
Chino Hills, CA 91709

Via Email: [AWitte@ieua.org](mailto:AWitte@ieua.org)

## 10. LEGAL RELATIONS AND RESPONSIBILITIES

- A. Professional Responsibility: The Consultant shall be responsible, to the level of competency presently maintained by other practicing professionals performing the same or similar type of work.
- B. Status of Consultant: The Consultant is retained as an independent Consultant only, for the sole purpose of rendering the services described herein, and is not an employee of the Agency.
- C. Observing Laws and Ordinances: The Consultant shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and regulations which in any manner affect the conduct of any services or tasks performed under this Contract, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. The Consultant shall at all times observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and shall protect and indemnify, as required herein, the Agency, its officers, employees and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by the Consultant or its employees.
- D. Subcontracted Services: Any subcontracts for the performance of any services under this Contract shall be subject to the prior written approval of the Project Manager.

- E. Grant Funded Projects: The Consultant shall be responsible to comply with all grant requirements specified within any Task Order assignments. These may include, but shall not be limited to: Davis-Bacon Act, Endangered Species Act, Executive Order 11246 (Affirmative Action Requirements), Equal Opportunity, Competitive Solicitation, Records Retention and Public Access to Records, and Compliance Review. Consultant shall inquire for each Task Order issued if work is grant funded.
- F. Liens: Consultant shall pay all sums of money that become due from any labor, services, materials or equipment furnished to Consultant on account of said services to be rendered or said materials to be furnished under this Contract and that may be secured by any lien against the Agency. Consultant shall fully discharge each such lien at the time performance of the obligation secured matures and becomes due.
- G. Indemnification: Consultant shall indemnify and hold harmless and defend as permitted by law, the Agency, its directors, officers, employees, or authorized volunteers, each of them from and against:
1. The Consultant shall indemnify Agency, its directors, employees, agents, and assigns, and shall defend and hold them harmless from all liability, demands, actions, claims, losses and expenses, including reasonable attorney's fees, which arise out of or are related to the negligence, recklessness or willful misconduct of Consultant, its directors, employees, agents and assigns, in the performance of work under this Contract. Notwithstanding the foregoing, to the extent that this Contract includes design professional services under Civil Code Section 2782.8, as may be amended from time to time, such duties of Consultant to defend and to indemnify Agency shall only be to the full extent permitted by Civil Code Section 2782.8;
  2. Consultant shall have no duty to defend Agency, but Consultant shall pay as damages to Agency all reasonable attorney's fees and costs incurred by Agency to the extent incurred by Agency arising out of Consultant's actual or alleged negligent acts, errors, or omissions. Further, Consultant shall assume sole responsibility for the investigation, analysis, and defense of any and all issues alleged against Agency or Consultant to the extent alleged, based on, or arising out of Consultant's scope of work, or Consultant's actual or alleged negligent acts, errors, or omissions.
- H. Conflict of Interest: No official of the Agency who is authorized in such capacity and on behalf of the Agency to negotiate, make, accept or approve, or to take part in negotiating, making, accepting or approving this Contract, or any subcontract relating to services or tasks to be performed pursuant to this



Contract, shall become directly or indirectly personally interested in this Contract.

- I. Equal Opportunity: During the performance of this Contract, the Consultant shall not unlawfully discriminate against any employee or employment applicant because of race, color, religion, sex, age, marital status, ancestry, physical or mental disability, sexual orientation, veteran status or national origin.
  
- J. Non-Conforming Work: Consultant represents that the Work and Documentation shall meet the standard of care of Consultant's profession. For a period of not less than one (1) year after acceptance of the completed Work, Consultant shall, at no additional cost to Agency, correct any and all agreed-to errors in the Work or Documentation, regardless of whether any such errors are brought to the attention of Consultant by Agency, or any other person or entity. Consultant shall within three (3) calendar days, correct any error that renders the Work or Documentation dysfunctional or unusable and shall correct other errors within thirty (30) calendar days after Consultant's receipt of notice of the error. Upon request of Agency, Consultant shall correct any such error deemed important by Agency in its sole discretion to Agency's continued use of the Work or Documentation within seven (7) calendar days after Consultant's receipt of notice of the error. If the Project Manager rejects all or any part of the Work or Documentation as unacceptable and agreement to correct such Work or Documentation cannot be reached without modification to the Contract, Consultant shall notify the Project Manager, in writing, detailing the dispute and reason for the Consultant's position. Any dispute that cannot be resolved between the Project Manager and Consultant shall be resolved in accordance with the provisions of this Contract.
  
- K. Disputes:
  1. All disputes arising out of or in relation to this Contract shall be determined in accordance with this section. The Consultant shall pursue the work to completion in accordance with the instruction of the Agency's Project Manager notwithstanding the existence of dispute. By entering into this Contract, both parties are obligated, and hereby agree, to submit all disputes arising under or relating to the Contract which remain unresolved after the exhaustion of the procedures provided herein, to mediation.
  
  2. Any and all disputes during the pendency of the work shall be subject to resolution by the Agency Project Manager and the Consultant shall comply, pursuant to the Agency Project Manager instructions. If the Consultant is not satisfied with any such resolution by the Agency Project Manager, they may file a written protest with the Agency Project Manager within seven (7) calendar days after receiving written notice

of the Agency's decision. Failure by Consultant to file a written protest within seven (7) calendar days shall constitute waiver of protest, and acceptance of the Agency Project Manager's resolution. The Agency's Project Manager shall submit the Consultant's written protests to the General Manager, together with a copy of the Agency Project Manager's written decision, for his or her consideration within seven (7) calendar days after receipt of said protest(s). The General Manager shall make his or her determination with respect to each protest filed with the Agency Project Manager within ten (10) calendar days after receipt of said protest(s). If Consultant is not satisfied with any such resolution by the General Manager, they may file a written request for mediation with the Project Manager within seven (7) calendar days after receiving written notice of the General Manager's decision.

3. In the event of mediation, the parties hereto agree that there shall be a single neutral Mediator who shall be selected in the following manner:
  - a. The Demand for a Mediator shall include a list of five names of persons acceptable to the Consultant to be appointed as Mediator. The Agency shall determine if any of the names submitted by Consultant are acceptable and, if so, such person will be designated as Mediator.
  - b. In the event that none of the names submitted by Consultant are acceptable to Agency, or if for any reason the Mediator selected in Step (a) is unable to serve, the Agency shall submit to Consultant a list of five names of persons acceptable to Agency for appointment as Mediator. The Consultant shall, in turn, have seven (7) calendar days in which to determine if one such person is acceptable.
4. Joinder in Mediation/Arbitration: The Agency may join the Consultant in mediation or arbitration commenced by an agreement mediator on the Project pursuant to Public Contracts Code Sections 20104 et seq. Such joinder shall be initiated by written notice from the Agency's representative to the Consultant.

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

Agency. Any reuse of such documents for other than the specific purpose, intended as stated herein, shall be at the sole risk of the user, and without liability or legal exposure to the Consultant.

Notwithstanding any provision to the contrary contained in this Contract, Consultant shall retain sole ownership to its preexisting information including but not limited to computer programs, software, standard details, figures, templates and specifications.

When transferring data in electronic media format, Consultant makes no representation as to long term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used by Consultant at the beginning of the Project.

Because data stored in electronic media format can deteriorate or be modified inadvertently or otherwise without authorization of the data's creator, the party receiving electronic files agrees that it will perform acceptance tests or procedures within sixty (60) days of receipt, after which the Agency shall have deemed to have accepted the data transferred. Any errors detected within the sixty days will be corrected by the Consultant at no additional cost to the Agency. Consultant shall not be responsible to maintain documents stored in electronic media format after acceptance by the Agency. The original hard copy of the documents containing the professional engineer's seal shall take precedence over the electronic documents.

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

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

13. TITLE AND RISK OF LOSS:

- A. Documentation: Title to the Documentation shall pass to Agency when prepared; however, a copy may be retained by Consultant for its records and internal use. Consultant shall retain such Documentation in a controlled access file, and shall not reveal, display or disclose the contents of the

Documentation to others without the prior written authorization of Agency or for the performance of Work related to the Project.

- B. Material: Title to all material, field or research equipment, and laboratory models, procured or fabricated under the Contract shall pass to Agency when procured or fabricated, and such title shall be free and clear of any and all encumbrances. Consultant shall have risk of loss of any Material or Agency-owned equipment of which it has custody.
- C. Disposition: Consultant shall dispose of items to which Agency has title as directed in writing by the Contract Administrator and/or Agency.

14. PROPRIETARY RIGHTS:

- A. Rights and Ownership: Agency's rights to inventions, discoveries, trade secrets, patents, copyrights, and other intellectual property, including the Information and Documentation, and revisions thereto (hereinafter collectively referred to as "Proprietary Rights"), used or developed by Consultant in the performance of the Work, shall be governed by the following provisions:
  - 1. Proprietary Rights conceived, developed, or reduced to practice by Consultant in the performance of the Work shall be the property of Agency, and Consultant shall cooperate with all appropriate requests to assign and transfer same to Agency.
  - 2. If Proprietary Rights conceived, developed, or reduced to practice by Consultant prior to the performance of the Work are used in and become integral with the Work or Documentation, or are necessary for Agency to have complete enjoyment of the Work or Documentation, Consultant shall grant to Agency a non-exclusive, irrevocable, royalty-free license, as may be required by Agency for the complete enjoyment of the Work and Documentation, including the right to reproduce, correct, repair, replace, maintain, translate, publish, use, modify, copy or dispose of any or all of the Work and Documentation and grant sublicenses to others with respect to the Work and Documentation.
  - 3. If the Work or Documentation includes the Proprietary Rights of others, Consultant shall procure, at no additional cost to Agency, all necessary licenses regarding such Proprietary Rights so as to allow Agency the complete enjoyment of the Work and Documentation, including the right to reproduce, correct, repair, replace, maintain, translate, publish, use, modify, copy or dispose of any or all of the Work and Documentation and grant sublicenses to others with respect to the Work and Documentation. All such licenses shall be in writing and shall be irrevocable and royalty-free to Agency.

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

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

Consultant shall defend, indemnify and hold harmless, Agency, its officers, directors, agents, employees, successors, assigns, servants, and volunteers free and harmless from any and all liability, damages, losses, claims, demands, actions, causes of action, and costs including reasonable attorney's fees and expenses arising out of any claim that use of the Work or Documentation infringes upon any trade secret, trade mark, trade name, copyright, patent, or other Proprietary Rights.

Consultant shall, at its expense and at Agency's option, refund any amount paid by Agency under the Contract, or exert its best efforts to procure for Agency the right to use the Work and Documentation, to replace or modify the Work and Documentation as approved by Agency so as to obviate any such claim of infringement, or to put up a satisfactory bond to permit Agency's continued use of the Work and Documentation.

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

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

Consultant: xxx

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

17. SUCCESSORS AND ASSIGNS: All of the terms, conditions and provisions of this Contract shall inure to the benefit of and be binding upon the Agency, the Consultant, and their respective successors and assigns. Notwithstanding the foregoing, no

assignment of the duties or benefits of the Consultant under this Contract may be assigned, transferred or otherwise disposed of without the prior written consent of the Agency; and any such purported or attempted assignment, transfer or disposal without the prior written consent of the Agency shall be null, void and of no legal effect whatsoever.

18. RIGHT TO AUDIT: The Agency reserves the right to review and/or audit all Consultants' records related to the work assigned by subsequent Task Orders. The option to review and/or audit may be exercised during the term of the Contract, upon termination, upon completion of the Contract, or at any time thereafter up to twelve (12) months after final payment has been made to Consultant. The Consultant shall make all records and related documentation available within three (3) working days after said records are requested by the Agency.
19. INTEGRATION: The Contract Documents represent the entire agreement of the Agency and the Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered by the Contract Documents. This Contract may not be modified, altered or amended except by written mutual agreement by the Agency and the Consultant.
20. GOVERNING LAW: This Agreement is to be governed by and constructed in accordance with the laws of the State of California.
21. TERMINATION FOR CONVENIENCE: The Agency reserves and has the right to immediately suspend, cancel or terminate this Agreement at any time upon written notice to the Consultant. In the event of such termination, the Agency shall pay Consultant for all authorized and Consultant-invoiced services up to the date of such termination.
22. FORCE MAJEURE: Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, natural disasters, etc.
23. CHANGES: The Agency may, at any time, make changes to a given Task Order's Scope of Work, including additions, reductions, and changes to any or all of the Work, as directed in writing via a Task Order Change Order issued by the Agency and executed by both Parties. The Task Order Change Order will, if warranted, convey any associated change to the established Task Order price and/or performance schedule.
24. NOTICE TO PROCEED: No services shall be performed or furnished under this Master Services Contract unless and until an associated Task Order has bi-laterally executed and issued to the Consultant.

[Signature Page To Follow]

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

**INLAND EMPIRE UTILITIES AGENCY:**  
**(A MUNICIPAL WATER DISTRICT)**

**CONSULTANT:**

\_\_\_\_\_  
P. Joseph Grindstaff (Date)  
General Manager

\_\_\_\_\_  
Consultant (Date)

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**ACTION  
ITEM  
1D**





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Date: February 15, 2017

To: The Honorable Board of Directors

Through: Engineering, Operations and Water Resources Committee (02/08/2017)

From:  P. Joseph Grindstaff  
General Manager

Chris Berch   
Executive Manager of Engineering/Assistant General Manager

Submitted by: Sylvie Lee   
Manager of Planning & Environmental Resources

Subject: Temporary Brine Line Connection Agreement

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### **RECOMMENDATION**

It is recommended that the Board of Directors:

1. Approve the agreement amendment with Santa Ana Watershed Project Authority to extend the temporary Brine Line connection to March 2020;
2. Approve the agreement amendment with Chino Development Corporation, Chino Preserve Development Corporation, and Chino Holding Company to extend the temporary Brine Line connection to March 2020;
3. Approve the agreement amendment with the City of Chino to extend the permanent sewer facilities development guarantee to March 2020; and
4. Authorize the General Manager to execute the agreement amendments subject to non-substantive changes.

### **BACKGROUND**

In January 2004, Inland Empire Utilities Agency (IEUA) requested a temporary connection to the Inland Empire Brine Line (Brine Line formerly SARI line) to provide sewer service for the Chino Preserve Development Project in the City of Chino until the City completed plans for a permanent connection to its regional sewer.

## Temporary Brine Line Connection Agreement

February 15, 2017

Page 2

- The request for a temporary connection to the Brine Line was approved by the Santa Ana Watershed Project Authority (SAWPA) in March 2004, for a period of four years until March 2008.
- In June 2007, IEUA requested SAWPA extend the agreement for an additional three years until March 2011. The request was approved by SAWPA in July 2007.
- In June 2009, IEUA requested SAWPA extend the agreement for a third time due to the severe downturn in the real estate market, which delayed the construction of the permanent sewer facilities by the Chino Development Corporation (CDC). The request was approved by SAWPA to extend the agreement until March 2015.
- In December 2014, IEUA staff requested and received approval from SAWPA for a two-year extension of the agreement until March 7, 2017, based on regulatory agency permitting delays.

From the time SAWPA approved the extensions of the temporary connection from the Chino Preserve to the Brine Line, CDC revised their original scope several times. Between July 2011 and February 2014, several iterations of the Preserve Lift Station (Station) were designed at ground level operation. As the site lies within the Prado Basin inundation area, there was considerable time required to resolve issues related to construction and management of the Station. After addressing these concerns, design revisions of the Station were submitted by CDC for review by IEUA, the City of Chino (City), and the U.S. Army Corps of Engineers (Corps). Both the City and IEUA completed their review with comments being incorporated into the final design.

While CDC has acted in good faith to complete the project in an expeditious manner, significant delays in project design and review by project stakeholders including the Corps has delayed construction of the Station. The Draft Environmental Assessment (EA) was reviewed multiple times, and the Corps continued to request information from CDC to avoid any challenges from the public once issued for review. In addition, the Corps recommended the City process an Initial Study/Mitigated Negative Declaration (IS/MND) to be released with the Corps EA. The efforts to complete a final EA and IS/MND, and prepare a design and bid documents took far more time than originally anticipated. Currently, CDC has placed the bid for construction of the Station on hold due to groundwater elevation encountered during boring. As the station wet well will be 25 feet below groundwater elevation, CDC is applying for a de-minimus permit from the Regional Board for construction dewatering. Once this issue is resolved it is expected construction to be completed within 18 months. The Station will be located adjacent to the IEUA Prado De-Chlorination Facility located within the El Prado Park and will pump sewer flows up to the IEUA Kimball Interceptor for treatment at Regional Water Recycling Plant No. 5.

On October 24, 2016, IEUA staff requested that SAWPA approve an additional three-year extension of the agreement until March 6, 2020. On January 17, 2017, the SAWPA Commission unanimously approved the agreement extension. IEUA Staff recommends the IEUA Board approve the agreement extensions with SAWPA, CDC, and the City.

The agreement extensions are consistent with the IEUA's business goal of *Environmental Stewardship* by complying with all federal, state, and local environmental laws and regulations.

**PRIOR BOARD ACTION**

On February 18, 2015, the Board of Directors approved the temporary Brine Line connection extension subject to SAWPA Commission approval.

On May 20, 2009, the Board of Directors approved the temporary Brine Line connection extension subject to SAWPA Commission approval.

On July 18, 2007, the Board of Directors approved the temporary Brine Line connection extension, subject to SAWPA Commission approval.

On August 4, 2004, the Board of Directors approved the agreement with Chino Development Corporation for the temporary Brine Line connection and use.

On December 19, 2001, the Board of Directors approved the temporary Brine Line connection for Lewis Operating Corporation, subject to SAWPA approval.

**IMPACT ON BUDGET**

The proposed rates and charges summarized in the original agreement are consistent with the Regional Sewage Program and Non-Reclaimable Wastewater System rate structures and will not negatively impact the Non-Reclaimable nor Regional Program Funds.

- Attachments:
1. Agreement Amendment AKB04014-005 (Chino Development Corporation)
  2. Agreement Amendment AKB04017-004 (City of Chino)
  3. Agreement Amendment (IEUA/SAWPA)

**FIFTH AMENDMENT TO SARI SYSTEM TREATMENT AND DISPOSAL  
CAPACITY AND PIPELINE CAPACITY AGREEMENTS  
BETWEEN SANTA ANA WATERSHED PROJECT AUTHORITY  
AND THE INLAND EMPIRE UTILITIES AGENCY**

THIS FIFTH AMENDMENT is made this 17<sup>th</sup> day of January, 2017, between the SANTA ANA WATERSHED PROJECT AUTHORITY ("SAWPA"), a joint exercise of powers agency, and the INLAND EMPIRE UTILITIES AGENCY ("IEUA"), a municipal water district. SAWPA and IEUA are also individually referred to as "Party" and collectively as "Parties".

**RECITALS**

- A. An Amendment to the Brine Line Treatment and Disposal Capacity and Pipeline Capacity Agreement between SAWPA and IEUA, was entered into on August 4, 2004 ("First Amendment"). The First Amendment provided for temporary domestic wastewater discharges of up to 1 million gallons per day (mgd) to the Brine Line from The Preserve Project in the City of Chino (hereinafter referred to as the "Project"). A Second Amendment followed July 17, 2007, which amended the discharge term until March 8, 2011. A Third Amendment followed June 16, 2009, which amended the discharge term until March 8, 2015. A Fourth Amendment extended the term from March 9, 2015 to March 7, 2017.
- B. The Second Amendment required that IEUA discontinue the temporary domestic wastewater discharges and physically disconnect from the Brine Line and construct or cause to be constructed permanent sewer facilities by the City of Chino and/or Developer of the Project. Due to delays in obtaining all the necessary construction approvals and permits, a Fifth Amendment is required to extend the term to March 6, 2020, and to include provisions for an emergency connection thereafter.
- C. The IEUA, City of Chino and Developer desire to extend the date for such disconnection from the Brine Line to March 6, 2020, in order to construct and place into operation a new sewer system solution involving a lift station and force main.
- D. There is no other alternative method of treatment currently available for the 1 mgd of domestic wastewater discharge from the Project.

## COVENANTS

Based on the foregoing facts, and in consideration of the mutual covenants of the Parties, the Agreement is hereby revised as follows:

1. Section 4, Maximum Period of Temporary Discharge, is revised, in part, as follows:

Except as provided in Section 5, below, IEUA will be allowed to temporarily discharge domestic wastewater from the Project into the Brine Line until March 6, 2020.

2. Section 5, Earlier Termination of the Temporary Domestic Discharge to Brine Line, is revised to read as follows:

SAWPA and IEUA agree and understand that the temporary connection and temporary wastewater discharge contemplated by this Amendment may be disconnected and terminated at any time prior to March 6, 2020, upon written notice provided to IEUA by SAWPA without any further or residual liability or responsibility on SAWPA's part. Upon such written notification of termination, IEUA shall have no more than 12 months to discontinue the discharge of any and all temporary domestic wastewater into the Brine Line, and IEUA shall physically disconnect any such connection from the Brine Line within that 12 month period. Such termination and disconnection from the Brine Line shall be at IEUA's sole cost and expense.

3. ADD Section 12, Emergency Connection to Brine Line and Permit:

After transfer of flows to RP-5 from the Project, a connection to be used only in the case of an emergency can remain, subject to the issuance of a permit and compliance with all permit requirements.

ALL OTHER PROVISIONS OF THE AGREEMENT REMAIN UNCHANGED.

The Parties hereto have mutually covenanted and agreed to this Fifth Amendment, and in doing so have caused this document to become incorporated into the Agreement documents.

SANTA ANA WATERSHED PROJECT  
AUTHORITY:

  
Susan Lien Longville, Chair

INLAND EMPIRE UTILITIES AGENCY:

\_\_\_\_\_  
P. Joseph Grindstaff  
General Manager



INLAND EMPIRE UTILITIES AGENCY

AMENDMENT NO. 4  
TO  
AKB04017

FOR THE PERMANENT SEWER FACILITIES DEVELOPMENT GUARANTEE

THE AGREEMENT NUMBER AKB04017, between the Inland Empire Utilities Agency, a Municipal Water District, and THE CITY OF CHINO, shall be amended as follows:

**REVISE THE RECITALS THROUGHOUT TO REPLACE THE DATE OF MARCH 7, 2017, WITH THE DATE OF MARCH 6, 2020.**

**REVISE SECTION 1.A PROJECT MANAGER, TO READ:**

Craig Proctor  
Source Control/Environmental Resources Supervisor  
Inland Empire Utilities Agency  
6075 Kimball Avenue, Building A  
Chino, California 91708

Telephone: (909) 993-1645  
Facsimile: (909) 993-1983  
Email: [cproctor@ieua.org](mailto:cproctor@ieua.org)

**REVISE SECTION 2, GUARANTEE TO CONSTRUCT OR CAUSE TO BE CONSTRUCTED THE PERMANENT FACILITIES AND DISCONNECTION OF TEMPORARY BRINE LINE CONNECTION TO READ:** The CITY hereby guarantees that the PERMANENT FACILITIES shall be completed and operational on or before March 6, 2020. The CITY guarantees that the temporary connection to the Brine Line for the benefit of the Project shall be physically disconnected on or before March 6, 2020, even if the PERMANENT FACILITIES are not yet completed or operational. The CITY shall construct or cause to be constructed the PERMANENT FACILITIES, utilizing CFD funds or other CITY funds, so that the Project will be fully disconnected from the Brine Line on or before March 6, 2020. Within fifteen (15) days prior to commencement of construction by Developer of its temporary connection to the Brine Line, CITY shall provide to IEUA written evidence in a form acceptable to IEUA confirming that CFD funds or other CITY funds in an

amount sufficient to complete construction of the PERMANENT FACILITIES and the disconnection of the Project from the Brine Line have been dedicated and reserved for that purpose.

**REVISE SECTION 4, SAWPA AS A THIRD PARTY BENEFICIARY TO THIS AGREEMENT AND GUARANTEE TO READ:** The Parties to this Agreement understand and agree that SAWPA is a third party beneficiary of this Agreement, and its guarantee that the temporary connection to the Brine Line for the wastewater discharges from the Project shall be fully disconnected on or before March 6, 2020. The Parties further understand and agree that such physical disconnection shall occur on or before March 6, 2020, even if the PERMANENT FACILITIES have not been constructed or caused to be constructed or completed as contemplated by this Agreement. Except as provided herein, SAWPA is neither a party nor signatory to this Agreement. SAWPA shall have no liability or responsibility under this Agreement.

**REVISE SECTION 6, LAST SENTENCE, UNDER DISPUTE RESOLUTION TO READ:**

The Parties hereby agree that SAWPA, as a third party beneficiary to this Agreement, is not obligated to submit to such mediation or arbitration in the event that the Parties fail to cause the physical disconnection of temporary wastewater discharge connection from the Brine Line on or before March 6, 2020.

**ALL OTHER PROVISIONS OF THIS AGREEMENT REMAIN UNCHANGED.**

IN WITNESS WHEREOF, the parties hereby have caused this Amendment to be entered into as of the day and year written below.

INLAND EMPIRE UTILITIES AGENCY:  
(A Municipal Water District)

CITY OF CHINO:

\_\_\_\_\_  
P. Joseph Grindstaff  
General Manager

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Matthew Ballantyne  
City Manager

1.6.17

\_\_\_\_\_  
Date

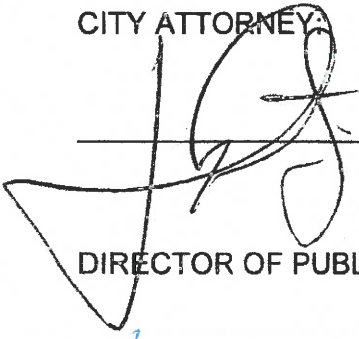
ATTEST:

  
\_\_\_\_\_  
Angela Robles  
City Clerk

1.6.17

\_\_\_\_\_  
Date

CITY ATTORNEY:

  
\_\_\_\_\_

12/19/16  
Date

DIRECTOR OF PUBLIC WORKS:

  
\_\_\_\_\_

12/22/16  
Date

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**FIFTH AMENDMENT TO SARI SYSTEM TREATMENT AND DISPOSAL  
CAPACITY AND PIPELINE CAPACITY AGREEMENTS  
BETWEEN SANTA ANA WATERSHED PROJECT AUTHORITY  
AND THE INLAND EMPIRE UTILITIES AGENCY**

THIS FIFTH AMENDMENT is made this 17<sup>th</sup> day of January, 2017, between the SANTA ANA WATERSHED PROJECT AUTHORITY ("SAWPA"), a joint exercise of powers agency, and the INLAND EMPIRE UTILITIES AGENCY ("IEUA"), a municipal water district. SAWPA and IEUA are also individually referred to as "Party" and collectively as "Parties".

**RECITALS**

- A. An Amendment to the Brine Line Treatment and Disposal Capacity and Pipeline Capacity Agreement between SAWPA and IEUA, was entered into on August 4, 2004 ("First Amendment"). The First Amendment provided for temporary domestic wastewater discharges of up to 1 million gallons per day (mgd) to the Brine Line from The Preserve Project in the City of Chino (hereinafter referred to as the "Project"). A Second Amendment followed July 17, 2007, which amended the discharge term until March 8, 2011. A Third Amendment followed June 16, 2009, which amended the discharge term until March 8, 2015. A Fourth Amendment extended the term from March 9, 2015 to March 7, 2017.
- B. The Second Amendment required that IEUA discontinue the temporary domestic wastewater discharges and physically disconnect from the Brine Line and construct or cause to be constructed permanent sewer facilities by the City of Chino and/or Developer of the Project. Due to delays in obtaining all the necessary construction approvals and permits, a Fifth Amendment is required to extend the term to March 6, 2020, and to include provisions for an emergency connection thereafter.
- C. The IEUA, City of Chino and Developer desire to extend the date for such disconnection from the Brine Line to March 6, 2020, in order to construct and place into operation a new sewer system solution involving a lift station and force main.
- D. There is no other alternative method of treatment currently available for the 1 mgd of domestic wastewater discharge from the Project.

## COVENANTS

Based on the foregoing facts, and in consideration of the mutual covenants of the Parties, the Agreement is hereby revised as follows:

1. Section 4, Maximum Period of Temporary Discharge, is revised, in part, as follows:

Except as provided in Section 5, below, IEUA will be allowed to temporarily discharge domestic wastewater from the Project into the Brine Line until March 6, 2020.

2. Section 5, Earlier Termination of the Temporary Domestic Discharge to Brine Line, is revised to read as follows:

SAWPA and IEUA agree and understand that the temporary connection and temporary wastewater discharge contemplated by this Amendment may be disconnected and terminated at any time prior to March 6, 2020, upon written notice provided to IEUA by SAWPA without any further or residual liability or responsibility on SAWPA's part. Upon such written notification of termination, IEUA shall have no more than 12 months to discontinue the discharge of any and all temporary domestic wastewater into the Brine Line, and IEUA shall physically disconnect any such connection from the Brine Line within that 12 month period. Such termination and disconnection from the Brine Line shall be at IEUA's sole cost and expense.

3. ADD Section 12, Emergency Connection to Brine Line and Permit:

After transfer of flows to RP-5 from the Project, a connection to be used only in the case of an emergency can remain, subject to the issuance of a permit and compliance with all permit requirements.

ALL OTHER PROVISIONS OF THE AGREEMENT REMAIN UNCHANGED.

The Parties hereto have mutually covenanted and agreed to this Fifth Amendment, and in doing so have caused this document to become incorporated into the Agreement documents.

SANTA ANA WATERSHED PROJECT  
AUTHORITY:

  
Susan Lien Longville, Chair

INLAND EMPIRE UTILITIES AGENCY:

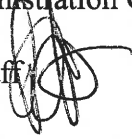
\_\_\_\_\_  
P. Joseph Grindstaff  
General Manager


**ACTION  
ITEM  
1E**


Date: February 15, 2017

To: The Honorable Board of Directors

Through: Engineering, Operations, and Water Resources Committee (02/08/17)  
Finance and Administration Committee (02/08/17)

From: P. Joseph Grindstaff   
General Manager

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

Shaun J. Stone   
Manager of Engineering

Subject: RP-2 Microturbine Design-Build Contract Award

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### **RECOMMENDATION**

It is recommended that the Board of Directors:

1. Award a design-build contract for the RP-2 Microturbine Installation Project No. EN17065, to Geveden Industrial in the amount of \$1,876,809;
2. Approve a ten-year service agreement with Cal Microturbine in the amount of \$752,460 for Project No. EN17065;
3. Approve a total project budget in the amount of \$2,210,000 and FY budget in the amount of \$850,000 for Project No. EN17065; and
4. Authorize the General Manager to execute the budget amendment and the construction contract and maintenance service agreement subject to non-substantive changes.

### **BACKGROUND**

Since 1990, Regional Plant No. 2 (RP-2) has produced renewable energy by fueling a cogeneration engine with digester gas. Due to stringent emissions limits imposed by South Coast Air Quality Management District (SCAQMD) Rule 1110.2, the engine is no longer able to operate in compliance. In anticipation of the engine shutdown, Inland Empire Utilities Agency (IEUA) evaluated alternative technologies that could comply with environmental regulations while

RP-2 Microturbine Design-Build Contract Award

February 15, 2017

Page 2 of 4

beneficially and cost effectively utilizing the digester gas produced on site in consideration of RP-2's scheduled decommissioning in January 2023.

Analysis showed that a digester gas-fueled microturbine was the most cost effective option. IEUA issued a Design-Build Request for Proposals (RFP) in October 2015, but subsequently rejected the proposal when the payback period for the only responsive cost proposal exceeded the remaining life of the RP-2 facility. Since that time, IEUA's continued discussions with prospective microturbine suppliers indicated that a modified RFP would yield more competitive responses while still meeting IEUA's payback and operational requirements.

Although a prerequisite of the project's evaluation criteria was to achieve a return on investment within the remaining life of RP-2, the installation will be designed to facilitate an economical relocation of the microturbine following the facility decommissioning, if desirable.

On November 21, 2016, an RFP was advertised on Planet Bids to all microturbine suppliers. Two prospective contractors participated in the job walk on November 28, 2016. On December 13, 2016, two proposals were received. A technical committee reviewed the proposals to determine the most qualified, responsive, and responsible bidder. Following the technical evaluation, the fee proposals were considered to determine the best value to IEUA. The following fee proposals were received:

<b>Bidder's Name</b>	<b>Total Price</b>
Geveden Industrial	\$1,876,809
Regatta Solutions	\$2,829,336
<b>Engineer's Estimate</b>	<b>\$2,350,000</b>

In consideration of the technical evaluation and fee proposals, the evaluation committee selected Geveden Industrial to perform the design and construction of the RP-2 microturbine.

Below are the projected costs for the project:

<b>Description</b>	<b>Estimated Cost</b>
Design	\$47,863
Construction	\$1,828,946
Construction Services (~ 8%)	\$145,000
Contingency (~10%)	\$183,400
<b>Total Project Cost</b>	<b>\$2,204,809</b>
<b>Total Project Budget</b>	<b>\$2,210,000</b>
<b>SGIP Incentive Credit</b>	<b>(\$792,000)</b>

It should be noted that the cost effectiveness of this project is dependent upon receipt of Self Generation Incentive Program (SGIP) funding. Should the project fail to receive the SGIP incentive, the contract with Geveden Industrial will be voided and all work will be stopped

immediately. The SGIP incentive notification is expected to be received by March 2017, prior to the project design completion in April 2017.

To secure SGIP funding, IEUA is required to enter into a service agreement with Cal Microturbine to provide ongoing maintenance of the microturbine and gas conditioning system. Negotiations for this agreement caused this item to be pulled from the January Board agenda. The service agreement language has been finalized and approved by legal counsel to provide suitable protection to IEUA and the continued operation of the equipment. The service agreement has a ten year term and has a fixed annual price of \$75,246.

The overall project schedule is as follows:

<b>Project Milestone</b>	<b>Date</b>
Construction Contract Award	February 2017
Project Completion	December 2017

The RP-2 Microturbine Installation Project No. EN17065 is consistent with the *IEUA's Business Goal of Wastewater Management* that renewable resources will be effectively managed to achieve peak power independence in an environmentally responsible and cost effective manner. The project is also consistent with the Energy Management Plan's goals of reducing digester gas flaring and achieving carbon neutrality by 2030. The microturbine also aligns with IEUA's goal of achieving and tracking Greenhouse Gas (GHG) reductions from environmentally sustainable operations.

### **PRIOR BOARD ACTION**

On June 15, 2016, the Board of Directors rejected the November 17, 2015, proposal from Regatta Solutions for design/build services for the not-to-exceed amount of \$3,112,450.

### **IMPACT ON BUDGET**

If approved, the design-build contract award for the RP-2 Microturbine Installation Project No. EN17065, in the amount of \$1,876,809, will be within the total project budget of \$2,210,000 and FY-2016/2017 budget of \$850,000 in the Regional Operations (RO) Fund. An estimated amount of \$850,000 will be spent on the project this fiscal year, with the remaining amount of \$1,360,000 to be spent in future fiscal years. The future year funding will be re-appropriated accordingly during the FY-2017/2018 review of the Ten Year Capital Improvement Plan.

Attachments:

1. Design-build contract

<https://dl.dropbox.com/s/hcmfpwzzhqs6rud/17030%20Design-Build%20Contract%20RP-2%20Microturbine%20Design%20Build%20Contract%20Award%20Feb%202017.pdf?dl=0>

RP-2 Microturbine Design-Build Contract Award

February 15, 2017

Page 4 of 4

2. Service agreement

<https://dl.dropbox.com/s/sw10x1t9elq1f8p/17030%20Service%20Agreement%20RP-2%20Microturbine%20Design%20Build%20Contract%20Award%20Feb%202017.pdf?dl=0>

PJG:CB:SS:jp

# RP-2 Microturbine Design-Build Contract Award

Project No. EN17065  
February 15, 2017



*Inland Empire Utilities Agency*  
A MUNICIPAL WATER DISTRICT



# Project Location



# Project Background

- RP-2 cogeneration engine permanently shut down in 2016
  - Unable to comply with stringent AQMD emissions limits
  - Digester gas currently used in boilers, then excess is flared
- Alternative power generation source requirements
  - Compliant with air quality standards
  - Beneficial use of biogas
  - Achieve payback within remaining life of facility
  - Transportability following RP-2 decommissioning
  - Consistent with sustainability and GHG reduction goals

# Project Scope

- Design and construct 600 kW microturbine
- Install digester gas cleaning system
- Secure Self Generation Incentive Program (SGIP) Funding
  - Maintenance service agreement
- IEUA to own microturbine



600 kW Microturbine

# Bid Summary

- On November 21, bids were advertised on Planet Bids
- On November 28, two contractors attended the job walk
- On December 13, two proposals were received

Bidder's Name	Total Price
Geveden Industrial	\$1,876,809
Regatta Solutions	\$2,829,336
<b>Engineer's Estimate</b>	<b>\$2,350,000</b>

# Project Cost and Schedule

Description	Estimated Cost
Design	\$47,863
Construction	\$1,828,946
Construction Services (~8%)	\$145,000
Contingency (~10%)	\$183,000
<b>Total Project Cost</b>	<b>\$2,204,809</b>
<b>Total Required Project Budget</b>	<b>\$2,210,000</b>
<b>SGIP Incentive Credit</b>	<b>(\$792,000)</b>

Project Milestone	Date
Construction Contract Award	February 2017
Construction Completion	December 2017

# IEUA Goal/Recommendation

Staff Recommends the Board Approves:

- Award of a design-build contract for the RP-2 Microturbine Installation Project No. EN17065, to Geveden Industrial in the amount of \$1,876,809;
- Approve a ten-year service agreement with Cal Microturbine in the amount of \$752,460 for Project No. EN17065;
- Approve a total project budget in the amount of \$2,210,000 and FY budget in the amount of \$850,000 for Project No. EN17065; and
- Authorize the General Manager to execute the budget amendment and the construction contract and maintenance service agreement subject to non-substantive changes.


The RP-2 Microturbine Installation project is consistent with the **IEUA's Business Goal of Wastewater Management** that renewable resources will be effectively managed to achieve peak power independence in an environmentally responsible and cost effective manner. The project is also consistent with the Energy Management Plan's goals of reducing digester gas flaring and achieving carbon neutrality by 2030. The microturbine also aligns with IEUA's goal of achieving and tracking Greenhouse Gas (GHG) reductions from environmentally sustainable operations.


**ACTION  
ITEM  
1F**


Date: February 15, 2017

To: The Honorable Board of Directors

Through: Engineering, Operations, and Water Resources Committee (02/08/17)  
Finance and Administration Committee (02/08/17)

From: P. Joseph Grindstaff   
General Manager

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

Shaun J. Stone   
Manager of Engineering

Subject: RP-4 Construction Contract Award

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### **RECOMMENDATION**

It is recommended that the Board of Directors:

1. Award a construction contract for the RP-4 Disinfection Facility Improvements, Project No. EN14018, to W.A. Rasic in the amount of \$1,839,400;
2. Approve a total project budget amendment in the amount of \$284,400 for Project No. EN14018; and
3. Authorize the General Manager to execute the construction contract and budget amendment.

### **BACKGROUND**

The Regional Water Recycling Plant No. 4 (RP-4) began operation in 1997 with an average daily liquid treatment capacity of seven million gallons per day (MGD). In 2009, the plant's treatment capacity was expanded to 14 MGD. Since the expansion, the tertiary chemical system has been in need of improvements due to a change in the operational strategy and general deterioration.

The existing chemical disinfection facility is in the maintenance building in the southeast corner of the treatment plant. The concrete tank pads, metal supports, and containment walls in the chemical area are experiencing significant corrosion. In addition to the corrosion, there is limited tank capacity that does not allow for a full delivery of chemicals, causing additional costs from



multiple small chemical deliveries. This proposed project will relocate the chemical disinfection facility to a centralized location within the plant and provide adequately-sized chemical tanks, pumps, and related controls. Reliable chemical storage and dosing systems are critical for regulatory compliance and distribution of high quality recycled water.

On November 16, 2016, the Board rejected the construction bids received in September 2016. Accordingly, staff re-scoped the project into two projects; inside building retrofits and the chemical system improvements project.

On November 22, 2016, IEUA re-advertised a request for bids to the prequalified contractors on the under \$2,000,000 list. Six contractors participated in the job walk on December 15, 2016. On January 12, 2016, the following four bids were received:

Bidder's Name	Total Price
W.A. Rasic	\$1,839,400
SCW Contracting	\$1,901,634
GSE Construction	\$1,916,800
J.F. Shea Construction	\$1,971,485
<b>Engineer's Estimate</b>	<b>\$2,000,000</b>

W.A. Rasic was the lowest responsive and responsible bidder with a bid price of \$1,839,400. W.A. Rasic has performed several successful projects for IEUA in the past showing good workmanship and responsiveness.

The following table is the anticipated project cost:

Description	Estimated Cost
Design	\$410,000
Construction Services (~ 13.5%)	\$250,000
Construction	\$1,839,400
Contingency (~ 10%)	\$185,000
<b>Total Project Cost</b>	<b>\$2,684,400</b>
<b>Total Project Budget</b>	<b>\$2,400,000</b>
<b>Budget Amendment</b>	<b>\$284,400</b>

Based on the bid results and the anticipated total project cost, staff is requesting a total project budget amendment in the amount of \$284,400 for the RP-4 Disinfection Facility Improvements, Project No. EN14018.00. Projected expenditures for FY 2016/17 is within the current, approved fiscal year budget.

The following is the project schedule:

<b>Project Milestone</b>	<b>Date</b>
Construction Contract Award	February 2017
Construction Completion	February 2018

The RP-4 Disinfection Facility Improvements Project are consistent with *IEUA's Business Goal of Wastewater Management* specifically the Water Quality and Asset Management objectives that IEUA will ensure the regional sewer system and treatment facilities are planned, maintained, and upgraded to meet evolving requirements, sustainably managed, accommodate changes in regional water use, and protect public health and the environment.

### **PRIOR BOARD ACTION**

On November 16, 2016, the Board of Directors rejected the construction bids received on September 4, 2016.

On March 18, 2015, the Board of Directors approved the amendment to the engineering services contract with IDS Group for additional consulting services for the RP-4 Disinfection Facility Improvements for the not-to-exceed amount of \$105,110.

### **IMPACT ON BUDGET**

If approved, the construction contract for the RP-4 Disinfection Facility Improvements, Project No. EN14018, will be supported by the revised total project budget of \$2,684,400 in the Regional Wastewater Capital (RC) Fund. An estimated amount of \$475,000 will be spent on the project this fiscal year, with the remaining project costs to be spent in future fiscal years. The future year funding will be re-appropriated accordingly during the FY 2017/18 review of the Ten Year Capital Improvement Plan.

#### Attachments

1. Construction Contract

PJG:CB:SS:aa

# RP-4 Chemical System Improvements Construction Contract Award

Project No. EN14018  
February 15, 2017



# Project Location



# Project Background

- Deterioration of disinfection equipment and multiple chemical pipeline failures
- Corroded floor, outside doors and walls
- No back-up chlorine injection piping to contact basins
- No chlorine injection to the aqua disk filters or the RAS pump station



Corrosion Damage



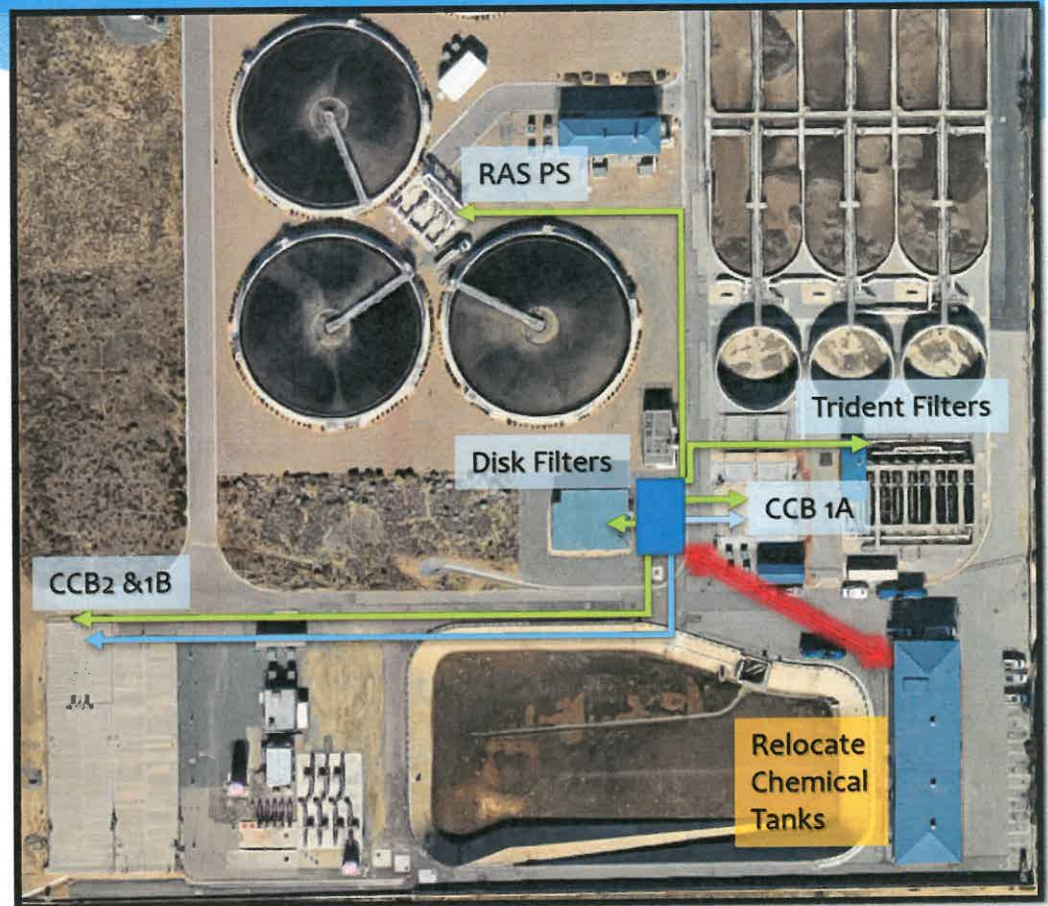
Existing Diaphragm Pump



Aqua Disk Algae Growth

# Project Scope

- Construct new disinfection facility in more efficient location
- Install new automated chemical metering pumps
- Install new PVC chemical tubing from new chlorine facility to injection points
- Perform instrumentation and control programming



# Bid Summary

- On November 22, 2016, project was advertised.
- The following construction bids were received on January 12, 2017

Bidder's Name	Bid Amount
W.A. Rasic	\$1,839,400
SCW Contracting	\$1,901,634
GSE Construction	\$1,916,800
J.F. Shea Construction	\$1,917,485
<b>Engineer's Estimate</b>	<b>\$2,000,000</b>

# Project Cost and Schedule

Description	Estimated Cost
Design	\$410,000
Construction Contract	\$1,839,400
Construction Services (~13.5%)	\$250,000
Construction Contingency (~10%)	\$185,000
<b>Total Project Cost</b>	<b>\$2,684,400</b>
<b>Current Total Project Budget</b>	<b>\$2,400,000</b>
<b>Budget Amendment</b>	<b>\$284,400</b>

Project Milestone	Date
Construction Contract Award	February 2017
Construction Completion	February 2018





# IEUA Goal/Recommendation

Staff recommends that the Board of Directors:

- Award the construction contract to W.A. Rasic, in the amount of \$1,839,400 for the RP-4 Disinfection Facility Improvements, Project No. EN14018; and
- Approve a total project budget amendment in the amount of \$284,400 for Project No. EN14018; and
- Authorize the General Manager to execute the construction contract and budget amendment.

The RP-4 Disinfection Facility Improvements Project is consistent with the **Agency's Business Goal of Wastewater Management** specifically the Water Quality and Asset Management objectives that IEUA will ensure the regional sewer system and treatment facilities are planned, maintained, and upgraded to meet evolving requirements, sustainably managed, accommodate changes in regional water use, and protect public health and the environment.

## SECTION D - CONTRACT AND RELEVANT DOCUMENTS

### 1.0 CONTRACT

THIS CONTRACT, made and entered into this 15th day of February, 2017, by and between W.A. Rasic Construction Co., Inc., hereinafter referred to as "Contractor," and The Inland Empire Utilities Agency, a Municipal Water District, located in San Bernardino County, California, hereinafter referred to as "Agency".

#### WITNESSETH:

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

1. Contractor agrees to perform and complete in a workmanlike manner, all work required under the bidding schedule of said Agency's specifications entitled **SPECIFICATIONS FOR RP-4 Disinfection Facility Improvements, Project Number EN14018.00** in accordance with the specifications and drawings, and to furnish at their own expense, all labor, materials, equipment, tools, and services necessary, except such materials, equipment, and services as may be stipulated in said specifications to be furnished by said Agency, and to do everything required by this Contract and the said specifications and drawings.
2. For furnishing all said labor, materials, equipment, tools, and services, furnishing and removing all plant, temporary structures, tools and equipment, and doing everything required by this Contract and said specifications and drawings; also for all loss and damage arising out of the nature of the work aforesaid, or from the action of the elements, or from any unforeseen difficulties which may arise during the prosecution of the work until its acceptance by said Agency, and for all risks of every description connected with the work; also for all expenses resulting from the suspension or discontinuance of work, except as in the said specifications are expressly stipulated to be borne by said Agency; and for completing the work in accordance with the requirements of said specifications and drawings, said Agency will pay and said Contractor shall receive, in full compensation therefore, the price(s) set forth in this Contract.
3. That the Agency will pay the Contractor progress payments and the final payment, in accordance with the provisions of the contract documents, with warrants drawn on the appropriate fund or funds as required, at the prices bid in the Bidding and Contract Requirements, Section C - Bid Forms and accepted by the Agency, and set forth in this below.

**Total Bid Price \$(1,839,400) One Million Eight Hundred Thirty Nine Thousand Four Hundred Dollars and Zero Cents.**

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

4. The Agency hereby employs the Contractor to perform the work according to the terms of this Contract for the above-mentioned price(s), and agrees to pay the same at the time, in the manner, and upon the conditions stipulated in the said specifications; and the said parties for themselves, their heirs, executors, administrators, successors, and assigns, do hereby agree to the full performance of the covenants herein contained.
5. The Notice Inviting Bids, Instructions to Bidders, Bid Forms, Information Required of Bidder, Performance Bond, Payment Bond, Contractors License Declaration, Specifications, Drawings, all General Conditions and all Special Conditions, and all addenda issued by the Agency with respect to the foregoing prior to the opening of bids, are hereby incorporated in and made part of this Contract, as if fully set forth.
6. The Contractor agrees to commence work under this Contract on or before the date to be specified in a written "Notice To Proceed" and to complete said work to the satisfaction of the Agency Three Hundred Sixty Five (365) calendar days after award of the Contract. All work shall be completed before final payment is made.
7. Time is of the essence on this Contract.
8. Contractor agrees that in case the work is not completed before or upon the expiration of the contract time, damage will be sustained by the Agency, and that it is and will be impracticable to determine the actual damage which the Agency will sustain in the event and by reason of such delay, and it is therefore agreed that the Contractor shall pay to the Agency the amount of Four Thousand (\$4,000) dollars for each day of delay, which shall be the period between the expiration of the contract time and the date of final acceptance by the Agency, as liquidated damages and not as a penalty. It is further agreed that the amount stipulated for liquidated damages per day of delay is a reasonable estimate of the damages that would be sustained by the Agency, and the Contractor agrees to pay such liquidated damages as herein provided. In case the liquidated damages are not paid, the Contractor agrees that the Agency may deduct the amount thereof from any money due or that may become due to the Contractor by progress payments or otherwise under the Contract, or if said amount is not sufficient, recover the total amount.

In addition to the liquidated damages, which may be imposed if the Contractor fails to complete the work within the time agreed upon, the Agency may also deduct from any sums due or to become due the Contractor, liquidated damages in accordance with the Bidding and Contract Requirements, Section B - Instruction to Bidders, Part 5.0 "Liquidated Damages", for any violation of the General Conditions, Section D - Contractor's Responsibilities, Part 8, "Law and Regulations"; Bidding and Contract Requirements Contract Section D -Contract

and Relevant Documents, Part 1.0, Paragraphs 9 through 11; General Conditions , Section D – Contractor's Responsibilities, Part 4.0, "Labor, Materials and Equipment"; General Conditions Section D – Contractor's Responsibilities, Part 12.0, "Safety and Protection" or General Conditions Section H – Legal Responsibilities, Part 8.0, "Disturbance of the Peace".

9. That the Contractor will pay, and will require subcontractors to pay, employees on the work a salary or wage at least equal to the prevailing salary or wage established for such work as set forth in the wage determinations and wage standards applicable to this work, contained in or referenced in the contract documents.
10. That, in accordance with Section 1775 of the California Labor Code, Contractor shall forfeit to the Agency, as a penalty, not more than Fifty (\$50.00) Dollars for each day, or portion thereof, for each worker paid, either by the Contractor or any subcontractor, less than the prevailing rates as determined by the Director of the California Department of Industrial Relations for the work.
11. That, except as provided in Section 1815 of the California Labor Code, in the performance of the work not more than eight (8) hours shall constitute a day's work, and not more than forty (40) hours shall constitute a week's work; that the Contractor shall not require more than eight (8) hours of labor in a day nor more than forty hours of labor in a week from any person employed by the Contractor or any subcontractor; that the Contractor shall conform to Division 2, Part 7, Chapter 1, Article 3 (Section 1810, et seq.) of the California Labor Code; and that the Contractor shall forfeit to the Agency, as a penalty, the sum of Twenty-Five (\$25.00) Dollars for each worker employed in the execution of the work by Contractor or any subcontractor for each day during which any worker is required or permitted to labor more than eight (8) hours in violation of said Article 3.
12. That the Contractor shall carry Workers' Compensation Insurance and require all subcontractors to carry Workers' Compensation Insurance as required by the California Labor Code.
13. That the Contractor shall have furnished, prior to execution of the Contract, two bonds approved by the Agency, one in the amount of one hundred (100) percent of the contract price, to guarantee the faithful performance of the work, and one in the amount of one hundred (100) percent of the contract price to guarantee payment of all claims for labor and materials furnished.
14. The Contractor hereby agrees to protect, defend, indemnify and hold the Agency and its employees, agents, officers, directors, servants and volunteers free and harmless from any and all liability, claims, judgments, costs and demands, including demands arising from injuries or death of persons (including employees of the Agency and the Contractor) and damage to property, arising directly or indirectly out of the obligation herein undertaken or out of the operations conducted by the Contractor, its employees agents, representatives or subcontractors under or in connection with this Contract.

The Contractor further agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands or suit at the sole expense of the Contractor.

IN WITNESS WHEREOF, The Contractor and the General Manager of Inland Empire Utilities Agency\*, thereunto duly authorized, have caused the names of said parties to be affixed hereto, each in duplicate, the day and year first above written.

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

By \_\_\_\_\_  
General Manager

Contractor  
W. A. Rasic Construction Company, Inc.

By \_\_\_\_\_  
Title Peter L. Rasic, President  
25 Jan 2017

\*A Municipal Water District

RP-4 DISINFECTION FACILITIES  
IMPROVEMENT PROJECT NO. 14018

4


JANUARY, 2017  
CONTRACT AND RELEVANT DOCUMENTS


**ACTION  
ITEM  
1G**


Date: February 15, 2017

To: The Honorable Board of Directors

Through: Engineering, Operations, and Water Resources Committee (02/08/17)

From: P. Joseph Grindstaff  
General Manager 

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

Shaun J. Stone   
Manager of Engineering

Subject: RP-1 Consulting Engineer Services Contract Award

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### **RECOMMENDATION**

It is recommended that the Board of Directors:

1. Award a consulting engineering services contract for the RP-1 Primary Effluent Conveyance Improvements, Project No. EN15012, to Stantec for the not-to-exceed amount of \$461,483; and
2. Authorize the General Manager to execute the consulting engineering services contract.

### **BACKGROUND**

Commissioned in 1948, Regional Water Recycling Plant No. 1 (RP-1) has had numerous small projects and expansions over the years. These projects have resulted in a complicated primary effluent piping network and multiple diversion structures. As a result, the underground piping has localized high points that accumulate corrosive gases causing significant corrosion to wet wells, channels, pipelines, and other structures. In addition, facilities around the trickling filter are occasionally operated to assist the conveyance of the primary effluent through the plant and when not in operation water remains in the diversion structures and wet wells causing vector concerns.

Based on the findings and recommendations from a condition assessment report the scope of work includes:

- Corrosion protection and gate repair/replacement in various structures within the primary effluent system
- Replacing the eastern Plant 3 primary clarifier effluent bladder valve
- Recommendations on decommissioning and replacement of the existing primary clarifier diversion structure and related piping
- Decommissioning of the existing trickling filter’s pump station
- Foul air system inspection/analysis and make recommendations for solutions based on the inspection results
- Prepare a Preliminary Design Report for local improvement of the RP-1 foul air system

On October 20, 2016, IEUA staff advertised on *Planet Bids* the Request for Proposals for consulting engineering services. On December 8, 2016, IEUA received proposals from Arcadis, Civiltec Engineering, and Stantec. The proposals were reviewed by a selection committee including staff from Engineering and Technical Services. Based on the project team qualifications and experience, understanding of the project scope, and ability to meet the project schedule, the committee unanimously concurred that Stantec was the most qualified firm to do the work.

The following table is the anticipated projected costs:

<b>Description</b>	<b>Estimated Cost</b>
Project Development	\$50,000
Consultant Engineer	\$461,483
Design Services Staff (~ 5%)	\$80,000
Construction Services (~ 10%)	\$190,000
Construction	\$1,900,000
Contingency (~ 10%)	\$190,000
<b>Total Project Cost</b>	<b>\$2,871,483</b>
<b>Total Project Budget</b>	<b>\$1,885,000</b>

It is anticipated that the final project costs may exceed the total project budget. Following this detailed design evaluation, staff will request the total project budget to be amended, if required, by the Board of Directors prior to construction.

Although this budget is limited to the engineering services during the design and bid, it is anticipated that this contract will be amended during construction contract award to include the engineering services during construction.



The following is the project schedule:

<b>Project Milestone</b>	<b>Date</b>
Consultant Contract Award	February 2017
Design Completion	March 2018
Construction Contract Award	May 2018
Construction Completion	May 2019

The RP-1 Primary Effluent Conveyance Improvements Project is consistent with *IEUA's Business Goal of Wastewater Management* specifically the Asset Management objective that IEUA will ensure the regional sewer system and treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use.

### **PRIOR BOARD ACTION**

None.

### **IMPACT ON BUDGET**

If approved, the consulting engineering services contract award for the RP-1 Primary Effluent Conveyance Improvements, Project No. EN15012, for the not-to-exceed amount of \$461,483 will be within the current fiscal year budget of \$500,000 and total project budget in the amount of \$1,885,000 in the Regional Wastewater O&M (10800) Fund. Once the Preliminary Design is complete, future year funding will be re-appropriated accordingly.

Attachments:

1. Consulting Engineer Services Contract  
<https://dl.dropbox.com/s/01erbsxhi462y5f/17032%20RP-1%20Primary%20Effluent%20Consulting%20Engineering%20Services%20Contract%20Award.pdf?dl=0>

PJG:CB:SS:nm

# RP-1 Primary Effluent Conveyance Consultant Contract Award

Project No. EN15012  
February 15, 2017



***Inland Empire Utilities Agency***

**A MUNICIPAL WATER DISTRICT**

Nasrin Maleki, P.E.  
Project Manager

# Project Location



RP-1 Facility

# Project Background

- Numerous project resulted in complicated primary effluent conveyance system
- Gases have resulted in significant corrosion to the conveyance system
- Vector issues will also be evaluated



Exposed Rebar in Grating in Support Beam



Primary Effluent Splitter Box  
Weakened Concrete and Section Loss

# Project Scope

- Repair corrosion to wet wells, conveyance channels, pipelines, and structures
- Eliminate piping high points
- Evaluate and address possible decommissioning of trickling filter and primary diversion structure
- Preliminary Design Report for local improvement of the RP-1 foul air system



Intermediate PS No. 2  
Concrete Degradation & Exposed  
Aggregate in the Vapor Space



Intermediate PS Wet Well  
Coating Failure on Steel Bar Screen

# Consultant Selection

- Received three proposals received on December 8, 2016:
  - Arcadis
  - Civiltec Engineering
  - Stantec
- Evaluation and selection committee included staff members from Engineering and Construction Management, and Technical Services
- Stantec was selected by committee based on:
  - Qualifications and experience
  - Understanding of the project scope
  - Ability to meet the project schedule

# Project Budget and Schedule

Project Milestone	Date
Project Development	\$50,000
Consultant Engineer	\$461,483
Design Services (~5%)	\$80,000
Construction Services (~10%)	\$190,000
Construction	\$1,900,000
Contingency (~10%)	\$190,000
<b>Total Project Cost</b>	<b>\$2,871,483</b>
<b>Total Project Budget</b>	<b>\$1,885,000</b>

Project Milestone	Date
Consultant Contract Award	February 2017
Design Completion	March 2018
Construction Contract Award	May 2018
Construction Completion	May 2019



# IEUA Goal/Recommendation

Staff recommends that the Board of Directors award the Consultant Engineering Services contract to Stantec for the RP-1 Primary Effluent Conveyance Improvements, Project No. EN15012, for the not-to-exceed amount of \$461,483, and authorize the General Manager to execute the contract.

The RP-1 Improvements Project is consistent with the **Agency's Business Goal of Wastewater Management** specifically the Asset Management objective that IEUA will ensure the regional sewer system and treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use.





**ACTION  
ITEM  
1H**


Date: February 15, 2017

To: The Honorable Board of Directors

Through: Engineering, Operations, and Water Resources Committee (2/8/2017)

From: P. Joseph Grindstaff  
General Manager 

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

Shaun J. Stone   
Manager of Engineering

Subject: RP-1 Engineering Services Contract Amendment

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### **RECOMMENDATION**

It is recommended that the Board of Directors:

1. Approve the consultant contract amendment for additional design efforts for the RP-1 Power System Upgrades, Project No. EN13048 to Tetra Tech Inc., for the not-to-exceed amount of \$205,825; and
2. Authorize the General Manager to execute the amendment.

### **BACKGROUND**

The Regional Water Recycling Plant No. 1 (RP-1) tertiary treatment facility operates a Recycled Water Pump Station (RWPS) which delivers recycled water to the 1158, 1050, and 930 pressure zones. Currently, there is insufficient power capacity to run all pumps simultaneously. As a result, IEUA launched Project No. EN13048 to upgrade the existing power system at RP-1 in order to provide adequate power to the RWPS to increase current capacity and accommodate the future capital projects.

In September 2016, Tetra Tech completed an analysis of the power system and prepared a preliminary design report (PDR) which provided a detailed power system recommendations as follow:

1. Replace two existing motor control centers.
2. Upgrade the existing cable between the power reliability building (PRB) switchgear and tertiary plant to increase their capacity.
3. Install a second feed from PRB switchgear to the tertiary plant.
4. Replace a PRB switchgear vertical section with a new one that has two circuit breaker compartments to accommodate the second feed to the tertiary plant.

Based on Tetra Tech's work on the PDR, the project team's qualifications and experience, understanding of the project scope, and ability to meet the project schedule, it was determined that Tetra Tech is most qualified to perform the design work.

Below are the projected costs for the project:

Description	Estimated Cost
Project Development and Preliminary Design	\$410,000
Consultant Engineer	\$205,825
Design Services	\$40,000
Construction Services (~15%)	\$100,000
Construction	\$680,000
Contingency (~15%)	\$100,000
<b>Total Project Cost</b>	<b>\$1,535,825</b>
<b>Total Project Budget</b>	<b>\$1,600,000</b>

Given that this is the design scope of services, staff anticipates to bring forward for approval a contract amendment/s for additional services including engineering services during construction when the construction award is considered.

The overall project schedule is as follows:

Project Milestone	Date
Consultant Contract Amendment	February, 2017
Design Completion	October, 2017
Construction Contract Award	January, 2018
Construction Completion	August, 2018

The RP-1 Power System Upgrades, Project No. EN13048, is consistent with *IEUA's Business Goal of Water Reliability* of commitment to providing a reliable and cost-effective water supply; and promoting sustainable water use throughout the region.

**PRIOR BOARD ACTION**

On April 15, 2015, the Board of Directors approved the consulting engineering services contract award for the RP-1 Power System Upgrades PDR to Tetra Tech, Inc.

**IMPACT ON BUDGET**

If approved, the amendment to the consulting engineering services contract for the RP-1 Power System Upgrades, Project No. EN13048, for the not-to-exceed amount of \$205,825 will be within the total project budget of \$1,600,000 in the Recycled Water (WC) Fund.

Attachments

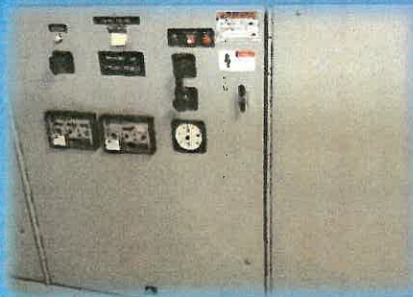
1. Consultant contract amendment

PJG:CB:SS:aa

# RP-1 Power System Upgrades Consultant Contract Amendment

Project No. EN13048

February 15, 2017

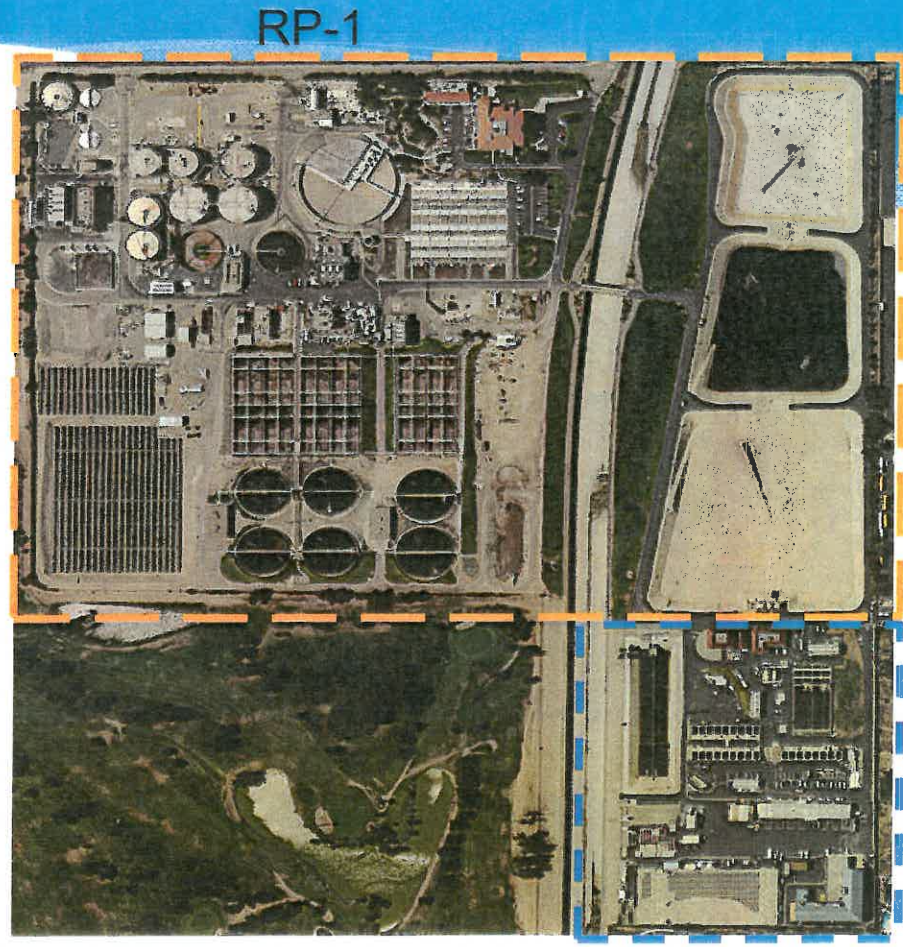


***Inland Empire Utilities Agency***

**A MUNICIPAL WATER DISTRICT**

**Adham Almasri**  
Senior Engineer, P.E., PMP

# Project Location



# Project Background

- RP-1 does not have power to run all recycled water pumps simultaneously
- Power limitations will affect several planned capital projects
- Power system upgrades required to provide a more reliable system



Vertical Switchgear Inside the Power Reliability Building

# Project Scope

- Upgrade two motor control centers
- Upgrade the existing aluminum cable to increase capacity
- Install a second power feed to the tertiary plant
- Replace one cabinet in the switchgear inside the power reliability building.





# Project Budget and Schedule

Description	Estimated Cost
Project Development & Preliminary Design	\$410,000
Consultant Engineer	\$205,825
Design Services	\$40,000
Construction Services (~15%)	\$100,000
Construction	\$680,000
Contingency (~15%)	\$100,000
<b>Total Project Cost</b>	<b>\$1,535,825</b>
<b>Total Project Budget</b>	<b>\$1,600,000</b>

Project Milestone	Date
Consultant Contract Amendment	February, 2017
Design Completion	October, 2017
Construction Contract Award	January, 2018
Construction Completion	August, 2018

# IEUA Goal/Recommendation

Staff recommends that the Board of Directors approve the consultant contract amendment for additional design efforts for the RP-1 Power System Upgrades, Project No. EN13048 to Tetra Tech for the not-to-exceed amount of \$205,825; and authorize the General Manager to execute the amendment.

The RP-1 Power System Upgrades, Project No. EN13048, is part of the *Agency's Business Goal of Water Reliability* *Business* of commitment to providing a reliable and cost-effective water supply; and promoting sustainable water use throughout the region.



**CONTRACT AMENDMENT NUMBER: 4600001853-002**

**FOR**

**RP-1 POWER SYSTEM UPGRADES, PROJECT EN13048.00**

THIS CONTRACT AMENDMENT (the "Amendment"), is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2017, by and between the Inland Empire Utilities Agency, a Municipal Water District, organized and existing in the County of San Bernardino under and by virtue of the laws of the State of California (hereinafter referred to interchangeably as "IEUA" and "Agency") and Tetra Tech, Inc. with offices located in Irvine, California (hereinafter referred to as "Consultant"), to provide consulting design engineering services for the Regional Plant Number One Power System Upgrades Project No. EN13048, and shall revise the Contract as amended:

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

Project Manager: Adham Almasri, P.E., Senior Engineer  
Address: 6075 Kimball Avenue, Building B  
Chino, California 91708  
Telephone: (909) 993-1462  
Email: [aalmasri@ieua.org](mailto:aalmasri@ieua.org)  
Facsimile: (909) 993-1982

3. **ORDER OF PRECEDENCE IS CHANGED TO READ:** The documents referenced below represent the Contract Documents. Where any conflicts exist between the General Terms and Conditions, or addenda attached, then the governing order of precedence shall be as follows:
  - A. Amendments to Contract 4600001853.
  - B. Contract Number 4600001853, General Terms and Conditions.
  - C. Agency's Request for Proposal RFP-RW-16-032 and all germane Addenda and correspondence, incorporated herein by this reference.
  - D. Consultant's Original Proposal dated December 21, 2016, incorporated herein by this reference.
4. **SCOPE OF WORK AND SERVICES IS CHANGED TO READ:** Consultant services and responsibilities shall include and be in accordance with tasks identified in RFP-RW-16-032 solicited on November 16, 2016 via the PlanetBids System, which is incorporated herein and made a part hereof by this reference.
5. **TERM IS CHANGED TO READ:** The term of this Contract shall extend from the date of the Notice to Proceed and terminate on June 30, 2019 unless agreed to by both parties, reduced to writing, and amended to this Contract.

6. **COMPENSATION IS CHANGED TO READ:** The Agency shall pay Consultant's properly-executed invoices, subsequent to approval by the Project Manager, within thirty (30) calendar days following receipt of the invoice. Payment will be withheld for any service which does not meet the requirements of this Contract or has proven unacceptable until such service is revised, resubmitted, and accepted by the Project Manager.

As compensation for work performed under this Contract, Agency shall pay Consultant, on a **Fixed Price Level-of-Effort** basis at the rates specified within Consultant's Fee Proposal, up to the **NOT-TO-EXCEED MAXIMUM OF \$475,205.00**. (Note: This amendment represents a net increase of \$205,825.00 to the Contract as per **Exhibit A** which is incorporated herein, attached hereto and made a part hereof by this reference.)

Contractor shall provide with all public works invoicing certified payroll verifying that Consultant has paid prevailing wage in accordance with the Department of Industrial Relations requirements as stipulated in SB-854 [ <http://www.dir.ca.gov/Public-Works/Certified-Payroll-Reporting.html> ]. Payment shall be made according to milestones achieved by Consultant and accepted by the Agency's Project Manager.

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

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

**For all public works performed in excess of \$1,000.00, SB854 is applicable:**

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

- A. No contractor or subcontractor may be listed on a bid proposal for a public works project (submitted on or after March 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].

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

C. This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. As such, a PWC-100 for each and every public works shall be generated for under the direction of the IEUA Project Manager or their designee.

9. **INSURANCE IS CHANGED TO READ:** During the term of this Contract, the Consultant shall maintain at Consultant's sole expense, the following insurance.

A. **Minimum Scope of Insurance:** Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** ISO Form Number CA 00 01 covering any auto (Code 1), or if Consultant has no owned autos, covering hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
3. **Workers' Compensation and Employers Liability:** Workers' compensation limits as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. **Professional Liability (Errors and Omissions):** Insurance appropriate to the Consultant's profession, with limit no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.

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

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

1. **General Liability and Automobile Liability Coverage**
  - a. **Additional Insured Status:** The Agency, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts or equipment furnished in connection

with such work or operations. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used).

- b. **Primary Coverage:** The Consultant's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the Agency, its officer, officials, employees and volunteers. Any insurance or self-insurance maintained by the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract with the Agency shall be excess of the Consultant's insurance and shall not contribute with it.
- c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, its officers, officials, employees or volunteers.
- d. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- e. The Consultant may satisfy the limit requirements in a single policy or multiple policies. Any such additional policies written as excess insurance shall not provide any less coverage than that provided by the first or primary policy.

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

The insurer hereby grants to Agency a waiver of any right to subrogation which any insurer of said Consultant may acquire against the Agency by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Agency has received a waiver of subrogation endorsement from the insurer.

3. **All Coverages**

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

- D. **Acceptability of Insurers:** All insurance is to be placed with insurers with a current A.M. Best's rating of no less than A-:VII, and who are admitted insurers in the State of California.
- E. **Verification of Coverage:** Consultant shall furnish the Agency with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the Agency before work commences. However, failure to obtain the required documents

prior to the work beginning shall not waive the Consultant's obligation to provide them. The Agency reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

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

Inland Empire Utilities Agency, A Municipal Water District  
Attn: Ms. Angela Witte, Risk Specialist, email [awitte@ieua.org](mailto:awitte@ieua.org)  
P.O. Box 9020  
Chino Hills, California 91709

10. **LEGAL RELATIONS AND RESPONSIBILITIES IS CHANGED TO READ:**

- A. Professional Responsibility: The Consultant shall be responsible, to the level of competency presently maintained by other practicing professionals performing the same or similar type of work.
- B. Status of Consultant: The Consultant is retained as an independent Consultant only, for the sole purpose of rendering the services described herein, and is not an employee of the Agency.
- B. Observing Laws and Ordinances: The Consultant shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and regulations which in any manner affect the conduct of any services or tasks performed under this Contract, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. The Consultant shall at all times observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and shall protect and indemnify, as required herein, the Agency, its officers and employees against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by the Consultant or its employees.

**Effective July 1, 2014, all Contractors must be registered with the California Dept. of Industrial Relations as required by law SB-854 for any aspect of public works construction having a value of \$1,000.00 or more:**

<http://www.dir.ca.gov/Public-Works/PublicWorks.html> .

- D. Confined Space Work:

I. Precautions and Programs:

- a. The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the work or the activities of subcontractors, suppliers, and others at the work site.
- b. The Contractors and subcontractors shall comply with the provisions of the Safety and Health Regulations for Construction, promulgated by the Secretary of Labor under Section 107 of the "Contract Work Hours and Safety Standards Act," as set forth in Title 29 C.F.R. If the Agency is notified of an alleged violation of the

Occupational Safety and Health Standards referred to in this Section and it is established that there is a violation, the Contractor shall be subject to liquidated damages as provided in the Contract.

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

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

- 1) All employees on the work or work site and other persons and organizations who may be affected thereby;
- 2) All the work and materials and equipment to be incorporated therein, whether in storage or on or off the work site; and
- 3) All other property at the site.

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

- 1) *Proof of training on confined space procedures, as defined in Cal-OSHA Regulation 8 CCR, Section 5157. This regulation also requires the following to be submitted to IEUA for approval prior to the entry of a confined space:*
- 2) *A written plan that includes identification of confined spaces within the construction site, alternate procedures where appropriate, contractor provisions, specific procedures for permit-required and non-permit required spaces, and a rescue plan.*

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

**ALL OTHER PROVISIONS OF THIS CONTRACT REMAIN UNCHANGED.**

WITNESSETH, that the parties hereto have mutually covenanted and agreed as per the above amendment items, and in doing so have caused this document to become incorporated into the Contract Documents.

INLAND EMPIRE UTILITIES AGENCY:  
(A Municipal Water District)

TETRA TECH, INC.:

\_\_\_\_\_  
P. Joseph Grindstaff  
General Manager

(Date)

  
Steve Tedesco, P.E.  
Senior Vice President

Water, Environment & Infrastructure

\_\_\_\_\_  
1/24/17  
(Date)



# **Exhibit A**



TETRA TECH

December 21, 2016

Mr. Robert Wallin  
Inland Empire Utilities Agency  
6075 Kimball Avenue, Building A  
Chino, California, 91708

**Reference: Fee Proposal for Consulting Engineering Services for Regional Plant No. 1 (RP1) Power System Upgrades, Project No. EN13048**

Dear Mr. Wallin:

Tetra Tech is very pleased and excited to submit our fee proposal to the Inland Empire Utilities Agency (IEUA). Per the requirements of the Request for Proposal issued by IEUA we have provided this fee proposal in a separate sealed envelope. Attached is our work plan with a breakdown of labor hours by employee billing classification, together with the cost of non-labor and subconsultant services included in the fee proposal.

Thank you for giving us the opportunity to submit our proposal. We look forward to your positive response. If you need additional information or have any questions, please feel free to contact me directly at (949) 809-5153.

Sincerely,

Steve Tedesco, PE  
Senior Vice President  
Water, Environment & Infrastructure

Mazen Kassar, PE  
Project Manager  
Water, Environment & Infrastructure

*MK:cg:bm*

*Attachment(s)*





**ACTION  
ITEM  
11**


Date: February 15, 2017

To: The Honorable Board of Directors

Through: Engineering, Operations, and Water Resources Committee (02/08/17)

From: P. Joseph Grindstaff  
General Manager 

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

Shaun J. Stone   
Manager of Engineering

Subject: CCWRF Construction Contract Award

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### RECOMMENDATION

It is recommended that the Board of Directors:

1. Award a construction contract for the CCWRF Valve Replacement, Project No. EN17051, to Ferreira Construction Co., in the amount of \$178,809; and
2. Authorize the General Manager to execute the contract.

### BACKGROUND

Carbon Canyon Water Recycling Facility (CCWRF) has been in operation and producing recycled water since 1992. Operations and Maintenance have identified multiple valve deficiencies throughout CCWRF that are causing difficulties for staff to operate and maintain the facility. Additionally, there are two existing piping systems that are no longer in use and create unnecessary maintenance.

The scope of the subject project will replace 35 deficient valves located throughout CCWRF. Nineteen plug valves located in the primary sludge pump gallery will be replaced. Furthermore, the existing chlorine gas line and a portion of the primary sludge pipeline that are no longer in use will be removed from the primary sludge pump gallery and capped accordingly. In addition, 16 gate valves located below grade on the recycled water pipeline loop will be excavated and replaced.

On December 22, 2016, a request for bids was advertised to the prequalified contractors on the under \$2,000,000 list. Six contractors participated in the job walk on January 4, 2017. On January 12, 2017, the following bids were received:

Bidder's Name	Total Price
Ferreira Construction Co.	\$178,809
Mike Bubalo Construction	\$179,000
W.A. Rasic Construction Co.	\$231,500
Genesis Construction	\$255,791
J.F. Shea Construction, Inc.	\$288,767
SCW Contracting Corporation	\$355,146
<b>Engineer's Estimate</b>	<b>\$270,000</b>

Ferreira Construction Co. was the lowest responsive and responsible bidder with a bid price of \$178,809. Ferreira Construction Co. has performed several successful projects for the Agency past showing good workmanship and responsiveness.

The following table is the anticipated project cost:

Description	Estimated Cost
Design	\$13,000
Construction Services (~10%)	\$18,000
Construction	\$178,809
Contingency (~15%)	\$27,000
<b>Total Project Cost</b>	<b>\$236,809</b>
<b>Total Project Budget</b>	<b>\$250,000</b>

The overall project schedule is as follows:

Project Milestone	Date
Construction Contract Award	February 2017
Construction Completion	August 2017

The CCWRF Valve Replacement Project is consistent with the *IEUA's Business Goal of Wastewater Management* specifically the Asset Management objective that IEUA will ensure the regional sewer system and treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use.

**PRIOR BOARD ACTION**

None.

**IMPACT ON BUDGET**

If approved, the construction award in the amount of \$178,809 will be within the total project budget of \$250,000 for the CCWRF Valve Replacement, Project No. EN17051 in the Recycled Water (WC) Fund and the total project budget of \$60,000 for the CCWRF RO Valve Replacement, Project No. EN17070 in the Regional Wastewater O&M (RO) Fund.

Attachments:

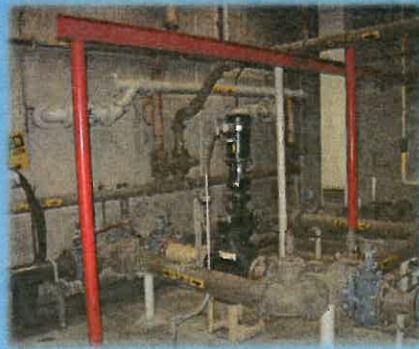
1. Construction Contract

<https://dl.dropbox.com/s/qi9laasddd7yuq1/17031%20Attachment%20CCWRF%20Valve%20Replacment%20Construction%20Contract%20Award.pdf?dl=0>

PJG:CB:SS:rw

# CCWRF Valve Replacement Project Construction Contract Award

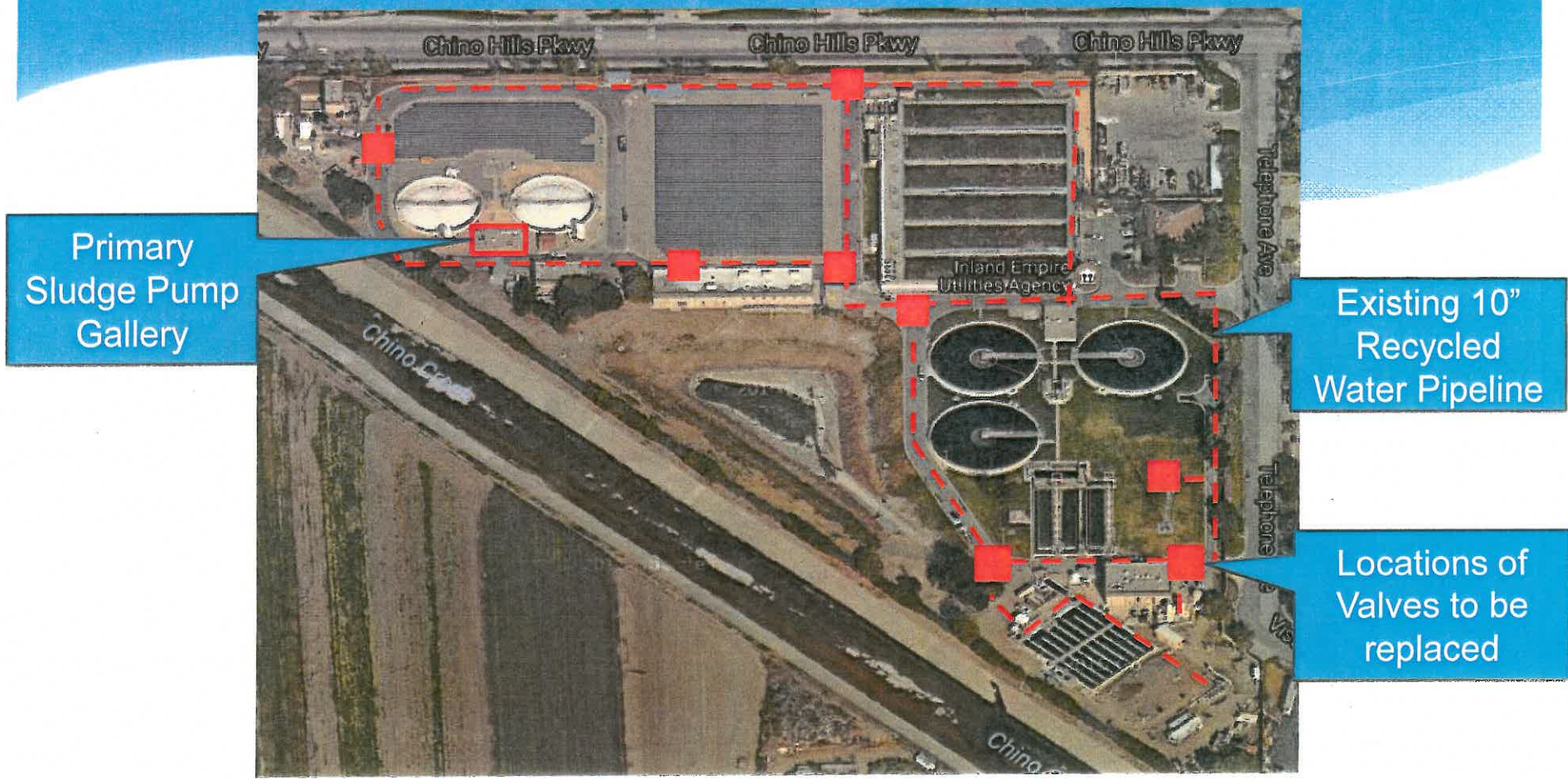
Project No. EN17051  
February 15, 2017



**Inland Empire Utilities Agency**  
A MUNICIPAL WATER DISTRICT



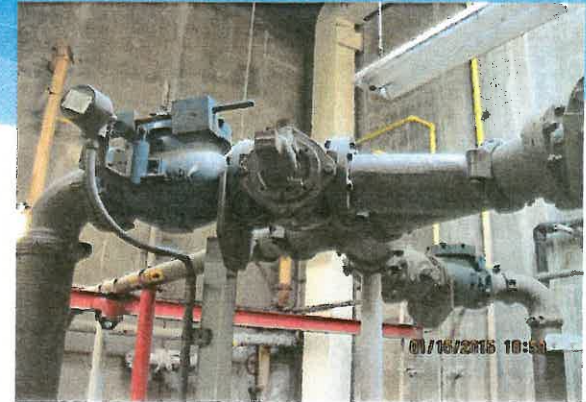
# Project Location



Carbon Canyon Water Recycling Facility

# Project Background

- Deteriorated and end of life valves in the primary sludge gallery
- Abandoned (unused) piping within sludge gallery creates unnecessary maintenance



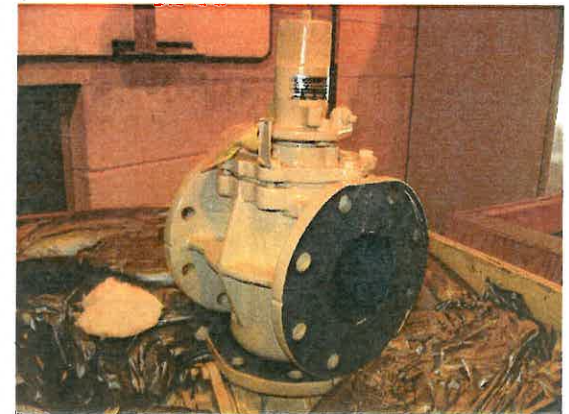
Existing Plug Valves



Primary Sludge Pipes

# Project Scope

- Replace 19 plug valves located in the primary sludge pump gallery
- Excavate and replace 16 recycled water pipeline gate valves and valve boxes
- Remove two existing pipelines and cap remaining pipelines accordingly



New DeZurik Plug Valve

# Bid Summary

Six bids were received on January 12, 2017:

Bidder's Name	Total Price
Ferreira Construction Co.	\$178,809
Mike Bubalo Construction	\$179,000
W.A. Rasic Construction Co.	\$231,500
Genesis Construction	\$255,791
J.F. Shea Construction, Inc.	\$288,767
SCW Contracting Corporation	\$355,146
<b>Engineer's Estimate</b>	<b>\$270,000</b>

# Project Cost and Schedule

Description	Estimated Cost
Design	\$13,000
Construction Services (~10%)	\$18,000
Construction	\$178,809
Contingency (~15%)	\$27,000
<b>Total Project Cost</b>	<b>\$236,809</b>
<b>Total Project Budget</b>	<b>\$250,000</b>

Project Milestone	Date
Design Completion	December 2016
Construction Contract Award	February 2017
Construction Completion	August 2017



# IEUA Goal/Recommendation

Staff recommends that the Board of Directors award the construction contract to Ferreira Construction Co., for the CCWRF Valve Replacement, Project No. EN17051, in the amount of \$178,809, and authorize the General Manager to execute the contract.

The CCWRF Valve Replacement Project is consistent with the **Agency's Business Goal of Wastewater Management** specifically the Asset Management objective that IEUA will ensure the regional sewer system and treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use.

**INFORMATION**

**ITEM**



**2A**


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Date: February 15, 2017

To: The Honorable Board of Directors

Through: Engineering, Operations and Water Resources Committee (02/08/2017)

From: P. Joseph Grindstad  
General Manager   
Chris Berch   
Executive Manager of Engineering/Assistant General Manager

Submitted by: Sylvie Lee   
Manager of Planning & Environmental Resources

Subject: Regional Pretreatment Program Local Limits Update

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### **RECOMMENDATION**

This is an information item on the Regional Pretreatment Program Local Limits Update for the Board of Directors to receive and file.

### **BACKGROUND**

Inland Empire Utilities Agency's (IEUA) Regional Pretreatment Program is designed to protect the regional water recycling plants, personnel, effluent and sludge from pass-through or interference from pollutants discharged by Significant Industrial Users (SIUs). The pretreatment program includes certain required elements, including a system of administering a control mechanism (wastewater discharge permit), legal authority (ordinance), and local limits (permit discharge limits).

Local limits are site specific discharge limits to regulate SIUs developed per 40 CFR 403.5 (c) and 403.8 (f)(4). SIUs are defined as those businesses subject to federal categorical pretreatment regulations or industries that discharge a volume greater than 25,000 gallons per day or excessive loading defined in specific numeric terms by federal regulations. IEUA's Regional Pretreatment Program is required to regulate SIUs or any industry that has the potential to upset the regional water recycling plants. All other residential, commercial, non-permitted industrial dischargers or pollutant sources are considered background level and uncontrolled sources when developing local limits.

IEUA's current local limits for the Regional Pretreatment Program were adopted in 2006. In 2013, the Regional Water Quality Control Board (RWQCB) required IEUA to reevaluate its local limits



based on the results of a Pretreatment Compliance Audit. This requirement was made based on findings that the IEUA had not reevaluated its local limits in several years. Additionally, changes in the NPDES permit limits, groundwater recharge regulations, improvements in the regional pretreatment program, reduction in permitted industries, and enhancement of the treatment processes at the IEUA's regional water recycling plants also justified the need to reevaluate the local limits.

On May 21, 2014, IEUA retained Arcadis U.S. Inc. to provide consulting services to reevaluate and develop logical, technically based and defensible local limits that would be effective, enforceable, and applicable to all SIUs within the IEUA's service area.

The local limits evaluation process involves calculating the pollutant loading that can be received at each of the water recycling plant headworks, without exceeding specified criteria, such as NPDES permit limits, and then allocating the loading among controllable sources (SIUs) and uncontrollable sources (residential, commercial, and non-permitted industries).

The development of local limits involves the following steps:

- Identify potential pollutants of concern (POCs)
- Analyze historical wastewater and flow data
- Calculate maximum allowable headworks loadings (MAHLs) for each potential POC
- Perform sensitivity analyses to refine potential POCs
- Calculate allowable SIU loadings and determine allocation strategies for each POC

Based on the screening criteria above, data evaluation, and EPA guidance documents the consultant determined there were 29 potential POCs.

Table 1 summarizes the POCs, current local limits, and proposed local limits after completion of the sensitivity analyses. For those POCs where a local limit is not recommended, pollutant monitoring will be conducted as part of the pretreatment compliance monitoring program.

In April 2015, the draft local limits report was distributed to the Regional Pretreatment Committee members for review and comment. The comments received from the committee members were incorporated into the final report in June 2015.

In August 2015, IEUA submitted its local limits report to the RWQCB. Subsequently, in September 2015, IEUA received its draft NPDES permit from the RWQCB which included new limits for 2,3,7,8-TCDD (Dioxin). As a thorough review of Dioxin was not originally included in the local limits study, IEUA requested the RWQCB delay its review of the local limits report until IEUA could conduct a thorough evaluation for Dioxin including sampling and source identification. IEUA has completed this evaluation and determined that Dioxin will not need to be assigned a local limit. IEUA also incorporated additional treatment plant and industry monitoring data from January 2015 through October 2016 to account for any impact from recent monitoring data on the limits proposed in 2015. The 2016 updates are incorporated in Table 1 below.

Additionally, the RWQCB has raised concerns with IEUA using fixed Total Dissolved Solids (TDS), for compliance determination. It is the opinion of the RWQCB that fixed TDS may underestimate the TDS concentration in discharges from SIUs with organic TDS in their wastewater. As part of the local limits submittal, IEUA will be proposing that the method for determining compliance for TDS at food processing industries be changed to TDS by summation.

IEUA will be submitting the local limits report to the RWQCB in February 2017 as required by 40 CFR 403.18. When the proposed local limits are approved by the RWQCB, staff will recommend IEUA's Board adopt a Notice of Intent to revise the local limits and set a public hearing for adoption of the local limits. Anticipated timeline for adoption is September 2017.

Table 1: Current Local Limits vs. Proposed Local Limits

POCs	Current Limit (mg/L)	2015 Proposed Limit (mg/L)	2017 Proposed Limit (mg/L)	Comments
Cadmium	2.8	--	--	Background, RP-1 influent, and CCWRF influent all non-detect; monitor via IEUA monitoring program
Chromium	60	2.79	2.46	Daily max; Based on CCWRF UCL
Copper	45	2.29	0.37	Daily max; Based on CCWRF UCL
Cyanide (free)	1.2	--	--	Monitor via IEUA monitoring program
Dioxin	--	--	--	Monitor via IEUA monitoring program
Lead	14	1.38	1.21	Daily max; Based on CCWRF CFL (applied to contributory SIUs, Net Shapes and Envision Plastics); set alert level of 0.02 mg/L for other SIUs
Nickel	45	12.5	4.48	Daily max; Based on CCWRF CFL (applied to contributory SIUs, Evolution Fresh, Inland Powder, Jewlland-Freya, Net Shapes, OW Lee, Parco, Schlosser Forge, Sun Badge, and Envision Plastics); set alert level of 0.19 mg/L for other SIUs
Selenium	--	--	--	Monitor via IEUA monitoring program; work with Sun Badge to assess BMPs
Zinc	50	3.74	3.36	Daily max; Based on CCWRF UCL
Bis(2-Ethylhexyl) phthalate	--	--	--	Monitor via IEUA monitoring program
Chloride	--	--	--	Monitor via IEUA monitoring program
Hardness	--	--	--	Monitor via IEUA monitoring program
Manganese	--	--	--	Monitor via IEUA monitoring program
Sodium	--	--	--	Monitor via IEUA monitoring program
Sulfate	--	--	--	Monitor via IEUA monitoring program
TDS	800/550*	800/550*	800/550*	Monthly average and measured as TDS (by summation) <sup>1</sup>

Notes: mg/L = milligrams per liter; \* = TDS limits for existing SIUs and new SIUs

1. TDS by summation shall calculated as follows: (Alkalinity \* 0.6) + Na + K + Ca + Mg + Cl + SO<sub>4</sub> + Silica + (NO<sub>3</sub>-N \* 4.43) + F

The Regional Pretreatment Program Local Limits are consistent with IEUA's business goal of *Environmental Stewardship* by complying with all federal, state, local and environmental laws and regulations.

**PRIOR BOARD ACTION**

On May 21, 2014, IEUA's Board of Directors approved consulting services contract award to Arcadis for the Regional Pretreatment Program Local Limits Study.

On November 15, 2006, IEUA's Board of Directors adopted Resolution 2006-11-4 establishing Uniform Local Limits applicable to SIUs.

**IMPACT ON BUDGET**

None.

# Regional Pretreatment Program Local Limits Update



*Inland Empire Utilities Agency*  
A MUNICIPAL WATER DISTRICT

Craig Proctor

IEUA Board of Directors Meeting  
February 2017

# Why Reevaluate Local Limits

- Pretreatment program requirement
- Current local limits adopted in 2006
- EPA pretreatment program audit requirement
- Local limits revision needed due to changes in:
  - Pretreatment program
  - NPDES permit regulations
  - Groundwater recharge regulations

# Local Limits Objectives

- Protect the regional water recycling plants and beneficial reuse
- Technically based/defensible
- Supplement federal categorical limits & ordinance prohibitions
- Minimize impact on industrial users
- Easy to administer

# Local Limits Development Process

- Identified 29 Pollutants of Concern (POC)
- Analyze Data
- Calculate maximum loadings for POC entering treatment plants
- Allowance for safety and growth
- Refine POC & calculate limit for industries

# Proposed Local Limits

POCs	Current Limit (mg/L)	Proposed Limit 2015 (mg/L)	Proposed Limit 2017 (mg/L)
Cadmium	2.8	---	---
Chromium	60	2.79	2.46
Copper	45	2.29	0.37
Cyanide (free)	1.2	---	---
Dioxin	---	---	---
Lead	14	1.38	1.21
Nickel	45	12.5	4.48
Zinc	50	3.74	3.36
TDS	800/550*	800/550*	800/550*

\*TDS limits for existing and new SIUs. Method will be changed from TDS (fixed) to TDS by summation methodology



# Next Steps

- Revised report to RWQCB for comment (February 2017)
- Final Report to Regional Technical Committee (Aug. 2017)
- Public Hearing and Board adoption (Sept. 2017)

Consistent with the IEUA business goal of ***Environmental Stewardship***, by complying with all federal, state, local and environmental laws and regulations.

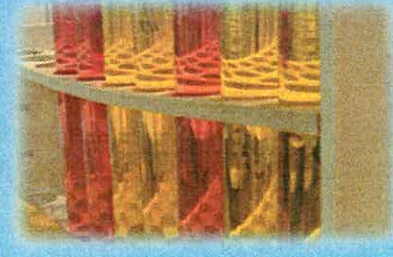
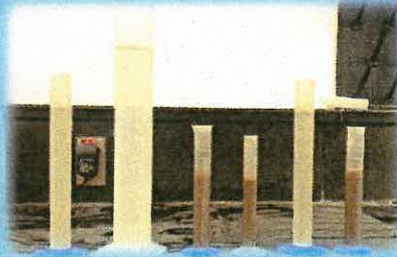
**INFORMATION**

**ITEM**

**2B**

# Laboratory Semi-Annual Update

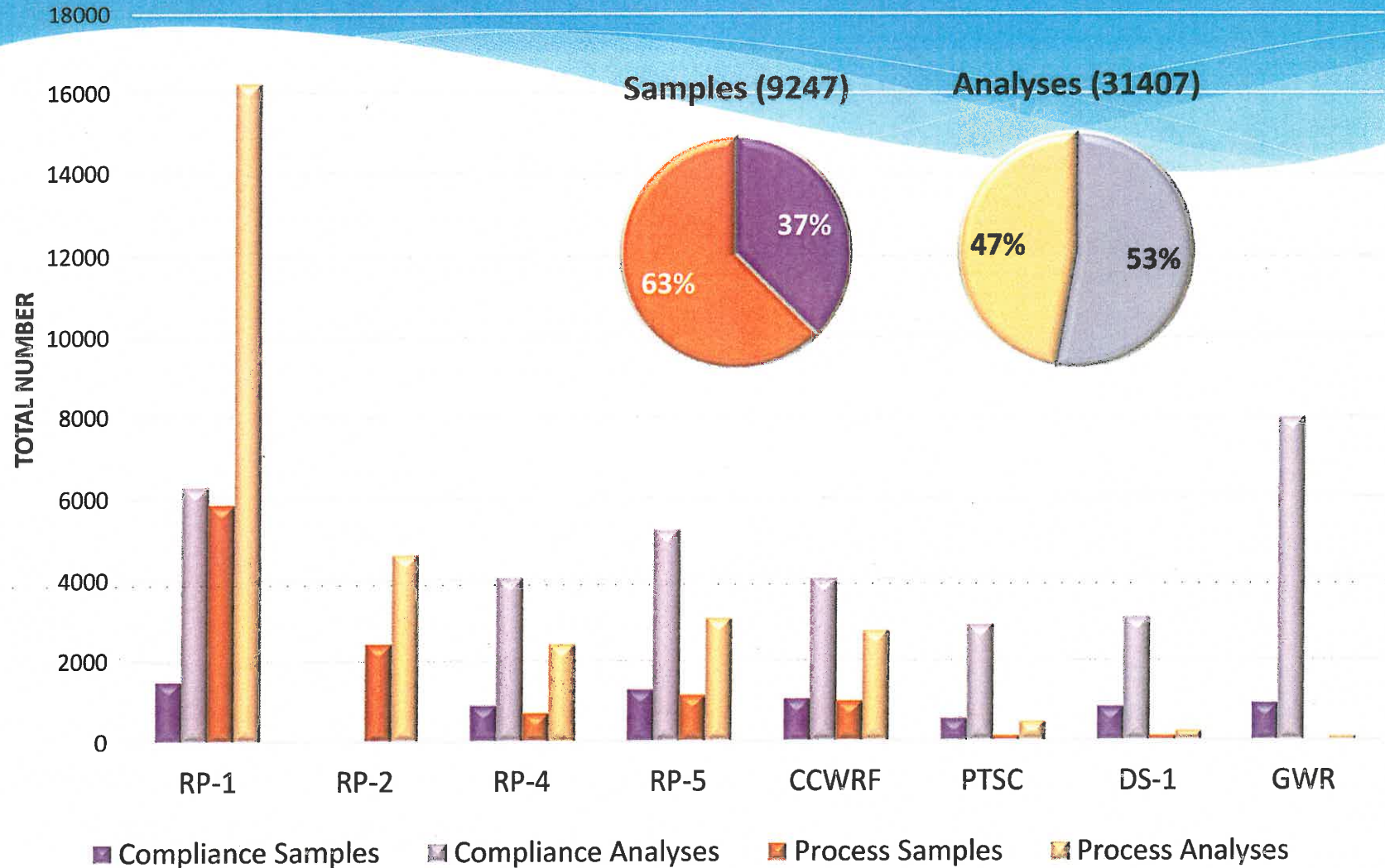
February 2017



*Inland Empire Utilities Agency*  
A MUNICIPAL WATER DISTRICT

Neil Groenveld  
Manager of Laboratories

# 2016 Sample Summary



# Laboratory Certification

## ■ IEUA Laboratory

- 1 year Interim Certificate issued on November 1, 2016
- 3 parameters + 2 alternate methods added to certification
- Laboratory is certified to perform 43 test methods for 226 parameters on Wastewater and Drinking Water samples

## ■ Environmental Laboratory Accreditation Program (ELAP) New Regulations

- The NELAC Institute (TNI) standard w/modifications, draft early 2017  
*NELAC = National Environmental Laboratory Accreditation Conference*
- Implementation within 3 years of adoption
- Fee Structure



Environmental Laboratory Accreditation Program  
STATE WATER RESOURCES CONTROL BOARD

# Customer Service

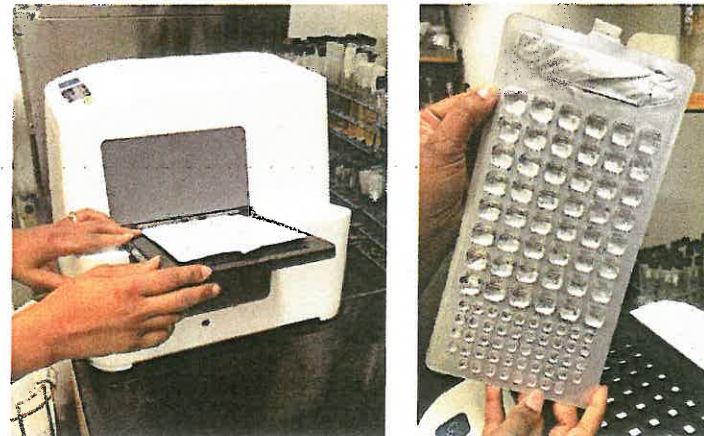
## Meeting IEUA Needs

### ■ FY 16/17 KPIs

Performance Indicator		Goal	Actual
Sample Turnaround Time	Compliance	18 days	16 days
	Process Control	1 day	1 day
Meet sample holding times		99%	>99%

### ■ External Customers

- City of Rialto – Aquatic Free Cyanide
- SAWPA - TSS



*Total Coliform by Colilert*

# Water Quality Laboratory

## Project EN15008



- **Current Laboratory Staff Activities**
  - Responding to RFIs
- **Schedule**
  - Completion: August 2018

**INFORMATION**


**ITEM  
2C**





Date: February 15, 2017

To: The Honorable Board of Directors

Through: Engineering, Operations, and Water Resources Committee (02/08/17)  
Finance and Administration Committee (02/08/17)

From: P. Joseph Grindstaff   
General Manager

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

Shaun Stone   
Manager of Engineering

Subject: RP-5 Expansion Design Contract Update

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### **RECOMMENDATION**

This is an informational item for the Board of Directors.

### **BACKGROUND**

On January 20, 2016, the Board of Directors approved the consulting engineering services contract award for the RP-1/RP-5 Expansion Preliminary Design Report (PDR) to Parsons Water & Infrastructure Inc. for the not-to-exceed amount of \$2,431,598. Inland Empire Utilities Agency (IEUA) and the Parsons project team promptly began working on the PDR, which has resulted in three Board Workshops conducted in May 2016, October 2016, and February 2017. In addition, the project team has provided updates to the Engineering, Operations, and Biosolids Management Committee in April 2016, August 2016, and November 2016. The PDR has been steadily progressing and it is anticipated that the PDR will be presented to the Board of Directors for approval in March 2017.

Throughout the development of the PDR, Parsons has performed extremely well in meeting project milestones and has created a cohesive project team including IEUA, Parsons, and Brown & Caldwell staff. The Parsons project team has worked diligently to complete the PDR in an extremely tight schedule of 14 months to ensure the project can continue through design, construction, and full operational start-up before the completion of the raising of the Prado Dam Spillway in 2023. They have conducted multiple staff workshops and compiled three different series of technical memoranda packages as part of the creation of the PDR, always meeting or exceeding staff's expectations. Additionally, Parsons has maintained the contract budget for the

project only requiring two minor contract amendments amounting to a total of \$55,989 for additional work requested by IEUA.

During the contract award of the PDR, staff discussed with the Board of Directors the intention of amending Parsons’ contract to complete the RP-5 Expansion design, if Parsons performed well as the design consultant for the PDR. As noted, Parsons has performed extremely well in the development of the PDR and has been an outstanding partner on this challenging project. Therefore, staff believes that it is in the best interest of IEUA to amend the existing contract with Parsons to complete the final design. As a design consultant, Parsons has an intrinsic knowledge of the PDR, an established and committed project team, a successful project history, and does not have to go through a project “learning curve” as another consultant would.

In anticipation for contractual amendments, staff requested the Consultants to provide, as part of their PDR proposal, an order-of-magnitude cost for final design services and for engineering services during construction as a percentage of the total construction cost. Table 1, below, provides the estimates received from the Consultants during the Request for Proposal (RFP) process.

Table 1: Engineering Service Fees as Percentage of Total Construction Cost

Consultant	Final Design Fee	Engineering Services During Construction Fee
Parsons/Brown & Caldwell	5% - 7%	2% - 3%
CH2M/Carollo	6% to 9%	4% - 6%
MWH	7%	3.5%

As the PDR is being finalized, the current total construction cost for the RP-5 Liquids Expansion, Project No. EN19001, and the RP-5 Solids Facility, Project No. EN19006, is approximately \$250,000,000. Based on the percentages provided during the RFP, the final design fee would range from \$12,500,000 to \$17,500,000. Staff anticipates the final design fee will be on the lower range of \$13,000,000 to \$15,000,000.

As part of the final design scope and fee negotiations, staff will be collecting and analyzing the scopes of work and the design costs from the more recent comparable plant expansions in California, which include the Riverside Water Quality Control Plant, Irvine Ranch Water District Michelson Water Recycling Plant, Fresno-Clovis Wastewater Treatment Plant, San Francisco Public Utilities Commission Southeast Treatment Plant, and others as available. This information will be utilized to negotiate with Parsons the scope of work, the level of effort, and the fee to ensure it is fair, equitable, and a good value for IEUA. If the Board of Directors agrees with this approach and allows staff to pursue amending Parsons’ existing contract to complete the final design, the results of this analysis will be included as part of the Board Package for the award of the contract amendment.

Additionally, to remain consistent with the above approach, it is staff’s intention to amend Parsons contract at the conclusion of the final design to include engineering services during construction,

an estimated amendment value of \$5,000,000 to \$7,500,000, contingent upon excellent performance throughout the final design.

The RP-1/RP-5 Expansion PDR and the RP-5 Expansion Project are consistent with the *IEUA's Business Goal of Wastewater Management*, specifically the Water Quality objective that IEUA will ensure that systems are planned, constructed, and managed to protect public health, the environment, and meet anticipated regulatory requirements.

### **PRIOR BOARD ACTION**

On January 20, 2016, the Board of Directors approved the consulting engineering services contract award for the RP-1/RP-5 Expansion PDR to Parsons Water & Infrastructure Inc. for the not-to-exceed amount of \$2,431,598.

### **IMPACT ON BUDGET**

The approved TYCIP budgets for Project No. EN19001, RP-5 Liquids Treatment Expansion, and Project No. EN19006, RP-5 Solids Treatment Facility, are \$125,000,000 and \$136,000,000, respectively. With the recommendations provided during the first, second, and third Board Workshops, the total project cost for the RP-5 Liquids Treatment Expansion, Project No. EN19001, is estimated to increase to \$160,000,000. In addition, the total project cost for the RP-5 Solids Treatment Facility, Project No. EN19006, is estimated to increase to \$165,000,000. The project cost will continue to be refined as the PDR progresses to completion.

There are no budget impacts to the current phase of the project.

PJG:CB:SS:jm

# RP-5 Expansion Design Contract Update

Project Nos. EN19001 & EN19006

February 15, 2017

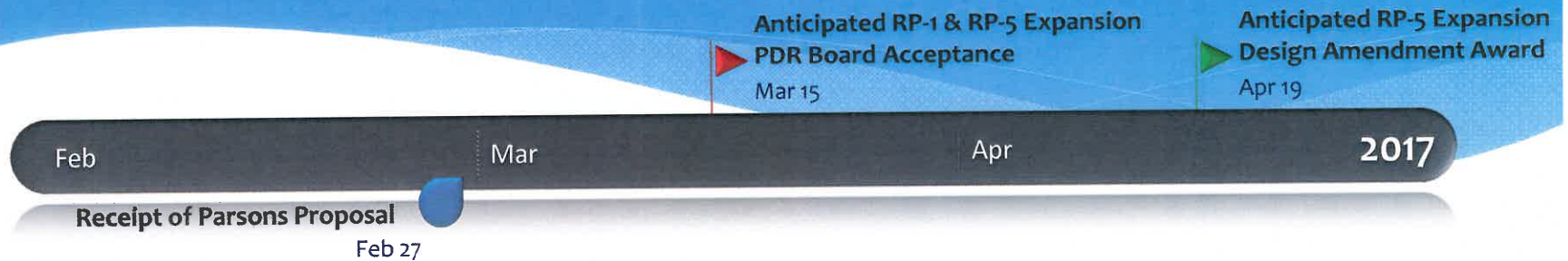


***Inland Empire Utilities Agency***

**A MUNICIPAL WATER DISTRICT**

Shaun Stone, PE  
Manager of Engineering

# Proceeding into RP-5 Expansion Design (Amendment to Parsons Existing Contract)



## Amendment Advantages

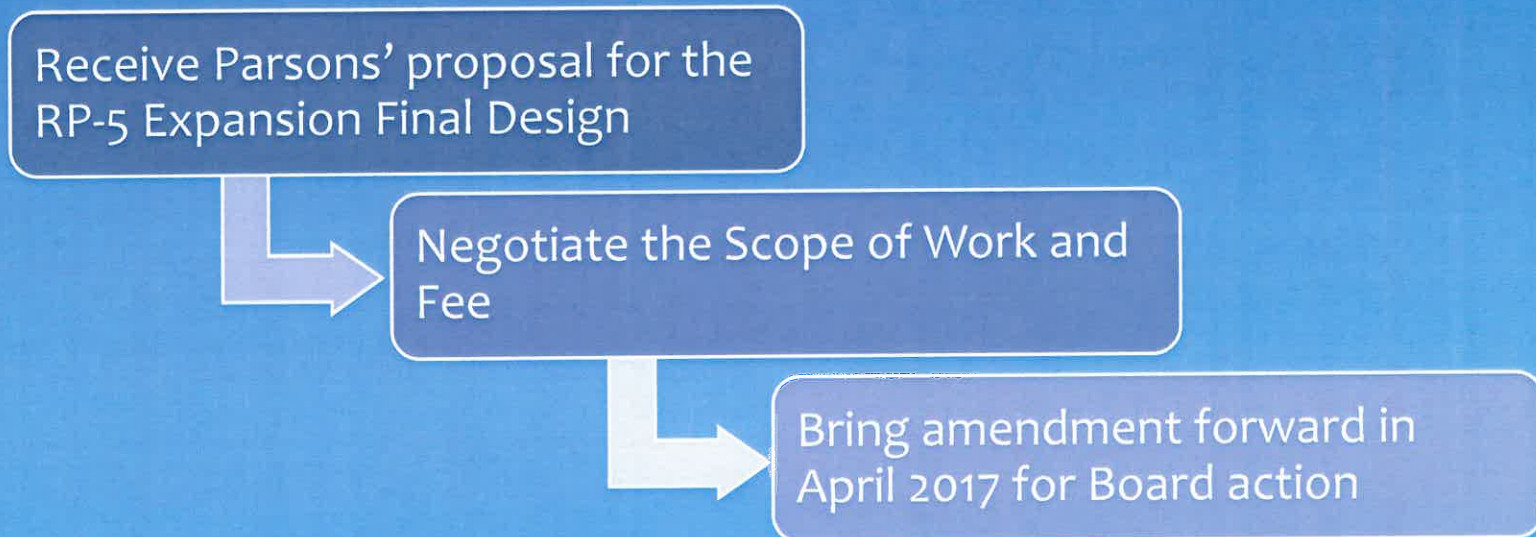
- Consistent with 2015 RFP
- Intrinsic knowledge of PDR
- No “learning curve”
- Maintain project team
- Maintain schedule

## Requirements for Amendment

- Finalize PDR & Design Scope of Work
- Negotiate Final Design Fee estimated to be \$13M - \$15M
- Conduct survey of design fees of recent similar projects

# Next Steps

Amendment of Parsons' contract to complete the RP-5 Expansion Final Design:



The RP-5 Expansion Project is consistent with the **Agency's Business Goal of Wastewater Management** specifically the Water Quality objective that IEUA will ensure that Agency systems are planned, constructed, and managed to protect public health, the environment, and meet anticipated regulatory requirements.

**INFORMATION**

**ITEM**

**2D**

# Engineering and Construction Management Project Updates

February 15, 2017



***Inland Empire Utilities Agency***  
A MUNICIPAL WATER DISTRICT

**Jerry L. Burke, P.E.**  
Deputy Manager of Engineering



# CP16003 Headquarter Roofing

- Consultant: Gillis & Panichapan Architects
- Current Contract (Design): \$13,900
- Total Project Budget: \$450,000
- Project Completion: December 2017
- Scope of Work:
  - Replace existing single ply roofing membrane
  - Replace existing skylights
- Current Activities:
  - Completing plans and specifications
  - Advertise bids in March 2017



Existing Deteriorated TPO Roof Membrane



Discolored and Delaminating Skylight

# EN11039 RP-1 Disinfection Pump Improvements

- Consultant: Carollo Engineers
- Current Contract (Design): \$99,000
- Total Project Budget: \$1,288,000
- Project Completion: July 2018
- Scope of Work:
  - Chemical containment area upgrades
  - New chemical feed systems
  - New/upgraded chemical dosing locations
- Current Activities:
  - Pre-design report
  - Business case evaluations
  - Selection of chemical containment location



Existing TP-1 FM-1 Bleach Pumps



Existing NES dosing location

# EN16024 RP-1 Mixed Liquor Return Pumps

- Contractor: J. F. Shea Construction
- Current Contract (Construction): \$4,888,000
- Total Project Budget: \$6,636,000
- Project Completion: January 2018
- Scope of Work:
  - Add mixed liquor functionality
  - Upgrade electrical system
- Current Activities:
  - Install conduits for trains 1 thru 6
  - Pothole utilities
  - Excavate the duct bank
  - Form the concrete pads for power centers



Power Center Pad



Aeration Basin New Conduit Installation

# EN16051 RP-1 Utility Water Flow Meter

- Contractor: Ferreira Construction
- Current Contract (Construction): \$133,684
- Total Project Budget: \$331,400
- Project Completion: December 2016
- Scope of Work:
  - Replace all valves, spools, and fittings
  - Install meter to measure plant recycled water usage
  - Connect to SCADA for remote sensing
- Current Activities:
  - Project close-out
  - As-Builts
  - O&M Manuals



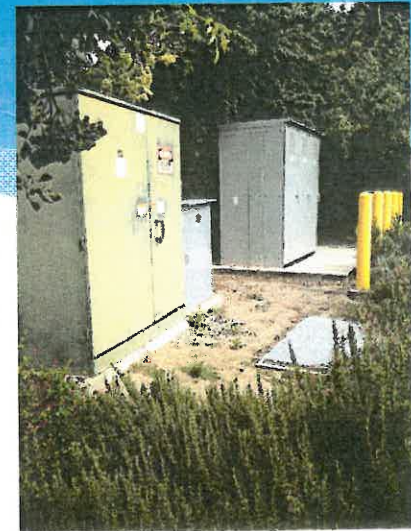
RP-1 ClaVal Meter



Completed RP-1 Utility Water Flow Meter

# EN16055 Headquarters Back-up Generator

- Contractor: Davis Electric, Inc.
- Current Contract (Construction): \$179K
- Total Project Budget: \$450K
- Project Completion: May 2017
- Scope of Work:
  - Modify portable generator and install as stationary unit
  - Install controls to secure emergency power for HQ campus
- Current Activities:
  - Received SCAQMD Permit to Construct
  - Submittals/shop drawings review and approval
  - Fabrication and delivery of diesel particulate filter
  - Contractor mobilization in January 2017



Project Location Behind HQB



Existing Portable Generator