



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

**WEDNESDAY, MARCH 11, 2020  
9:45 A.M.**

**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 three 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 Water Resources Committee meeting minutes of February 12, 2020.

**B. GENERAL MANAGER APPROVAL LIMIT FOR THE REGIONAL PLANT NO. 5 EXPANSION PROJECT**

Staff recommends that the Committee/Board authorize the General Manager or his designee the authority to approve necessary purchases and change orders specifically associated to the Regional Plant No. 5 Expansion Project, Project Nos. EN19001 and EN19006, up to \$500,000.

**C. RP-1 DIGESTER 7 ROOF REPAIRS CONSULTANT CONTRACT AMENDMENT**

Staff recommends that the Committee/Board:

1. Approve a consultant contract amendment for the RP-1 Digester 7 Roof Repairs, Project No. EN17042, to GHD Inc., for a not-to-exceed amount of \$396,000, increasing the contract from \$383,796 to \$779,796 (103% increase); and
2. Authorize the General Manager to execute the contract amendment, subject to non-substantive changes.

**D. RBC RESOURCES CONTRACT AMENDMENT**

Staff recommends that the Committee/Board:

1. Award a professional consulting services contract amendment to RBC Resources in the amount of \$135,000, for a total not-to-exceed contract of \$230,000; and
2. Authorize the General Manager to execute the contract amendment, subject to non-substantive changes.

**E. CONTRACT AMENDMENT FOR TRAFFIC CONTROL**

Staff recommends that the Committee/Board:

1. Approve a \$130,000 amendment to Contract No. 4600002466 to Statewide Traffic Safety and Signs for a total contract amount of \$317,505 through June 30, 2021; and
2. Authorize the General Manager to execute the contract amendment.

**2. INFORMATION ITEM**

**A. PLANNING & ENVIRONMENTAL RESOURCES UPDATE (ORAL)**

**RECEIVE AND FILE INFORMATION ITEM**

**B. 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**

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, March 5, 2020.

  
April Woodruff

**ACTION  
ITEM  
1A**



**MINUTES  
ENGINEERING, OPERATIONS, AND WATER RESOURCES  
COMMITTEE MEETING  
INLAND EMPIRE UTILITIES AGENCY\*  
AGENCY HEADQUARTERS, CHINO, CA**

**WEDNESDAY, FEBRUARY 12, 2020  
9:45 A.M.**

**COMMITTEE MEMBERS PRESENT**

Michael Camacho, Chair  
Kati Parker

**COMMITTEE MEMBERS ABSENT**

None

**STAFF PRESENT**

Shivaji Deshmukh, General Manager  
Kathy Besser, Executive Manager of External Affairs & Policy Development/AGM  
Christiana Daisy, Executive Manager of Engineering/AGM  
Randy Lee, Executive Manager of Operations/AGM  
Christina Valencia, Executive Manager of Finance & Administration/AGM  
Jerry Burke, Manager of Engineering  
Pietro Cambiaso, Deputy Manager of Planning & Environmental Resources  
Warren Green, Manager of Contracts, Procurement & Risk Services  
Elizabeth Hurst, Senior Environmental Research Planner  
Sushmitha Reddy, Manager of Laboratories  
Steven Smith, Senior Associate Engineer  
Daniel Solorzano, Technology Specialist I  
James Spears, Associate Engineer  
Wilson To, Technology Specialist II  
Teresa Velarde, Manager of Internal Audit  
April Woodruff, Board Secretary/Office Manager

**OTHERS PRESENT**

Logan Olds, Anaergia

The meeting was called to order at 10:03 a.m. There were no public comments received or additions to the agenda.

**ACTION ITEMS**

The Committee:

- ◆ Approved the Engineering, Operations, and Water Resources Committee meeting minutes of January 8, 2020.

◆ Recommended that the Board:

1. Award a construction contract for the RP-4 Primary Clarifier and Process Rehabilitation Project to W.M. Lyles Co., in the amount of \$10,553,000;
2. Approve a contract amendment to Carollo Engineers Inc., for engineering services during construction for the not-to-exceed amount of \$847,474, increasing the contract from \$2,159,396 to \$3,006,870 (39% increase); and
3. Authorize the General Manager to execute the contract and contract amendment, subject to non-substantive changes;

as an Action Item on the February 19, 2020 Board meeting agenda.

◆ Recommended that the Board:

1. Approve a \$176,550 amendment to Contract No. 4600002329-003 to West Valley Mosquito and Vector Control District for a total contract amount from \$258,450 to \$435,000 (68% increase) through June 30, 2021; and
2. Authorize the General Manager to execute the amendment;

as a Consent Calendar Item on the February 19, 2020 Board meeting agenda.

◆ Recommended that the Board:

1. Approve a consultant contract amendment for the Philadelphia Force Main Improvements, Project No. EN23002, to GHD Inc., for the not-to-exceed amount of \$248,334, increasing the contract from \$888,240 to \$1,136,574 (22% increase); and
2. Authorize the General Manager to execute the consultant contract amendment, subject to non-substantive changes;

as a Consent Calendar Item on the February 19, 2020 Board meeting agenda.

◆ Recommended that the Board:

1. Approve a contract amendment to Eurofins Analytical for supplemental lab services in the amount of \$250,000 for a new not-to-exceed value of \$599,925 (42% increase); and
2. Authorize the General Manager to execute the contract amendment, subject to non-substantive changes;

as a Consent Calendar Item on the February 19, 2020 Board meeting agenda.

**INFORMATION ITEMS**

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

- ◆ Laboratory Semi-Annual Update
- ◆ 2<sup>nd</sup> Quarter Planning & Environmental Resources Update
- ◆ Engineering and Construction Management Project Updates

**GENERAL MANAGER'S COMMENTS**

General Manager Shivaji Deshmukh stated that the RP-5 Expansion General Manager Approval Process Committee Item will be brought back in March.

**COMMITTEE MEMBER COMMENTS**

There were no Committee member comments.

**COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS**

There were no Committee member requests for future agenda items.

With no further business, Director Camacho adjourned the meeting at 10:37 a.m.

Respectfully submitted,

April Woodruff  
Board Secretary/Office Manager

\*A Municipal Water District

**APPROVED: MARCH 11, 2020**

**ACTION  
ITEM  
1B**



**Date:** March 18, 2020

**To:** The Honorable Board of Directors

**From:** Shivaji Deshmukh, General Manager

**Committee:** Engineering, Operations & Water Resources

03/11/20

Finance & Administration

03/11/20

**Executive Contact:** Christina Valencia, Executive Manager of Finance & Administration/AGM

**Subject:** General Manager Approval Limit for the Regional Plant No. 5 Expansion Project

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**Executive Summary:**

Pursuant to Inland Empire Utility Agency's (IEUA) Procurement Ordinance No. 108, the General Manager has authority to approve purchases and public works change orders for up to \$100,000. In addition, the General Manager has the authority to waive the formal solicitation process when there are compelling reasons (public safety, prevent loss of life, imminent danger, emergency procurement or other valid reason), provided the information is documented to the Board of Directors at the next regularly scheduled meeting.

Staff is recommending that the Board of Directors authorize the General Manager, or his designee, the authority to approve necessary purchases and change orders specifically associated to the Regional Plant No. 5 (RP-5) Expansion Project up to \$500,000 and will be appropriately communicated to the Board. The staff to Board of Directors communications will consist of the General Manager notifying the chairperson of both the Engineering, Operations, & Water Resources and the Finance & Administration Board committees within twenty-four hours as it applies to purchases and change orders between \$100,000 to \$500,000. Any purchase or change order in excess of \$500,000 will require Board approval. This approach provides support to the RP-5 Expansion Project by mitigating potential schedule delays and maintaining compliance with regulatory and contractual obligations, including potential financial penalties. In addition, staff will provide monthly RP-5 Expansion Project progress updates in support of keeping the Board informed on the project's progress.

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**Staff's Recommendation:**

Authorize the General Manager or his designee the authority to approve necessary purchases and change orders specifically associated to the Regional Plant No. 5 Expansion Project, Project Nos. EN19001 and EN19006, up to \$500,000.

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**Budget Impact** Budgeted (Y/N): Y Amendment (Y/N): N Amount for Requested Approval:

Account/Project Name:

EN19001/RP-5 Expansion to 30 mgd

EN19006/RP-5 Biosolids Facility

**Fiscal Impact** (explain if not budgeted):

None.

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**Prior Board Action:**

None.

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**Environmental Determination:**

Program Environmental Impact Report (Finding of Consistency)

A Finding of Consistency with IEUA's Program Environmental Impact Report and a CEQA Plus evaluation for SRF Loan Funding have been completed.

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**Business Goal:**

The extension of the authorization to the General Manager for purchases and change orders specifically associated to the RP-5 Expansion Project aligns with several Agency Business Goals, including Fiscal Responsibility and Business Practices.

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**Attachments:**

None.

**ACTION  
ITEM  
1C**



**Date:** March 18, 2020

**To:** The Honorable Board of Directors

**From:** Shivaji Deshmukh, General Manager

**Committee:** Engineering, Operations & Water Resources

SSD  
03/11/20

**Executive Contact:** Christiana Daisy, Executive Manager of Engineering/AGM

**Subject:** RP-1 Digester 7 Roof Repairs Consultant Contract Amendment

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**Executive Summary:**

In June 2017, Inland Empire Utilities Agency (IEUA) awarded an engineering services contract to GHD Inc., for the preliminary design report on the Regional Water Recycling Plant No. 1 (RP-1) Digester 6 and 7 Roof Repairs Project. Based on the preliminary design report, staff took a phased approach to repairing Digesters 6 and 7 since the extent of the work was not known until the digesters were emptied and cleaned. As a result, IEUA authorized GHD to perform design, bidding, and engineering services during construction for Digester 6 repairs only, which is expected to be completed in May 2020.

Based on Digester 6 condition assessment and resulting repairs, design work on Digester 7 will commence once Digester 6 is on-line. Because this effort was always envisioned to be conducted in phases based on knowledge gained from the previous phase, staff envisioned that contract amendments would be recommended based on a fully developed scope. This contract amendment for Digester 7 work covers the same services performed on Digester 6, which includes initial investigation and inspection, predesign, final design, and construction services. Staff is recommending a contract amendment to GHD Inc., to perform consulting engineering services for Digester 7 Roof Repairs in the amount of \$396,000, increasing the contract from \$383,796 to \$779,796 (103% increase).

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**Staff's Recommendation:**

1. Approve a consultant contract amendment for the RP-1 Digester 7 Roof Repairs, Project No. EN17042, to GHD Inc., for a not-to-exceed amount of \$396,000, increasing the contract from \$383,796 to \$779,796 (103% increase); and
2. Authorize the General Manager to execute the contract amendment, subject to non-substantive changes.

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**Budget Impact** *Budgeted (Y/N): Y    Amendment (Y/N): N    Amount for Requested Approval:*

*Account/Project Name:*

EN17042/RP-1 Digester 6 and 7 Roof Repairs

*Fiscal Impact (explain if not budgeted):*

None.

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**Prior Board Action:**

On November 21, 2018, the Board of Directors approved a contract amendment (engineering services and construction extension) to GHD Inc., for the not-to-exceed amount of \$69,627.40. On May 16, 2018, the Board of Directors approved a contract amendment (final design) to GHD Inc., for the not-to-exceed amount of \$167,607. On June 21, 2017, the Board of Directors approved a consultant engineering services contract (predesign) to GHD Inc., for the not-to-exceed amount of \$130,406.

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**Environmental Determination:**

Categorical Exemption

CEQA identifies certain categories of projects as exempt from more detailed environmental review because these categories have been deemed to have no potential for significant impact on the environment. This project qualifies for a Categorical Exemption Class 1 as defined in Section 15301(b) of the State CEQA Guidelines

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**Business Goal:**

The Digester 6 and 7 Roof Repairs Project is consistent with IEUA's Business Goal of Wastewater Management, specifically the Asset Management and Water Quality objectives that IEUA will ensure that systems are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use to protect public health, the environment, and meet anticipated regulatory requirements.

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**Attachments:**

Attachment 1 - PowerPoint

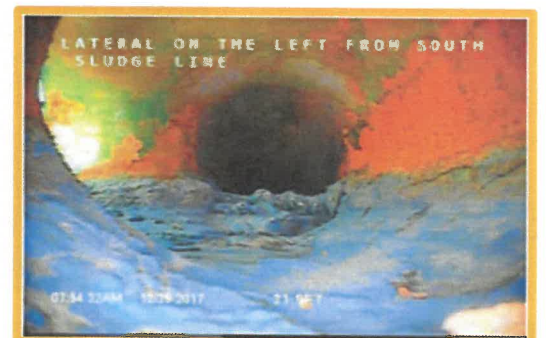
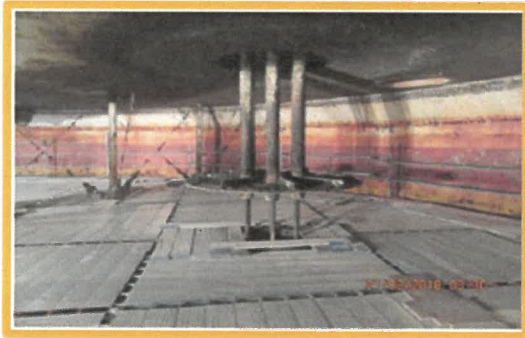
Attachment 2 - Contract Amendment

# **Attachment 1**

# RP-1 Digester 7 Roof Repairs

## Consultant Contract Amendment

### Project No. EN17042





# Regional Water Recycling Plant No. 1

## Project Location





# Project Background

- Digesters originally constructed in 1988
- Multiple roof cracks
- Deteriorated condition of roof foam insulation
- Failure of internal protective coating
- Aging of mechanical piping system



Cracking of Foam Roofing Insulation



Failed Internal Roof Coating

# Project Scope

- GHD completed final design through construction for Digester 6 Roof Repairs only
  - Project Expected Completion: May 2020
- Amended Scope for Digester 7 Roof Repairs
  - Predesign
  - Final Design
  - Engineering Services during Construction
  - Post Construction Services



Digester Rooftop Piping Removal



Digester Scaffolding and Coating

# Project Budget and Schedule

Description	Estimated Cost
<b>Design Services</b>	<b>\$684,769</b>
Project Development	\$54,000
Consultant Predesign Contract	\$146,560
Final Design Amendment – Digester 6	\$167,609
IEUA Design Services – Digester 6	\$100,000
Consultant Design Services – Digester 7 (this action)	\$216,600
<b>Construction Services</b>	<b>\$534,907</b>
Design Consultant Construction Services – Digester 6	\$105,507
Design Consultant Construction Services Amendment – Digester 7 (this action)	\$179,400
IEUA Construction Services (including third party) – Digester 6	\$250,000
<b>Construction</b>	<b>\$5,183,529</b>
Digester Cleaning/Services (Synagro) – Digesters 1 and 6	\$1,218,900
Construction (Roof Repairs) – Digester 6	\$1,964,629
Construction (Roof Repairs) – Digester 7 (estimate)	\$2,000,000
<b>Total Project Cost:</b>	<b>\$6,403,205</b>
<b>Total Project Budget:</b>	<b>\$7,056,000</b>

Project Milestone	Date
<b>Consultant Contract Award</b>	<b>June 2017</b>
<b>Digester 6</b>	
Construction/Repair Contract Award	October 2018
Construction/Repair Completion	May 2020
<b>Digester 7</b>	
Consultant Contract Amendment	March 2020
Cleaning (Synagro)	June 2020
Inspection/Repair Design	March 2021
Construction/Repair	March 2022



## Recommendation

- Approve a contract amendment for the RP-1 Digester 6 and 7 Roof Repairs, Project No. EN17042, to GHD, Inc., for the not-to-exceed amount of \$396,000, increasing the contract amount from \$383,796 to \$779,796 (103% increase)
- Authorize the General Manager to execute the contract, subject to non-substantive changes.

The RP-1 Digester 6 and 7 Roof Repairs Project is consistent with the **IEUA's Business Goal of Wastewater Management**, specifically the Asset Management and Water Quality objectives that IEUA will ensure that systems are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use to protect public health, the environment, and meet anticipated regulatory requirements.

# **Attachment 2**



CONTRACT AMENDMENT NUMBER: 4600002328-004

FOR

FOR CONSULTING ENGINEERING SERVICES

DIGESTER 6 & 7 ROOF REPAIRS AT REGIONAL PLANT NO. 1 (RP-1)

PROJECT NO. EN17042

THIS CONTRACT AMENDMENT FOUR is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2020 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") GHD Inc. of Irvine, California (hereinafter referred to as "Consultant") for professional engineering consulting services for the RP-1 Digester 6 & 7 Roof Repairs, Project No. EN17042, and shall revise the Contract as herein amended:

**SECTION FOUR, SCOPE OF WORK AND SERVICES, IS REVISED TO ADD:** Consultant's additional services and responsibilities shall include and be in accordance with Consultant's proposal dated February 11, 2020, referenced herein, attached hereto, and made a part hereof as **Exhibit 1**.

**SECTION SIX, PAYMENT, INVOICING AND COMPENSATION, ADDS THE FOLLOWING PARAGRAPH:** As compensation for the additional work performed as represented by **Exhibit 1**, Agency shall pay Contractor a ***not-to-exceed maximum of \$779,796.15***, for all additional work satisfactorily provided. **Note: This represents an increase to the Contract of \$396,000.00.**

ALL OTHER PROVISIONS OF THIS CONTRACT REMAIN UNCHANGED.

(Signature Page Immediately Follows)

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)

GHD INC.:

\_\_\_\_\_  
Shivaji Deshmukh  
General Manager

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

*Jamal Awad*

\_\_\_\_\_  
Jamal Awad  
Principal In Charge

*2/18/2020*  
\_\_\_\_\_  
(Date)

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# **Exhibit 1**





February 11, 2020

Mr. Jamal Zughbi, PE  
Senior Engineer/Project Manager  
Inland Empire Utilities Agency  
6075 Kimball Avenue  
Chino, California 91708

Subject: Project EN17042, Contract 46-2328 - Digester 7 Roof Repair Amendment

Dear Mr. Zughbi:

Thank you for the opportunity for GHD, Inc (GHD) to present this letter proposal to amend our current Engineering Services Contract 46-2328 for the upcoming Digester 7 Roof Repairs.

As you know, GHD provided a proposal in May 2017 and was selected by IEUA to provide engineering services for both of Digesters 6 and 7 roof repairs. IEUA subsequently authorized GHD to perform design, bidding, and engineering services during construction for Digester 6 Roof Repair only, which is expected to be completed in May 2020.

IEUA has requested that GHD submit a letter proposal to amend the current contract to:

1. Provide additional engineering services during construction for the Digester 6 Roof Repair which is now projected to be completed by May 2020
2. Perform preliminary design, final design, engineering services during construction, and post construction services for the Digester 7 Roof Repairs

## **Project Approach**

### **Engineering Services During Construction for Digester 6 Roof Repair**

Additional engineering services during construction is required by GHD due to the extended construction completion date of May 2020. The scope of these services is expected to be the same as those currently being performed and in close coordination with IEUA Project Manager.

### **Digester 7 Roof Repair**

GHD proposes to use the same systematic approach to Digester 7 that was utilized for Digester 6 Roof Repair. This will include the same phased approach according to the following outline:

#### **Phase 01 - Digester 7 Preliminary Design**

- Background/Preparation draft Technical Memoranda (TMs) 1 and 8
- Kick Off Meeting (review schedule and proposed design activities)
- Leak Investigation and Measurements
  - Digester gas leak inspection
  - Gas mixing system evaluation (update prior study; perform prior to cleaning)

- Digester interior and exterior inspections, measurement, and assessment (perform after digester cleaning)
- Project Meetings
- Preparation of draft TMs 2 through 7
- Preparation of final TMs 1 and 8

#### Phase 02 - Digester 7 Detailed Design

- Meeting to review and incorporate comments from Preliminary Design
- Detailed Design 90% - Draft and Final
- 90% Design Review Workshop
- Detailed Design 100% - Draft and Final
- 100% Design Review Workshop
- Services during bidding including Jobwalk, responding to bidders' questions, and preparing addenda

#### Phase 03 - Digester 7 Engineering Services During Construction

- Pre-construction meetings and issue of construction plans
- Technical support of IEUA through CIPO
- Review and respond to RFIs and Submittals by the Contractor
- Development and assistance with start-up protocol
- Weekly construction progress meetings
- As-needed Site Inspections

#### Phase 04 - Digester 7 Post Construction Services

- Preparation of "as-builts"
- Training services

GHD also proposes to augment this approach to take advantage of the lessons learned from Digester 6. This will include the following:

##### Pre-Design:

- Prior to Digester 7 shutdown, conduct another leak investigation of Digester 7 to confirm prior results and to determine if any additional leaks may have emerged.
- Because of the nearly identical design between Digester 6 and Digester 7, optimize the pre-design services by convening an expedited two-day onsite interior and exterior assessment of Digester 7 including all necessary field measurements.
- Include the three-dimensional scan of Digester 7 as an optional scope item. It is likely that the design would be able to rely on the scan completed for Digester 6 coupled with Digester 7 field measurements.

##### Detailed Design:

- Revisit RFIs, RFCs, Submittals, and Change Order logs from Digester 6 Roof Repair and document changes and information that need to be included in Digester 7 design.
- Revise design and specification details for concrete preparation, protective coating, foam insulation, material selections, welding requirements including QA/QC, and designs for pipe penetration supports.

To maximize the benefit of lessons learned from the Digester 6 Roof Repairs, GHD's key team members will be maintained for Digester 7, including Jamal Awad as Principal in Charge, Kyle Muffels as Project Manager, Frederick Tack as Digester Rehabilitation Lead, David Hilliard as CSE Inspector, and Casey Raines as Process Piping Engineer as well as technical discipline leads (i.e., mechanical, structural, and electrical and I&C).

## Cost Estimate

Our cost estimate for the above scope items is estimated at **\$\$396,000**, with the following breakdown:

Task Description	Cost Estimate
Engineering Services During Construction for Digester 6 Roof Repair	
Additional Engineering Services During Construction through May 2020	25,000
Digester 7 Roof Repair	
Pre Design Services	\$68,150
Detailed Design Services and Bidding Services	\$103,450
Engineering Services During Construction	
RFI and Submittal Reviews/Weekly Construction Progress Meetings/Start-up services	\$115,900
Specialty Inspections, as coordinated with IEUA Project Manager	\$44,000
Post Construction Services	\$19,500
3D Scanning, to be approved by IEUA Project Manager	20,000
Total Cost	\$396,000

## Assumption

The above fee estimate for the Digester 7 Roof Repair is based on a construction duration of one year.

## Schedule

The schedule for the Digester 7 Roof Repair allows for 9 months for design and bidding services and 12 months for construction completion from the notice to proceed to be issued by IEUA to the Contractor.

GHD appreciates the opportunity to be of service to IEUA in this important project. We look forward to your response to this proposal and welcome any questions or comments you may have.

Sincerely,

GHD Inc.



Jamal Awad, PhD, PE  
Principal In Charge

**ACTION  
ITEM  
1D**

**Date:** March 18, 2020

**To:** The Honorable Board of Directors

**From:** Shivaji Deshmukh, General Manager

**Committee:** Engineering, Operations & Water Resources

03/11/20

**Executive Contact:** Christiana Daisy, Executive Manager of Engineering/AGM

**Subject:** RBC Resources Contract Amendment

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**Executive Summary:**

In December 2018, Mr. Ron Craig of RBC Resources began supporting Inland Empire Utilities Agency (IEUA) and Chino Basin Watermaster (CBWM) on discussions related to the Santa Ana River (SAR) Habitat Conservation Plan and Integrated Model. He was selected for this role due to his extensive technical experience of the SAR and Chino Groundwater Basin, and history of representing various parties within the Santa Ana River watershed. Mr. Craig's initial contract was to provide technical expertise, coordination and recommendations on behalf of IEUA and CBWM through the conclusion of the SAR Integrated Modeling work, adoption of the SAR HCP, and establishment of the SAR HCP JPA. These projects were expected to be concluded within 2019.

However, due to the sensitivity and intricacy of the modeling work and numerous (12+) stakeholders involved in these programs, modeling work, adoption and implementation of the HCP has been extended for an additional 18 months (see Attachment 1 for additional background). Because of his expertise and the complexity of the SAR discussions and program, staff requests an amendment to RBC Resources to continue supporting IEUA and CBWM on SAR projects and negotiations for the next 18 months, through June 30, 2021, for a total not to exceed contract of \$230,000, increasing the contract from \$95,000 (142% increase).

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**Staff's Recommendation:**

1. Award a professional consulting services contract amendment to RBC Resources in the amount of \$135,000, for a total not-to-exceed contract of \$230,000; and
2. Authorize the General Manager to execute the contract amendment, subject to non-substantive changes.

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**Budget Impact** *Budgeted (Y/N): Y Amendment (Y/N): N Amount for Requested Approval:*

*Account/Project Name:*

The contract amendment in the amount of \$135,000 will be funded 50% by Project No. WR20028 in the Water Resources (WW) fund and 50% by WR20029 in the Recycled Water (WC) fund.

*Fiscal Impact (explain if not budgeted):*

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**Prior Board Action:**

On May 20, 2015, the Board approved a Memorandum of Understanding for Participation in the Development of the Santa Ana River Multiple Species Habitat Conservation Plan. On August 16, 2017, the Board approved participation in the Upper Santa Ana River Integrated Model. On November 20, 2019 the Board adopted the Santa Ana River Upper Agency Flows Memorandum of Understanding.

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**Environmental Determination:**

Not Applicable

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**Business Goal:**

The RBC Resources contract to support Santa Ana River related projects and programs supports IEUA's business goal of Water Reliability, of implementing an integrated water resources management plan providing a reliable and cost-effective water supply and promoting sustainable water use throughout the region.

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**Attachments:**

Attachment 1 - Background

Attachment 2- RBC Consultant Contract Amendment

## Background

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Subject: RBC Resources Contract Amendment

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Inland Empire Utilities Agency (IEUA) is involved in many projects, programs, and discussions related to the Santa Ana River (SAR) including the Upper SAR Multiple Species Habitat Conservation Plan (HCP) and the SAR Integrated Model. These programs are foundational to IEUA's long-term water resources development and environmental permitting strategies for the water supply development, groundwater recharge, and recycled water programs. These programs have increased in complexity from their inception in 2015 and are now entering stages of conceptual negotiations on partnerships with Western Municipal Water District, San Bernardino Valley Municipal Water District, and Jurupa Community Services District about measured river flows.

Mr. Ron Craig of RBC Resources is uniquely qualified to support IEUA staff in the Santa Ana River (SAR) related programs and discussions due to his extensive technical experience and history representing various water agencies within the Santa Ana River watershed. As a result, in December 2018 Mr. Ron Craig of RBC Resources began supporting IEUA and Chino Basin Watermaster (CBWM) on discussions tied to the Santa Ana River (SAR) Habitat Conservation Plan and Integrated Model. Mr. Craig's initial contract was to attend meetings, provide technical expertise, coordination and recommendations and represent the interests of IEUA and CBWM through the end of the SAR Integrated Model, adoption of the SAR HCP, and establishment of the SAR HCP JPA. These projects were expected to be concluded within 2019.

However, due to the sensitivity and intricacy of the modeling work and numerous stakeholders which include over 12 municipalities, water districts, environmental non-profit groups, and permitting agencies, the timeframe to complete the modeling work, adoption and begin implementation of the HCP has been extended. Mr. Craig has done an excellent job representing IEUA and CBWM staff to date, and so staff requests an amendment to RBC Resources to continue supporting IEUA and CBWM on SAR projects and negotiations for the next 18 months, through June 30, 2021. The contract increase will not increase the SAR program budget. Funds to support technical analyses, partnership negotiations, and additional modeling work were anticipated due to the sensitivity and complexity of the SAR program.





**MASTER SERVICES CONTRACT AMENDMENT NUMBER: 4600002673-002**  
**FOR**  
**PROGRAM SUPPORT AND AGENCY REPRESENTATION**  
**FOR THE**  
**UPPER SANTA ANA RIVER HABITAT CONSERVATION PLAN**

AMENDMENT NUMBER TWO is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2020, 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 "IEUA" and "Agency") and RBC Resources, with offices located in Murrieta, California (hereinafter referred to as "Consultant"), shall revise the Contract as follows:

**REVISE SECTION 4, SCOPE OF WORK AND SERVICES, ADDING A PARAGRAPH, TO READ:** Consultant's additional services and responsibilities shall include and be in accordance with Consultant's Proposal, dated January 6, 2020, **Exhibit A**, which is attached hereto, referenced herein, and made a part hereof.

**REVISE SECTION 5, TERM OF CONTRACT AND OPTION, ADDING A PARAGRAPH, TO READ:** With the execution of Contract Amendment Number 4600002673-002, the termination date of this Contract shall be extended to June 30, 2021; unless agreed to by both parties, reduced to writing, and amended in this Contract.

**REVISE SECTION 6, PAYMENT, INVOICING, AND COMPENSATION, ADDING A PARAGRAPH, TO READ:** In compensation for the additional work represented by this Contract Amendment, Agency shall pay Consultant a **NOT-TO-EXCEED MAXIMUM of \$230,000.00** for all services provided. This represents an increase of **\$135,000.00** in accordance with **Exhibit A** and as approved by SAP Purchase Requisition 10052208.

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

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

**INLAND EMPIRE UTILITIES AGENCY:**  
*\*A MUNICIPAL WATER DISTRICT*

**RBC RESOURCES:**

\_\_\_\_\_  
Shivaji Deshmukh  
General Manager

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

\_\_\_\_\_  
Ron Craig  
Principal

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



# **Exhibit A**



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37920 Sky Canyon Drive, Suite 1002, Murrieta, CA 92563 | 714-803-7526 | Rcraig21@icloud.com

January 6, 2020

Elizabeth Hurst  
Water Resources Planner  
Inland Empire Utilities Agency  
6075 Kimball Avenue  
Chino, CA 91708

**Subject: Proposal to Provide Program Support and Agency Representation for the USAR HCP and Related Integrated Groundwater/Surface Water Model**

Dear Liz,

Pursuant to your request, I am please to submit this proposal to provide ongoing representation services related to the Upper Santa Ana River Habitat Conservation Plan (USAR HCP) and the Integrated Model. As you are aware, the development of the USAR HCP and Integrated Model development is an ongoing comprehensive process involving two dozen agencies and resource purveyors.

The Inland Empire Utilities Agency (IEUA) on behalf of the Chino Basin is a direct participant. Additionally, IEUA is collaborating closely with the Chino Basin Watermaster (CBWM) to help insure the current operations of water resource management within the Chino Basin along with contemplated future projects and operations are accommodated appropriately by the USAR HCP and the Integrated Model.

As Principal Program Manager, Mr. Ron Craig will provide agency representation for formal USAR HCP and Integrated Model meetings, along with coordination with both IEUA and CBWM staff, consultants and Counsels as requested to support the development and implementation of the USAR HCP and the Integrated Model in a manner that aligns itself with the goals of the Chino Basin stakeholders.

The attached Scope of Work outlines the parameters for the services to be provided.

Should you have any questions or require additional information, do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink that reads 'RCraig' with a stylized flourish at the end.

Ron Craig

**Principal  
RBC Resources**

## **Upper Santa Ana River Habitat Conservation Plan**

### **Program Support and Agency Representation**

#### **Scope of Work**

##### **Background:**

The Upper Santa Ana River Habitat Conservation Plan (USAR HCB) is a comprehensive program to support both habitat management on behalf of 22 endangered or threatened biological species and facilitate the water resources management efforts of multiple water agencies. The result is the teaming efforts of two dozen agencies to establish specific goals, a strategy to achieve those goals, and a formal resource management plan that can support agreements going forward. Ultimately a Joint Power Authority (JPA) may be established to implement and manage to USAR HCP.

In addition to the USAR HCP, there is an ongoing program to develop an integrated surface water and groundwater model. This model covers the entire area upstream of Prado Dam. The goal is to utilize the model by incorporating the proposed water capture and other diversion operations proposed by water supply stakeholders to better understand and manage impacts to HCP related habitat. The Inland Empire Utilities Agency (IEUA) is a participant in the current activities associated with the evolution of the USAR HCP. IEUA is also maintaining close coordination with the Chino Basin Watermaster (CBWM) as a major stakeholder regarding the results and implications of the USAR HCP as it relates to overall implementation of the CBWM Optimum Basin Management Plan (OBMP). Both the IEUA and CBWM represent a broad range of stakeholder within the Chino Basin.

Based on the level of activity and importance associated with participating in the USAR HCP and integrated model development process, the IEUA has contracted with RBC Resources over the last year to augment its own staff resources (in collaboration with CBWM), to expand USAR HCP and integrated model program representation on its behalf.

##### **Scope of Services:**

IEUA will contract with RBC Resources (Consultant) to provide ongoing direct representation on its behalf for both the USAR HCP process and the integrated model development. The Consultant will research, develop, and maintain a thorough general working knowledge of the Santa Ana River and the development of the SARHCP specifically. Additionally, the Consultant will collaborate with IEUA staff and CBWM to develop and maintain an understanding of the current operations and planned projects to be led by these agencies as they may relate or be influenced by the HCP.

Consultant will participate in meetings as may be required:

- To represent IEUA at USAR HCP and Integrated Model development sessions
- Review related environmental, planning and technical documents
- IEUA Staff/Legal Counsel input for background and updates
- CBWM Staff/Legal Counsel input for background and updates

- Stakeholder Updates as requested by IEUA

Consultant will collaborate with IEUA to facilitate strategies and appropriate positions/responses to specific elements of the HCP and its progress to support optimum plan requirements and process to meet Chino Basin objectives best merged with the USAR HCP.

Consultant will understand and consider all applicable IEUA projects (current 18 are identified on behalf of IEUA within the HCP) during the course of representation. Additionally, Consultant will be familiar with and consider both the current CBWM OBMP, and planned updates during the course of representation.

Consultant will brief IEUA as appropriate and as requested relative to progress, issues and opportunities associated with the overall USAR HCP and integrated model development.

Based on the ongoing services provided, it is anticipated that the level of resources required by Consultant will range from 5-10 hours per week including both meeting attendance and document research and reviews. Based on the current status of both the USAR HCP and the integrated model, it is anticipated that the services may cover a period of approximately 18 months.

Services will be provided on a time and materials basis. The hourly rate is \$238, inclusive of mileage, printing and other indirect costs. However, the overall costs will not exceed \$135,000 without additional authorization from IEUA. Due to the nature of this work, it is recommended that the budget and status of services be reviewed once 80% of the overall budget has been reached.

**ACTION  
ITEM  
1E**



**Date:** March 18, 2020

**To:** The Honorable Board of Directors

**From:** Shivaji Deshmukh, General Manager *ASD*

**Committee:** Engineering, Operations & Water Resources

03/11/20

**Executive Contact:** Randy Lee, Executive Manager of Operations/AGM

**Subject:** Contract Amendment for Traffic Control

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**Executive Summary:**

The Recycled Water distribution system is comprised of over 90 miles of pipeline and nearly 1,000 appurtenances such as isolation valves, hydrants, and air reliefs. A vital part of the operation and longevity of a distribution system is the continued maintenance of these critical components. Most of the Recycled Water pipelines are buried under roadways in high traffic areas. In order to safely and efficiently service the system assets, traffic control must be properly planned and executed. Statewide Traffic Safety and Signs has proven to be a reliable, safe, and efficient company for both planned asset maintenance activities as well as emergency response situations. In 2017, Statewide first competitively bid their traffic control services and were selected as the responsible low bidder. Since that time they have maintained their rates within the cost of living increases and have provided excellent response when services were needed. The proposed amendment will cover their services to complete FY 2019/20 and for FY 2020/21.

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**Staff's Recommendation:**

1. Approve a \$130,000 amendment to Contract No. 4600002466 to Statewide Traffic Safety and Signs for a total contract amount of \$317,505 through June 30, 2021; and
2. Authorize the General Manager to execute the amendment.

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**Budget Impact** *Budgeted (Y/N): Y Amendment (Y/N): Y Amount for Requested Approval: \$ 130,000*

*Account/Project Name:*

IEUA will utilize the recycled water distribution professional fees and services budget.

*Fiscal Impact (explain if not budgeted):*

**Prior Board Action:**

No prior Board action

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**Environmental Determination:**

Statutory Exemption

The project is statutorily exempt based on the CEQA common sense exemption found in Section 15061(b)(3) of the State CEQA Guidelines.

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**Business Goal:**

The contract with Statewide Traffic Safety and Signs is consistent with IEUA's Business Goal of Wastewater Management, specifically the Asset Management and Water Quality objectives, that IEUA will ensure that systems are well maintained, upgraded to meet evolving requirements, sustainably managed, and accommodate changes in regional water use to protect public health, the environment, and meet anticipated regulatory requirements.

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**Attachments:**

Attachment 1 - Contract Amendment 4600002466



**CONTRACT NUMBER: 4600002466  
FOR  
TRAFFIC CONTROL SERVICES**

THIS CONTRACT (the "Contract"), is made and entered into this 4th day of January, 2018, 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" or "IEUA"), and Statewide Traffic Safety & Signs, of Riverside, California (hereinafter referred to as "Contractor"), for the provision of as-needed, on-call traffic control services.

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

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

Project Manager: Chander Letulle  
Address: 6075 Kimball Avenue  
Chino, California 91708  
Telephone: (909) 993-1452  
Facsimile: (909) 993-1987  
Cell: (909) 573-6350  
Email: cletulle@ieua.org

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

Contractor: Chris Punsalan  
Address: 2225 Kansas Avenue  
Riverside, California 92507-2651  
Telephone: (951) 213-3708  
Facsimile: (888) 527-1728  
Cell: 714-984-3799  
Email: cpunsalan@stssi.com



3. **ORDER OF PRECEDENCE:** The documents referenced below represent the Contract Documents. Where any conflicts exist between the General Terms and Conditions the governing order of precedence shall be as follows:
1. Amendments to Contract Number 4600002466
  2. Contract Number 4600002466 General Terms and Conditions.
  3. Agency Request for Proposal Number RFP-RH-17-123
  4. Contractor's Proposal dated April 6, 2017.
4. **SCOPE OF WORK AND SERVICES:** Contractor services and responsibilities shall include and be in accordance with the following:
- A. Contractor shall, in coordination with the Agency's Project Manager, shown in Section 1, on Page one, provide the Agency with a weekly Schedule of Work and Services, documenting the anticipated weekly work assignments. The Schedule of Work and Services will be prepared and submitted, to the Project Manager, for review and approval, and will support the timely coordination between the two companies.
- B. **Method of Inspection:**
1. Work performed under this Contract may be required to undergo monthly, weekly, or daily inspections.
  2. The Project Manager will be responsible for performance of the inspections.
  3. If Contractor fails an inspection, the Project Manager will be responsible for providing a written notice to the Contractor explaining the error and a determination of the urgency for the correction of the error (herein referred to as a "Cure Notice").
- C. **Cure Procedure:**
1. For a Cure Notice deemed by the Agency to be urgent, Contractor shall correct any error of the Work within one (1) calendar day after Contractor's receipt of a Cure Notice, as directed by the Project Manager.
  2. For a Cure Notice deemed by the Agency to be important, Contractor shall correct any error of the Work within two (2) calendar days after Contractor's receipt of a Cure Notice, as directed by the Project Manager.
  3. If the Project Manager rejects all, or any part of, the Work as unacceptable and agreement to correct such Work cannot be reached without modification to the Contract, Contractor shall notify the Project Manager, in writing, detailing the dispute and the reason(s) for the Contractor's position. Any dispute that cannot be resolved between the Project Manager and Contractor shall be resolved in accordance with the provisions of this Contract.

- D. The Agency may, at any time, make changes to this Contract's Scope of Work; including additions, reductions, and other alterations to any or all of the Work. However, such changes shall only be made via written amendment to this Contract. The Contract compensation and Schedule of Work and Services shall be equitably adjusted, if required, to account for such changes and shall be set forth within the mutually approved Contract Amendment.
5. **TERM:** The term of this Contract shall extend from the date of the Notice to Proceed, and terminate on December 31, 2018, unless agreed upon by both parties, reduced to writing, and amended to this Contract.
6. **PAYMENT, INVOICING, AND COMPENSATION:**
- A. The Contractor may submit an invoice not more than once per month during the term of this Contract to the Agency's Accounts Payable Department. Agency shall pay Contractor's properly executed invoice, approved by the Project Manager, within thirty (30) days following receipt of the invoice. All invoices shall be formatted with costs consistent with proposal #109764, dated April 6, 2017, see Exhibit 1.
- B. As compensation for the Work performed under this Contract, Agency shall pay Contractor's monthly invoice, for a total contract price NOT-TO-EXCEED \$49,500 for all services satisfactorily provided during the term of this Contract.
- C. Additionally, to qualify for payment, the Contractor shall prominently display, on the first page of the invoice, both:
1. The Contract Number -- 4600002466, and;
  2. The Contract Release Purchase Order Number -- 45000 29325

If Contractor submits invoice by email, such invoice shall be submitted as follows:

APGroup@leua.org

Scan the invoice as a PDF file.

Attach the scanned file to an email.

If Contractor submits invoice by mail, such invoice shall be submitted as follows:

Inland Empire Utilities Agency

Re: Contract Number: 4600002466

P.O. Box 9020

Chino Hills, CA 91709

- D. Concurrent with the submittal of the original invoice to the Agency's Accounts Payable Department, the Contractor shall forward (mail, fax, or email) a copy of the invoice to the designated Project Manager, identified in Section 1, on Page 1 of this Contract.

- E. **No Additional Compensation:** Nothing set forth in this Contract shall be interpreted to require payment by Agency to Contractor of any compensation specifically for the assignments and assurances required by the Contract, other than the payment of expenses as may be actually incurred by Contractor in complying with this Contract, as approved by the Project Manager.
7. **CONTROL OF THE WORK:** The Contractor shall perform the Work in compliance with the Schedule of Work and Services. If performance of the Work falls behind schedule, the Contractor shall accelerate the performance of the Work to comply with the Schedule of Work and Services as directed by the Project Manager. If the nature of the Work is such that Contractor is unable to accelerate the Work, Contractor shall promptly notify the Project Manager of the delay, the causes of the delay, and submit a proposed revised Schedule of Work and Services.
8. **INSURANCE:** During the term of this Contract, the Contractor shall maintain, at Contractor'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 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.
- 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 insurance policies are to contain, or be endorsed to contain, the following provisions:

1. Commercial 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 supplied 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 by either CG 20 10, CG 20 26, CG 20 33, or CG 20 38 and CG 20 37 forms if later revisions are 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 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 the 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, or 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 pursuant to Section 14, page 12 of this Contract.

- 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 provide 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

9. FITNESS FOR DUTY:

- A. Fitness: Contractor and its Subcontractor personnel on the Jobsite:
1. Shall report to 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 the Agency.
- B. Compliance: Contractor shall advise all personnel and associated third parties of the requirements of this Contract ("Fitness for Duty Requirements") before they enter on the Jobsite and shall immediately remove from the Jobsite any employee determined to be in violation of these requirements.

Contractor shall impose these requirements on its Subcontractors. Agency may cancel the Contract if Contractor violates these Fitness for Duty Requirements.

10. LEGAL RELATIONS AND RESPONSIBILITIES:

- A. Professional Responsibility: The Contractor shall be responsible, to the level of competency presently maintained by other practicing professionals performing the same or similar type of work.
- B. Status of Contractor: The Contractor is retained as an independent Contractor only, for the sole purpose of providing the services described herein, and is not an employee of the Agency.
- C. Observing Laws and Ordinances: The Contractor shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and regulations which in any manner affect the conduct of any services or tasks performed under this Contract, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. The Contractor shall at all times observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and shall protect and indemnify, as required herein, the Agency, its officers, employees and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by the Contractor, its employees, or subcontractors.
- D. Subcontract Services: Any subcontracts for the performance of any services under this Contract shall be subject to the written approval of the Project Manager and shall comply with applicable regulations from the State of California, Department of Industrial Relations.
- E. Hours of Labor: The Contractor shall comply with all applicable provisions of California Labor Code Sections 1810 to 1815 relating to working hours. The Contractor shall, as a penalty to the Agency, forfeit \$25.00 for each worker employed in the completion of the Contract by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of the Labor Code.
- F. Travel and Subsistence Pay: The Contractor shall make payment to each worker for travel and subsistence payments which are needed to complete the work and/or service, as such travel and subsistence payments are defined in an applicable collective bargaining agreements with the worker.
- G. Liens: Contractor shall pay all sums of money that become due from any labor, services, materials or equipment provided to Contractor on account of said services to be rendered or said materials to be provided under this

Contract and that may be secured by any lien against the Agency. Contractor shall fully discharge each such lien at the time performance of the obligation secured matures and becomes due.

- H. Indemnification: Contractor shall indemnify the Agency, its directors, employees, and assigns, and shall defend and hold them harmless from all liabilities, demands, actions, claims, losses and expenses, including reasonable attorneys' fees, which arise out of, or are related to, the negligence, recklessness or willful misconduct of the Contractor, its directors, employees, agents, and assigns, in the performance of work under this contract.
- I. 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.
- J. Equal Opportunity During the performance of this Contract, the Contractor shall not unlawfully discriminate against any employee or employment applicant because of race, color, religion, sex, age, marital status, ancestry, physical or mental disability, sexual orientation, veteran status or national origin. The Agency is committed to creating and maintaining an environment free from harassment and discrimination.
- K. Disputes:
1. All disputes arising out of or in relation to this Contract shall be resolved in accordance with this section. The Contractor shall pursue the work to completion in accordance with the instruction of the Agency's Project Manager notwithstanding the existence of a dispute. By entering into this Contract, both parties are obligated, and hereby agree, to submit all disputes arising under or relating to the Contract which remain unresolved after the exhaustion of the procedures provided herein, to independent arbitration. Except as otherwise provided herein, arbitration shall be conducted under California Code of Civil Procedure Sections 1280, et seq., or their successor.
  2. Any and all disputes prior to the work starting shall be subject to resolution by the Agency's Project Manager; and the Contractor shall comply, with the Agency Project Manager instructions. If the Contractor is not satisfied with the resolution directed by the Agency Project Manager, they may file a written protest with the Agency Project Manager within seven (7) calendar days after receiving written directive of the Project Manager's decision. Failure by Contractor to file a written protest within seven (7) calendar days shall constitute waiver of protest, and acceptance of the Project Manager's resolution.



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

3. In the event of arbitration, the parties to this contract agree that there shall be a single neutral Arbitrator who shall be selected in the following manner:
  - a. The Demand for Arbitration shall include a list of five names of persons acceptable to the Contractor to be appointed as Arbitrator. The Agency shall determine if any of the names submitted by Contractor are acceptable and, if so, such person will be designated as Arbitrator.
  - b. In the event that none of the names submitted by Contractor are acceptable to Agency, or if for any reason the Arbitrator selected in Step (a) is unable to serve, the Agency shall submit to Contractor a list of five names of persons acceptable to Agency for appointment as Arbitrator. The Contractor shall, in turn, have seven (7) calendar days in which to determine if one such person is acceptable.
  - c. If after Steps (a) and (b), the parties are unable to mutually agree upon a neutral Arbitrator, the matter of selection of an Arbitrator shall be submitted to the San Bernardino County Superior Court pursuant to Code of Civil Procedure Section 1281.6, or its successor. The costs of arbitration, including but not limited to reasonable attorneys' fees, shall be recoverable by the party prevailing in the arbitration. If this arbitration is appealed to a court pursuant to the procedure under California Code of Civil Procedure Section 1294, et seq., or their successor, the costs of arbitration shall also include court costs associated with such appeals, including but not limited to reasonable attorneys' fees which shall be recoverable by the prevailing party.
4. Association in Mediation/Arbitration: The Agency may join the Contractor in mediation or arbitration commenced by a contractor on the Project pursuant to Public Contracts Code Sections 20104 et seq. Such association shall be initiated by written notice from the Agency's representative to the Contractor.

- L. Workers' Legal Status: For performance against this Contract, Contractor shall only utilize employees and/or subcontractors that are authorized to work in the United States pursuant to the Immigration Reform and Control Act of 1986.
  - M. Prevailing Wage Requirements: Pursuant to Section 1770 and following, of the California Labor Code, the Contractor shall not pay less 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.
11. OWNERSHIP OF MATERIALS AND DOCUMENTS/CONFIDENTIALITY: The Agency retains ownership of any, and all, partial or complete reports, drawings, plans, notes, computations, lists, and/or other materials, documents, information, or data prepared by the Contractor and/or the Contractor's subcontractor(s) pertaining to this Contract. Said materials and documents are confidential and shall be available to the Agency from the moment of their preparation, and the Contractor shall deliver them to the Agency whenever requested to do so by the Project Manager and/or Agency representative. The Contractor agrees that all documents shall not be made available to any individual or organization, private or public, without the prior written consent of an Agency representative.
12. TITLE AND RISK OF LOSS:
- A. Documentation: Title to the Documentation shall pass to the Agency when prepared; however, a copy may be retained by Contractor for its records and internal use. Contractor shall retain such Documentation in a controlled access file, and shall not reveal, display, or disclose the contents of the Documentation to others without the prior written authorization of the Agency or for the performance of Work related to the Scope of Work described in this Contract.
  - B. Material: Title to all Material, field or research equipment, and laboratory models, procured or fabricated under the Contract shall pass to the Agency when procured or fabricated, and such title shall be free and clear of any and all encumbrances. Contractor shall have risk of loss of any Material or Agency-owned equipment of which it has custody.
  - C. Disposition: Contractor shall dispose of items to which the Agency has title as directed, in writing, by the Project Manager and/or an Agency representative.

13. PROPRIETARY RIGHTS:

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

1. Proprietary Rights conceived, developed, or reduced to practice by Contractor in the performance of the Work shall be the property of Agency, and Contractor shall cooperate with all appropriate requests to assign and transfer same to Agency.
2. If Proprietary Rights conceived, developed, or reduced to practice by Contractor prior to the performance of the Work are used in and become integral with the Work, or are necessary for Agency to have complete control of the Work, Contractor shall grant to Agency a non-exclusive, irrevocable, royalty-free license, as may be required by Agency for the complete control of the Work, including the right to reproduce, correct, repair, replace, maintain, translate, publish, use, modify, copy or dispose of any or all of the Work and grant sublicenses to others with respect to the Work.
3. If the Work includes the Proprietary Rights of others, Contractor shall procure, at no additional cost to Agency, all necessary licenses regarding such Proprietary Rights so as to allow Agency the complete control of the Work, including the right to reproduce, correct, repair, replace, maintain, translate, publish, use, modify, copy, or dispose of any or all of the Work; and to grant sublicenses to others with respect to the Work. All such licenses shall be in writing and shall be irrevocable and royalty-free to Agency.

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

(See page 12)

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

Contractor: Don Nicholas  
Statewide Traffic Safety & Signs  
2225 Kansas Avenue  
Riverside, CA 92507

Any notice given pursuant to this section 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 through the United States Postal Service.

15. **SUCCESSORS AND ASSIGNS:** All of the terms, conditions and provisions of this Contract shall take effect to the benefit of and be binding upon the Agency, the Contractor, and their respective successors and assigns. No assignment of the duties or benefits of the Contractor under this Contract may be assigned, transferred, or otherwise disposed of, without the prior written consent of the Agency; and any such purported or attempted assignment, transfer, or disposal without the prior written consent of the Agency shall be null, void, and of no legal effect whatsoever.
16. **PUBLIC RECORDS POLICY:** Information made available to the Agency may be subject to the California Public Records Act (Government Code Section 6250 et seq.) The Agency's use and disclosure of its records are governed by this Act. The Agency shall use its best efforts to notify Contractor of any requests for disclosure of any documents pertaining to this work. In the event of litigation concerning disclosure of information Contractor considers exempt from disclosure; (e.g., Trade Secret, Confidential, or Proprietary) Agency shall act as a stakeholder only, holding the information until otherwise ordered by a court or other legal process. If Agency is required to defend an action arising out of a Public Records Act request for any of the Information Contractor has marked "Confidential," "Proprietary," or "Trade Secret," Contractor shall defend and indemnify Agency from all liability, damages, costs, and expenses, in any action or proceeding arising under the Public Records Act.
17. **RIGHT TO AUDIT:** The Agency reserves the right to review and/or audit all Contractor's records related to the Work. The option to review and/or audit may be exercised during the term of the Contract, upon termination, upon completion of the Contract, or at any time thereafter up to twelve (12) months after final payment has been made to the Contractor. The Contractor shall make all records and related documentation available within three (3) working days after said records are requested by the Agency.
18. **INTEGRATION:** The Contract Documents represent the entire Contract made and entered into by and between the Agency and the Contractor as to those matters contained in this contract. No prior oral or written understanding shall be of any force or effect with respect to those matters covered by the Contract Documents. This Contract may not be modified, altered, or amended except by written mutual agreement by the Agency and the Contractor.
19. **GOVERNING LAW:** This Contract is to be governed by and constructed in accordance with the laws of the State of California, in the County of San Bernardino.
20. **TERMINATION FOR CONVENIENCE:** The Agency reserves and has the right to immediately suspend, cancel or terminate this Contract at any time upon written notice to the Contractor. In the event of such termination, the Agency shall pay Contractor for all authorized and Contractor-invoiced services up to the date of such termination, as approved by the Project Manager.

21. **FORCE MAJEURE:** Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, natural disasters, etcetera.
22. **LIQUIDATED DAMAGES:** Liquidated Damages, in the amount of \$500 per day, may be assessed by the Agency for each calendar day that the Contractor fails to provide a Traffic Control Crew to complete the needed services, in accordance with the Work Schedule. Any and all Liquidated Damages assessed by the Agency will be taken as a direct credit against the Contractor's invoice for the missed services. The Contractor's acceptance of this contract, shall serve to indicate acceptance of this Liquidated Damages clause, and the daily assessment of damages expressed in this section.
23. **NOTICE TO PROCEED:** No services shall be performed or provided under this Contract unless and until this document has been properly signed by all responsible parties and a notice to proceed has been issued to the Contractor by the Project Manager.
24. **AUTHORITY TO EXECUTE CONTRACT:** The Signatories, below, each represent, warrant, and covenant that they have the full authority and right to enter into this Contract on behalf of the separate entities shown below.
25. **DELIVERY OF DOCUMENTS:** The Parties to this Contract and the individuals named to facilitate the realization of its intent, with the execution of the Contract, authorize the delivery of documents via facsimile, via email, and via portable document format (PDF) and covenant agreement to be bound by such electronic versions.

The parties hereto have caused the Contract to be entered as of the day and year written above.

**INLAND EMPIRE UTILITIES AGENCY:**  
\*A MUNICIPAL WATER DISTRICT

*Susannah Shorff*  
For Warren T. Green  
Manager of Contracts  
and Procurement  
1/4/2018  
(Date)

**STATEWIDE TRAFFIC SAFETY & SIGNS:**

*Don Nicholas*  
Don Nicholas  
President  
1/4/18  
(Date)

# Exhibit 1



DIR PW REG#1000001109  
EXP. 6/30/2017

**Proposal/Quote**  
**Statewide - Riverside**  
License # 975516  
2225 Kansas Ave  
Riverside, CA 92507-2651  
Ph (951) 213-3708  
Fax (888) 527-1728

BID DATE: 04/06/17

CONTRACT INFO  
RFQ-RH-17-123

PROPOSAL: 109764

ESTIMATOR  
David Nicholas

CLIENT: EST  
ESTIMATING DEPARTMENT

PROJECT:  
RFQ-RH-17-123  
INLAND EMPIRE UTILITIES AGENCY  
INLAND EMPIRE, CA

ITEM #	DESCRIPTION	QUANTITY	PRICE	AMOUNT
<b>TRAFFIC CONTROL SYSTEM</b>				
<b>SPECIFICATIONS:</b>				
	FLAGGING - 1 TC TECH - PER HOUR (No Equipment Package)		*\$49.50/HR.	
	FLAGGING - 1 TC TECH - PER DAY (8 HOURS)(No Equipment Package)		*\$396.00/8 HRS.	
	FLAGGING - 2 TC TECHS - PER HOUR (No Equipment Package)		*\$99.00/HR.	
	FLAGGING - 2 TC TECHS - PER DAY (8 HOURS) (No Equipment Package)		*\$792.00/8 HRS.	
	EQUIPMENT PACKAGE - PER HOUR			
	(MINIMUM 1-TC TRUCK, 1-FAS, 100-CONES, 20-SIGNS)		*\$25.00/HR.	
	EQUIPMENT PACKAGE - PER DAY			
	(MINIMUM 1-TC TRUCK, 1-FAS, 100-CONES, 20-SIGNS)		*\$200.00/DAY	
	TRAILER MOUNTED FLASHING ARROW SIGN - PER HOUR		*\$2.50/HR.	
	TRAILER MOUNTED FLASHING ARROW SIGN - PER DAY		*\$20.00/DAY	
	ADDITIONAL CONES and SIGNS		NO CHARGE	
	ADDITIONAL TC TRUCK - PER DAY		*\$175.00/DAY	
	PORTABLE CHANGEABLE MESSAGE SIGN		*\$50.00/DAY	

- \* Does not include 'Portable Changeable Message Sign' or 'Impact Attenuator Vehicle'
- Overtime \$70.00/8-12 hrs/man; Doubletime \$85.00/hr over 12 hrs/man
  - Standard overtime and double time rates apply for emergency, weekend, and holiday work.
  - RATES will be billed PORTAL to PORTAL and verified using "Google Maps GPS"
  - Four (4) hour minimum charge at rates above. The minimum charge will be applied to all cancellations with less than eight (8) hours notice. Assume 30 minutes for set up and pick up each when calculating actual closure work time needed.
  - Contractor must provide each Traffic Tech a 30 minute meal period if possible. If not possible, missed meal period charge will be applied at \$40.00 per Traffic Tech.
- NO RETENTION HELD FOR TRAFFIC CONTROL.

**TOTAL BID:**

Signed: \_\_\_\_\_

Print: \_\_\_\_\_

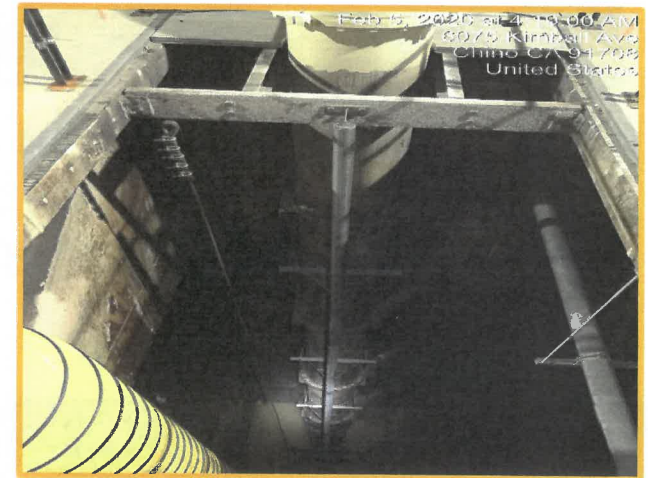
Dated: \_\_\_\_\_

Title: \_\_\_\_\_

**INFORMATION**  
**ITEM**  
**2B**

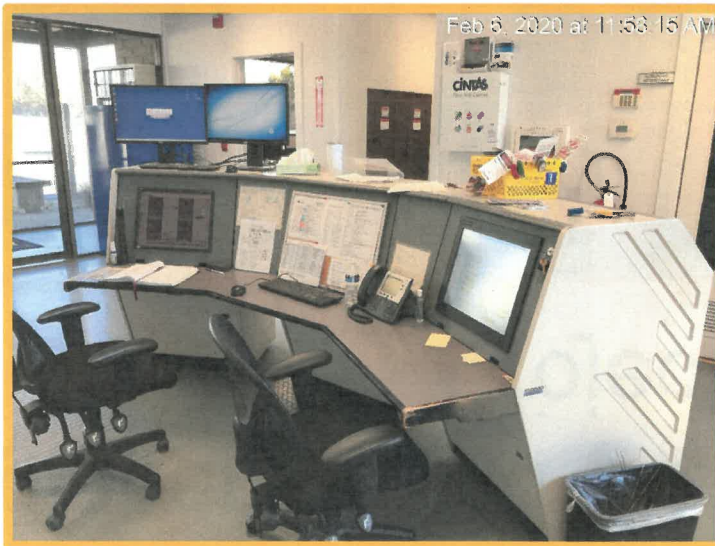


# Engineering and Construction Management Project Updates



# SCADA Enterprise System - (Regional Water Recycling Plant No. 1)

Project Goal: Increased Reliability



RP-1 Tertiary Operations Control Room

**Total Project Budget: \$8.5 M**  
**Project Completion: June 2024**  
**Design Percent Complete: 30%**

Phase	Consultant/ Contractor	Current Contract	Amendments/ Change Orders
Design (Current)	Westin Technology	\$753 K	13%
Construction	TBD	\$0	0.00%



# RP-4 Outfall Pipeline Air Release Valve Replacement/Relocation

Project Goal: Increase Efficiency

**Total Project Budget: \$945 K**

**Project Completion: February 2020**

**Construction Complete: 100%**

Phase	Consultant/ Contractor	Current Contract	Amendments/ Change Orders
Design	CASC	\$78 K	16%
Construction (Current)	AToM Engineering	\$603 K	2%



New Air Release Valve in Vault

# Montclair Basin Improvements

Project Goal: Divert Additional Storm Water for GWR



Conservation District's Basin

**Total Project Budget: \$314 K**  
**Project Completion: January 2022**  
**Design Percent Complete: 95%**

Phase	Consultant/ Contractor	Current Contract	Amendments/ Change Orders
Design (Current)	Carollo	\$163 K	3%
Construction	TBD	TBD	TBD



## RP-3 Basin Improvements

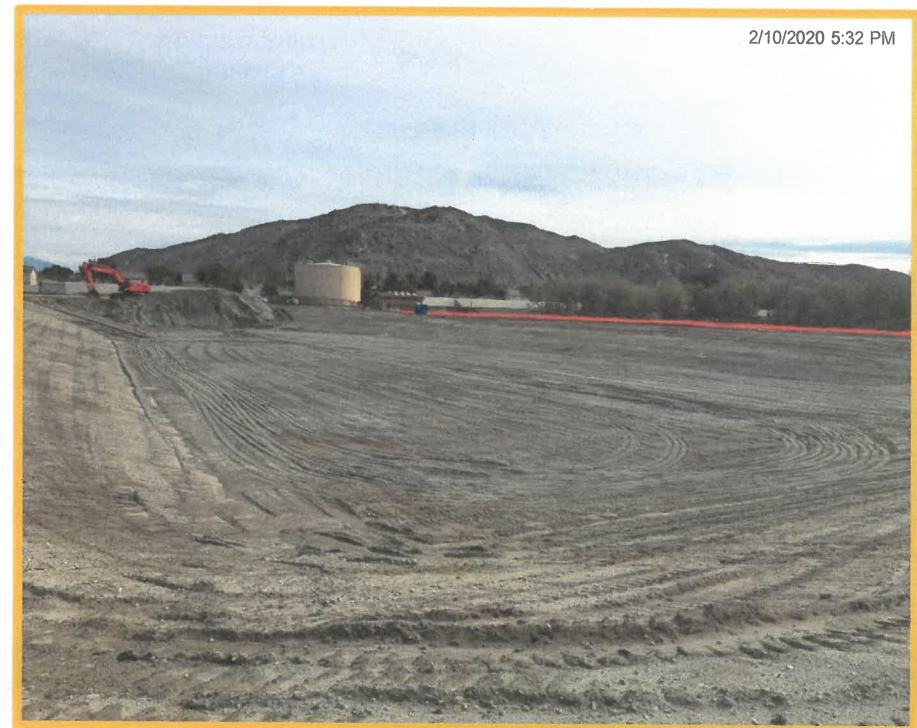
Project Goal: Increase Storm and Recycled Water Recharge

**Total Project Budget: \$1.1 M**

**Project Completion: February 2020**

**Construction Percent Complete: 100%**

Phase	Consultant/ Contractor	Current Contract	Amendments/ Change Orders
Design	Stantec/Carollo	\$148 K	19%
Construction (Current)	James McMinn, Inc.	\$700 K	3%

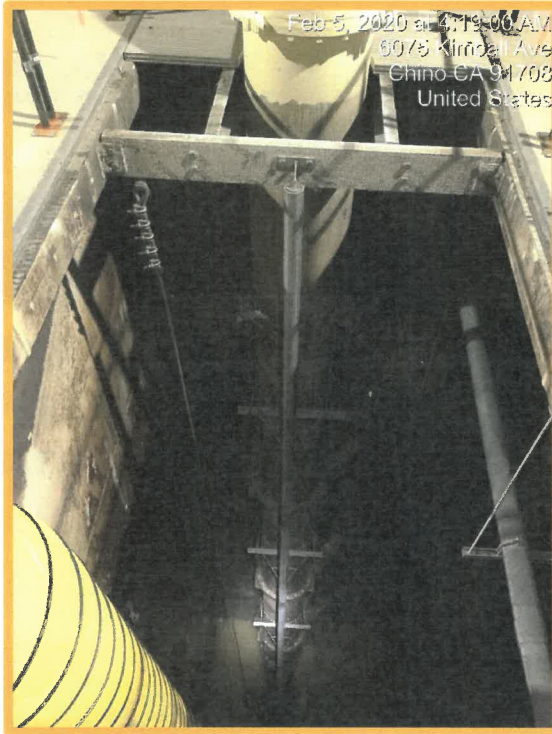


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New Basin RP-3 Final Construction

# RP-5 Influent Pump Guide Rail Repair

Project Goal: Provide accessibility to maintain facility assets



Guide Rail Retrofit

**Total Project Budget: \$38 K**  
**Project Completion: February 2020**  
**Construction Percent Complete: 100%**

Phase	Consultant/ Contractor	Current Contract	Amendments/ Change Orders
Design	NA	NA	NA
Construction (Current)	Genesis Construction	\$28 K	3%