



**AGENDA
ENGINEERING, OPERATIONS, AND WATER RESOURCES
COMMITTEE MEETING
OF THE BOARD OF DIRECTORS
INLAND EMPIRE UTILITIES AGENCY***

**WEDNESDAY, APRIL 13, 2022
10:00 A.M.**

**INLAND EMPIRE UTILITIES AGENCY*
VIEW THE MEETING LIVE ONLINE AT IEUA.ORG
TELEPHONE ACCESS: (415) 856-9169 / Conf Code: 813 028 107#**

PURSUANT TO AB361 AND RESOLUTION NO. 2022-4-7, ADOPTED BY THE IEUA BOARD OF DIRECTORS ON APRIL 6, 2022, IEUA BOARD AND COMMITTEE MEETINGS WILL CONTINUE TO BE CONDUCTED THROUGH TELECONFERENCE. IN AN EFFORT TO PROTECT PUBLIC HEALTH AND PREVENT THE SPREAD OF COVID-19, THERE WILL BE NO PUBLIC LOCATION AVAILABLE FOR ATTENDING THE MEETING IN PERSON.

The public may participate and provide public comment during the meeting by dialing the number provided above. Comments may also be submitted by email to the Board Secretary/Office Manager Denise Garzaro at dgarzaro@ieua.org prior to the completion of the Public Comment section of the meeting. Comments will be distributed to the Board of Directors.

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 email the Board Secretary/Office Manager prior to the public comment section or request to address the Board during the public comments section of the meeting. 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. **CONSENT ITEMS**

A. **MINUTES**

Approve Minutes of the March 9, 2022 Engineering, Operations, and Water Resources Committee meeting.

B. **AMEND CONTRACT FOR LANDSCAPE MAINTENANCE SERVICES TO INCLUDE ADDITIONAL SCOPE OF SERVICE**

Staff recommends that the Committee/Board:

1. Approve Amendment No. 4600002893-001 to Liberty Landscape, Inc. to provide Landscape 'As-Needed Services' for an additional \$350,000 over the remaining contract term; and
2. Authorize the General Manager to execute the amendment to the service contract.

C. **CONTRACT AWARD FOR RP-1 COATING AND PAINTING SERVICES**

Staff recommends that the Committee/Board:

1. Award a service contract for the RP-1 Coating and Painting Services to Tony Painting, for a not-to-exceed amount of \$1,131,514;
2. Increase the project PA22002 budget amount from \$750,000 to \$1,200,000; and
3. Authorize the General Manager to execute the service contract.

D. **RP-1 EAST INFLUENT GATE REPLACEMENT CONSTRUCTION CONTRACT AWARD**

Staff recommends that the Committee/Board:

1. Award a construction contract for the RP-1 East Influent Gate Replacement, Project No. EN21042, to Tharsos, Inc. in the amount of \$302,000;
2. Approve a total project budget and FY 2021/22 budget transfer from the RP-4 Primary Clarifier Rehabilitation, Project No. EN17043 to the RP-1 East Influent Gate Replacement, Project No. EN21042, in the amount of \$175,000 in the RO/10800 Fund; and
3. Authorize the General Manager to execute the construction contract and budget transfer, subject to non-substantive changes.

E. RP-1 SOLIDS HOT WATER LOOP REPLACEMENT AMENDED CHANGE ORDER

Staff recommends that the Committee/Board:

1. Approve a \$40,000 increase to the construction change order for the RP-1 Solids Hot Water Loop Replacement, Project No. EN20065, to Ferreira Construction Co., increasing the not-to-exceed amount of \$180,000 to \$220,000, and increasing the contract from \$1,341,542 to \$1,381,542 (approximately 3% increase);
2. Approve a total project budget and FY 2021/22 budget transfer from the RP-4 Primary Clarifier Rehabilitation, Project No. EN17043, to the RP-1 Solids Hot Water Loop Replacement, Project No. EN20065, in the amount of \$210,000 in the RO/10800 Fund; and
3. Authorize the General Manager to execute the change order and budget amendment, subject to non-substantive changes.

2. ACTION ITEMS

A. RP-1 DISINFECTION IMPROVEMENTS PROJECT CONSTRUCTION CONTRACT AWARD

Staff recommends that the Committee/Board:

1. Award a construction contract for the RP-1 Disinfection Improvements, Project No. EN11039, to Innovative Construction Solutions, in the amount of \$8,575,000;
2. Award a consulting contract for Engineering Services During Construction to Carollo Engineers, Inc. for a not-to-exceed amount of \$598,411;
3. Approve a total project budget increase to the RP-1 Disinfection Improvements, Project No. EN11039, in the amount of \$4,450,000 in the RC/10900 Fund; and
4. Authorize the General Manager to execute the construction contract, consultant contract, and budget increase, subject to non-substantive changes.

B. RP-5 SOLIDS HANDLING FACILITY FUTURE USES CONSULTANT CONTRACT AMENDMENT

Staff recommends that the Committee/Board:

1. Approve a consultant contract amendment for the RP-5 Solids Handling Facility Future Uses RFP, Project No. EN20034.03, to GHD Inc. for a not-to-exceed amount of \$123,600, increasing the contract from \$148,865 to \$272,465 (83% increase);

2. Approve a total project budget and FY 2021/22 budget transfer from the RP-4 Primary Clarifier Rehab, Project No. EN17043 (Capital), to the RP-5 Solids Handling Facility Future Uses, Project No. EN20034.03 (O&M), in the amount of \$300,000 in the RO/10800 Fund; and
3. Authorize the General Manager to execute the contract amendment and budget transfer, subject to non-substantive changes.

3. INFORMATION ITEMS

- A. **OPERATIONS & MAINTENANCE DEPARTMENT QUARTERLY UPDATE (POWERPOINT)**
- B. **3RD QUARTER PLANNING & RESOURCES UPDATE (POWERPOINT)**
- C. **RP-5 EXPANSION PROJECT UPDATE (POWERPOINT)**

RECEIVE AND FILE INFORMATION ITEMS

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

4. GENERAL MANAGER'S COMMENTS

5. COMMITTEE MEMBER COMMENTS

6. COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS

ADJOURN

DECLARATION OF POSTING

I, Denise Garzaro, CMC, Board Secretary/Office Manager of the Inland Empire Utilities Agency*, a Municipal Water District, hereby certify that, per Government Code Section 54954.2, a copy of this agenda has been posted at the Agency's main office, 6075 Kimball Avenue, Building A, Chino, CA and on the Agency's website at www.ieua.org at least seventy-two (72) hours prior to the meeting date and time above.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Board Secretary at (909) 993-1736 or dgarzaro@ieua.org, 48 hours prior to the scheduled meeting so that IEUA can make reasonable arrangements to ensure accessibility.

CONSENT
ITEM
1A



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

**WEDNESDAY, MARCH 9, 2022
10:00 A.M.**

COMMITTEE MEMBER PRESENT

Michael Camacho, Chair
Marco Tule, Director

STAFF PRESENT

Shivaji Deshmukh, P.E., General Manager
Denise Garzaro, Board Secretary/Office Manager
Wilson To, Technology Specialist II
Christiana Daisy, P.E., Deputy General Manager

STAFF PRESENT via Video/Teleconference

Javier Chagoyen-Lazaro, Acting Assistant General Manager
Adham Almasri, Principal Engineer
Kevin Asprer, P.E, Associate Engineer
Jerry Burke, Director of Engineering
Andy Campbell, Groundwater Recharge Coordinator/Hydrogeologist
Pietro Cambiaso, Acting Director of Planning & Resources
Andrea Carruthers, Communications Officer
Lucia Diaz, Manager of Facilities & Water System Programs
Julianne Frabizio, Engineering Consultant
Warren Green, Manager of Contracts & Procurement
Don Hamlet, Director of Information Technology
Branden Hodges, Environmental Resources Planner II
Jennifer Hy-Luk, Administrative Assistant II
Randy Lee, Director of Operations & Maintenance
Bonnie Marseilles, Administrative Assistant II
Jason Marseilles, Manager of Engineering
Cathleen Pieroni, Senior Policy Advisor
Brent Ritzinger, Recycled Water/Groundwater Recharge Operations & Maintenance Specialist
Jeanina Romero, Executive Assistant
Sandra Salazar E.I.T., Associate Engineer
James Simpson, Engineering Consultant
James Spears, Senior Engineer
Travis Sprague, Principal Engineer
Kenneth Tam, Deputy Manager of Strategic Planning & Resources
Brian Wilson, Senior Engineer
Teresa Velarde, Manager of Internal Audit

CALL TO ORDER

Committee Chair Michael Camacho called the meeting to order at 10:00 a.m. He gave the public the opportunity to comment and provided instructions for unmuting the conference line. There were no public comments received or additions to the agenda.

1A – 1C. CONSENT ITEMS

The Committee:

- ◆ Approved Minutes of the February 9, 2022 Engineering, Operations, and Water Resources Committee meeting.
- ◆ Recommended that the Board:
 1. Award a construction contract from the Agency-Wide Roofing Phase III, Project No. FM21005.01, to Best Contracting Services, Inc., in the amount of \$1,536,666;
 2. Approve a FY 2021/22 budget transfer from Agency Wide Roofing, Project No. FM21002 to the Agency-Wide Roofing Phase III, Project No. FM21005, in the amount of \$300,000; and
 3. Authorize the General Manager to execute the construction contract and budget transfer, subject to non-substantive changes;
- ◆ and
 1. Award a construction contract for the Prado Basin Asset Retrofit, Project Nos. EN22057, EN22058, and EN22059, to Sancon Technologies, Inc., in the amount of \$271,200;
 2. Approve a total project budget and FY 2021/22 budget to the Prado Basin Asset Retrofit RO, Project No. EN22057, in the amount of \$50,000, Prado Basin Asset Retrofit RW, Project No. EN22058, in the amount of \$140,000, and to the Prado Basin Asset Retrofit NRW, Project No. EN22059, in the amount of \$150,000 (total aggregate of \$340,000); and
 3. Authorize the General Manager to execute the construction contract and project budgets, subject to non-substantive changes;

as Consent Calendar items on the March 16, 2022 Board meeting agenda.

2A – 2C. ACTION ITEMS

The Committee:

- ◆ Recommended that the Board:
 1. Award a consultant contract for the RP-1 Intermediate Pump Station Improvements, Project No. EN22031, to GHD, in the amount of \$1,084,900; and
 2. Authorize the General Manager to execute the contract, subject to non-substantive changes;

◆ and

1. Award a construction contract for the RP-1 and RP-4 Ammonia and Free Chlorine Analyzers, Project No. EN22042, to Big Sky Electric, Inc. in the amount of \$281,300;
2. Approve a total project budget transfer and FY 2021/22 budget transfer from the Chemical Containment Area Rehab Phase 2, Project No. EN22043, to the RP-1 and RP-4 Ammonia and Free Chlorine Analyzers, Project No. EN22042, in the amount of \$120,000; and
3. Authorize the General Manager to execute the construction contract and budget transfer, subject to non-substantive changes;

◆ and

1. Approve the sale of one (1) Brine Line Capacity Unit to RePET for \$215,000; and
2. Authorize the General Manager to execute the Capacity Right Agreement, subject to non-substantive changes;

as Consent Calendar items on the March 16, 2022 Board meeting agenda.

3A – 3C. INFORMATION ITEMS

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

- ◆ Recycled Water Groundwater Recharge Update
- ◆ RP-5 Expansion Project Update: March 2022
- ◆ Engineering and Construction Management Project Updates

3. GENERAL MANAGER'S COMMENTS

General Manager Shivaji Deshmukh reported that this week, the laboratory is undergoing an onsite assessment, which is a biennial requirement for continued state accreditation. As per the new regulations, the laboratory is equipped with sophisticated technologies and must have the assessment performed by one of the four Environmental Laboratory Accreditation Program (ELAP) approved third-party providers. After careful consideration, IEUA chose IAS, International Accreditation Service, to perform the assessment which will include an evaluation of the analytical methods the Agency is accredited for, instrumentation and equipment requirements, compliance with laws and regulations, and the lab's quality systems.

4. COMMITTEE MEMBER COMMENTS

There were no Committee member comments.

5. COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS

Director Tule requested that information regarding accidents and incidents be added to future RP-5 Expansion Project Update presentations.

ADJOURNMENT

With no further business, Committee Chair Camacho adjourned the meeting at 10:51 a.m.

Respectfully submitted,

Denise Garzaro
Board Secretary/Office Manager

*A Municipal Water District

APPROVED: APRIL 13, 2022

DRAFT

**CONSENT
ITEM
1B**

Date: April 20, 2022

ADD

To: The Honorable Board of Directors

From: Shivaji Deshmukh, General Manager

Committee: Engineering, Operations & Water Resources

04/13/22

Staff Contact: Christiana Daisy, Deputy General Manager

Subject: Amend Contract for Landscape Maintenance Services to include additional Scope of Service

Executive Summary:

The Inland Empire Utilities Agency (Agency) has eighteen sites within the service area that require routine as well as periodic landscape maintenance services. These sites include all treatment facilities, lift stations, recycled water reservoirs and pump stations, and the Chino Creek Park and Wetlands. The services provided are industry-accepted maintenance practices intended to keep the Agency facility's landscaped grounds safe and presentable to the public.

The Agency currently has a contract with Liberty Landscape, Inc. for routine landscape maintenance services, scheduled to expire June 30, 2025. Staff is requesting an amendment to the contract. In support of effectively and efficiently addressing emergency, safety-related and non-routine concerns, including but not limited to replacing and repairing damaged irrigation components, installing paver walkways, landscape enhancement projects, homeless encampment cleanups, and large tree maintenance. The requested amendment shall include the addition of "as-needed services" to the existing scope of work and an increase of \$350,000 to the total contract value supporting the supplementary services and Consumer Price Index (CPI) increases. The proposed amendment will increase the contract price to a not-to-exceed amount of \$1,440,500 over the remaining contract term.

Staff's Recommendation:

1. Approve Amendment No. 4600002893-001 to Liberty Landscape, Inc. to provide Landscape 'As-Needed Services' for an additional \$350,000 over the remaining contract term; and
2. Authorize the General Manager to execute the amendment to the service contract.

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

Account/Project Name:

Fiscal Impact (explain if not budgeted):

If approved, sufficient funds are available in Fiscal Year 2021/22 under Regional Operations and Maintenance (RO) fund under Professional Fees & Services. For future Fiscal Years, Operations Division will include funds in its budget requests to cover the contract requirements.

Prior Board Action:

May 20, 2020, Board approved the contract for Landscape Maintenance Services.

Environmental Determination:

Statutory Exemption

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

Business Goal:

Efficiency & Effectiveness objective that IEUA will apply best industry practices in all processes to maintain or improve the quality and value of the services we provide to our member agencies and the public.

Attachments:

Attachment 1 - PowerPoint

Attachment 2 - Landscape Services Contract 4600002893

Attachment 3 - Additional 'Scope of Services'



Liberty Landscape As-Needed Services Amendment

Frank Sotomayor
Facilities Program Supervisor
April 2022

Scope of Services

- **Current Routine Maintenance**
 - Monitoring of all Agency sites
 - Debris removals
 - Weeding landscapes
 - Tree pruning of 15 feet or less
 - Clipping of plant materials
 - Minor irrigation repairs
- **New Additional Services**
 - Major irrigation repairs or add-ons
 - Landscape enhancement projects
 - Emergency tree work
 - Vegetation removals
 - Masonry projects
 - Homeless encampment clean ups



Additional Emergency Work



Tree Wind Damages



Homeless Encampments



Irrigation Breaks

Recommendation

- Approve Amendment No. 4600002893-001 to Liberty Landscape, Inc. to provide Landscape 'As-Needed Services' for an additional \$350,000 over the remaining contract term; and
- Authorize the General Manager to execute the amendment to the service contract.

*Liberty Landscape Services Contract, is consistent with the IEUA's **Business Goal of Business Practices** specifically the Efficiency & Effectiveness objective that IEUA will apply best industry practices in all processes to maintain or improve the quality and value of the services we provide to our member agencies and the public.*



**CONTRACT AMENDMENT NUMBER: 4600002893-001
FOR
LANDSCAPE MAINTENANCE SERVICES
AT ALL
IEUA FACILITIES**

THIS AMENDMENT NUMBER ONE TO CONTRACT NUMBER 4600002893 between the Inland Empire Utilities Agency (IEUA) and Liberty Landscaping, Inc., of Riverside, California, shall revise the Contract as follows:

REVISE SECTION 4, SCOPE OF WORK & SERVICES, ADD A PARAGRAPH "G" TO READ:

G. Additional Contractor services and responsibilities shall include and be in accordance with Contractor's Proposal, dated March 15, 2022, which is attached hereto, incorporated herein, and made a part hereof as **Exhibit A**.

REVISE SECTION 6, COMPENSATION, ADDING A PARAGRAPH, TO READ:

As compensation for the work to be performed under this Contract, Agency shall pay Contractor a **not-to-exceed maximum \$1,440,500.00** for all work satisfactorily provided hereunder. This includes an additional \$350,000.00 in accordance with **Exhibit A**, referenced herein, attached hereto, and made a part hereof.

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)

LIBERTY LANDSCAPING, INC.:

Shivaji Deshmukh
General Manager

(Date)

DocuSigned by:
Manuel T. Mendes

3/15/2022

Manuel Mendes
Regional Manager

(Date)

Exhibit A



5212 El Rivino Rd.
 Riverside, CA 92509
 License No. 751611

~~~~~ Phone: (951) 683-2999 ~ email: office@libertylandscaping.com ~ Fax: (951) 683-2591 ~~~~~

Date: 3/15/2022

**Quotation Sheet:**

| Hourly Labor Fees              | Hourly Rate | Overtime Rate | Holiday Rate | Emergency Call-Out Rate |
|--------------------------------|-------------|---------------|--------------|-------------------------|
| Laborer                        | \$39.00     | \$58.50       | \$58.50      | \$58.50                 |
| Foreman                        | \$55.00     | \$82.50       | \$82.50      | \$82.50                 |
| Irrigation Tech                | \$62.00     | \$93.00       | \$93.00      | \$93.00                 |
| Supervisor                     | \$72.00     | \$108.00      | \$108.00     | \$108.00                |
| Spray Tech/including chemicals | \$100.00    | \$150.00      | \$150.00     | \$150.00                |

**Tree Care Labor Rates:**

|                    |                |          |          |          |
|--------------------|----------------|----------|----------|----------|
| Ground Tree Worker | \$55.00        | \$82.50  | \$82.50  | \$82.50  |
| Climber            | \$77.00        | \$115.50 | \$115.50 | \$115.50 |
| Dump truck         | \$525.0        | Per Day  | \$787.50 | \$787.50 |
| Tractor Operator   | \$77.00        | Per Hour | \$115.50 | \$115.50 |
| Tree Boom Truck    | \$150.00       | Per Hour | \$225.00 | \$225.00 |
| Tractor            | \$600.00       | Per Day  | \$900.00 | \$900.00 |
| Rental Equipment   | Based on Quote |          | Quote    | Quote    |

## **Amendment for ADDITIONAL SCOPE OF WORK to include “AS-NEEDED LANDSCAPE MAINTENANCE SERVICES”**

As needed, the Contractor will provide all manpower, equipment, vehicles, project-specific materials, and supplies needed to complete the work, in accordance with Agency’s request and the Contractor’s proposal or estimate, which will be incorporated herein and made a part hereof as appropriate. This type of work may be occasionally urgent in nature (due to windstorm damage or mainline irrigation breaks), and crew(s) must be available to respond within 24 hours.

- A. Contractor will, for each job assignment, carefully consider the personnel time required, the materials needed, and any equipment that will increase the efficiency of the tasks required. All pertinent information will be made part of a price quote, consistent with the pricing schedule (see Exhibit A), and will be submitted to the Agency’s Project Manager for review and approval. Upon approval, the as-needed work will be added to this contract.
  
- B. Through the duration of this contract, the Agency and Contractor may identify additional tasks, which on a “time and material” basis, shall be reduced to writing, signed by both parties, and made part of this contract. Some additional projects can consist of, but are not limited to the following:
  - 1. Replacing or repairing major irrigation system components such as master valves, gate valves, mainline leaks, or an irrigation controller.
  - 2. Performing special actions ahead of scheduled dignitary visits or public events.
  - 3. Extending paver walkways.
  - 4. Installing replacement plantings.
  - 5. Performing irrigation relocation work in advance of Agency construction projects.
  - 6. Installing a one-time landscape-related enhancement project at the request of Agency staff.
  - 7. Providing tree care work (pruning at greater than 15’ height; removing and stump grinding of dead or fallen trees; thinning excess tree biomass in the Agency’s Chino Creek Park adjacent to Headquarters).
  - 8. Vegetation removal.
  - 9. Homeless encampment clean-ups.
  - 10. Masonry projects.

**CONSENT**  
**ITEM**  
**1C**

**Date:** April 20, 2022

*SAD*

**To:** The Honorable Board of Directors

**From:** Shivaji Deshmukh, General Manager

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

04/13/22

**Staff Contact:** Christiana Daisy, Deputy General Manager

**Subject:** Contract Award for Regional Water Recycling Plant No. 1 Coating and Painting Services

**Executive Summary:**

The Agency owns numerous facilities, which includes process piping and equipment that require a protective coating. Every five years, these facilities and process areas require re-coating and repainting to protect against damage from exposure to the environment. On January 11, 2022, a competitive Request for Proposal (RFP-GD-22-001) was issued through PlanetBids Network to provide industrial coatings to necessary pipes, equipment, and tanks throughout Regional Water Recycling Plant No. 1 (RP-1). Out of sixteen potential contractors who participated in the mandatory job-walk, seven submitted proposals. The evaluation team scored Tony Painting the highest due to submitting the most comprehensive proposal, demonstrating that they understood the scope of work, has been contracted with the Agency on several projects performing similar work, and continues to meet all Agency expectations. Tony Painting had the third lowest proposal and highest overall score.

The RP-1 Coating and Painting Services Contract No. 4600003126 to Tony Painting will be for a not-to-exceed amount of \$1,131,514.00.

**Staff's Recommendation:**

1. Award a service contract for the RP-1 Coating and Painting Services to Tony Painting, for a not-to-exceed amount of \$1,131,514.00;
2. Increase the project PA22002 budget amount from \$750,000 to \$1,200,000; and
3. Authorize the General Manager to execute the service contract.

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

*Account/Project Name:*

PA22002 Agency Wide Coatings & Paintings with additional funds from Regional Operations and Maintenance (RO) Fund, Professional Fees and Services.

*Fiscal Impact (explain if not budgeted):*

An amount of \$750,000.00 was budgeted from FY 2021-22 and requesting an additional \$450,00.00 to cover contracted services and contingency costs.

**Prior Board Action:**

July 18, 2018 - Contract Award for Process Painting for Regional Water Recycling Plant No. 4 (RP-4)

August 16, 2017 - Contract Award for Process Painting for Regional Water Recycling Plant No.5 (RP-5)

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**Environmental Determination:**

Statutory Exemption



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

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**Business Goal:**

Asset Management - 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.

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**Attachments:**

Attachment 1 - Contract No. 4600003126 for RP-1 Coating and Painting Services  
Attachment 2 - PowerPoint Presentation



# RP-1 Coating & Painting Services Contract

Frank Sotomayor  
Facilities Program Supervisor  
April 2022



# RP-1 Coating & Painting Services

- The Agency owns numerous facilities, which include process piping and equipment that require a protective coating.
- Surfaces include:
  - Process piping
  - Catwalks
  - Tanks
  - Hose bibs
  - Fire hydrants
  - Transformers



# Proposal Evaluation

Seven proposals were received on February 2, 2022, and were scored based on predetermined weighted criteria.

| Bidders Ranked using Selection Criteria |                  |
|-----------------------------------------|------------------|
| 1. Tony Painting                        | Garden Grove, CA |
| 2. CTG Construction Inc.                | Wilmington, CA   |
| 3. Arena Painting Contractors           | Kenai, AK        |
| 4. U.S National Corp                    | Pacoima, CA      |
| 5. A.J. Fistes Services Corporation     | San Pedro, CA    |
| 6. Unified Field Services Corporation   | Bakersfield, CA  |
| 7. MC Painting                          | Oceanside, CA    |

| Selection Criteria                                   |
|------------------------------------------------------|
| • Level of experience and knowledge of scope of work |
| • Approach                                           |
| • Project Timeline/Projected Completion              |
| • References                                         |
| • Cost                                               |
| • Exceptions taken to the specifications             |

# Proposal Evaluation Results

- The evaluation of the seven proposals received concludes that Tony Painting would provide best value to the Agency.
  - Great Value
    - Past performance, methodology, experience, references, and competitive pricing.
  - Contract Term: 13 Months
  - Experience with the Agency
    - Regional Water Recycling Plant No.4
    - Regional Water Recycling Plant No.5
    - Pipe Garden Project
    - Headquarters Facilities



## Recommendation

- Approve the award of Contract No. 4600003126 to Tony Painting to provide Coating & Painting Services at Regional Water Recycling Plant No. 1 for a total contract price not-to-exceed amount of \$1,131,514.00;
- Approve amendment for project PA22002 budget amount from \$750,000 to \$1,200,000; and
- Authorize the General Manager to execute the service contract.

*The RP-1 Painting Services Contract, is consistent with the IEUA's **Business Goal of Business Practices** specifically the Asset Management - 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.*

**CONSENT  
ITEM  
1D**



**Date:** April 20, 2022

*ADD*

**To:** The Honorable Board of Directors                      **From:** Shivaji Deshmukh, General Manager

**Committee:** Engineering, Operations & Water Resources                      04/13/22

Finance & Administration                      04/13/22

**Staff Contact:**            Christiana Daisy, Deputy General Manager

**Subject:** RP-1 East Influent Gate Replacement Construction Contract Award

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**Executive Summary:**

Two main trunk lines (east and west) bring sewer flows into Regional Water Recycling Plant No.1 (RP-1) through the influent structure with gates to divert flow to either of two open-channel flow meters. The existing east gate currently leaks and has reached the end of its useful life. The gate system does not have redundancy to provide personnel with a safe work environment. Additionally the covers over the influent flow meter structures have excessive wear and tear. This project will install two new influent gates, replace the two influent flow meter covers, install two influent channel covers with access openings, and install on-site traffic safety barriers. Additionally, the existing sump pump discharge pipeline at Plant 2 will be rerouted to eliminate liquid accumulation in the off line primary clarifier.

On January 27, 2022, Inland Empire Utility Agency (IEUA) issued an invitation for bids to the under \$2,000,000 prequalified contractors. On February 23, 2022, IEUA received three construction bids. Tharsos Inc. was the lowest responsive, responsible bidder with a bid price of \$302,000. The engineer's estimate was \$462,000. Furthermore, staff is recommending a total project budget transfer in the amount of \$175,000.

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**Staff's Recommendation:**

1. Award a construction contract for the RP-1 East Influent Gate Replacement, Project No. EN21042, to Tharsos, Inc. in the amount of \$302,000;
2. Approve a total project budget and FY 2021/22 budget transfer from the RP-4 Primary Clarifier Rehabilitation, Project No. EN17043 to the RP-1 East Influent Gate Replacement, Project EN21042, in the amount of \$175,000 in the RO/10800 Fund; and
3. Authorize the General Manager to execute the construction contract and budget transfer, subject to non-substantive changes.

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**Budget Impact** Budgeted (Y/N): Y    Amendment (Y/N): Y    Amount for Requested Approval: \$ 175,000

Account/Project Name:

EN17043/RP-4 Primary Clarifier Rehab  
EN21042/RP-1 East Influent Gate Replacement

*Fiscal Impact (explain if not budgeted):*

If approved, the total project budget and FY 2021/22 budget in the amount of \$175,000 will transfer from the RP-4 Primary Clarifier Rehabilitation, Project EN17043, to the RP-1 East Influent Gate Replacement, Project EN21042, in the Regional Operations and Maintenance (10800/RO) Fund.

**Prior Board Action:**

None.

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**Environmental Determination:**

Statutory Exemption

CEQA exempts a variety of projects from compliance with the statute. This project qualifies for the Common Sense Exemption as defined in Section 15061(b)(3) of the State CEQA Guidelines.

---

**Business Goal:**

The RP-1 East Influent Gate Replacement Project is consistent with IEUA's Business Goal of Wastewater Management, specifically the Water Quality Asset Management objective that IEUA will ensure that Agency systems are planned, constructed and managed to protect public health, the environment, and meet anticipated regulatory requirements.

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**Attachments:**

Attachment 1 - PowerPoint

Attachment 2 - Construction Contract

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# **Attachment 1**

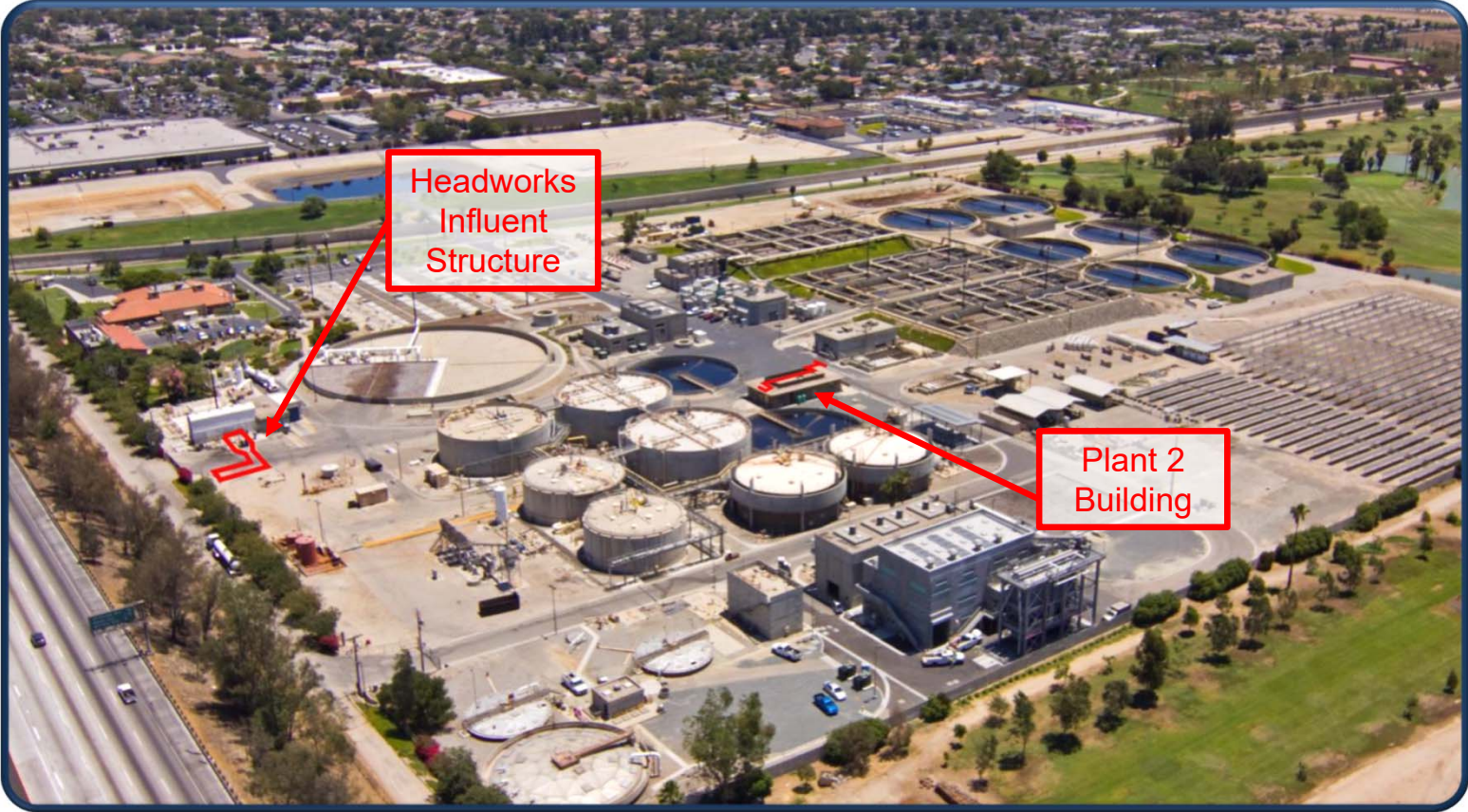


A photograph of a large, light-colored industrial building, likely a water treatment facility, with a blue sky and a tall black light pole in the background. A semi-transparent blue rectangular overlay covers the middle of the image, containing the project title text.

# RP-1 East Influent Gate Replacement Construction Contract Award Project EN21042

Pierre Cayatte, P.E.  
Senior Engineer  
April 2022

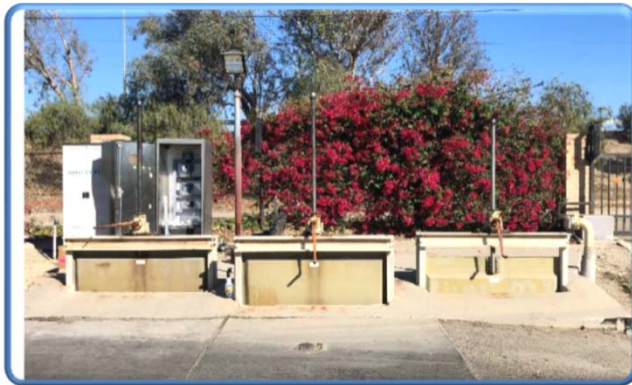
# Project Location: Regional Water Recycling Plant No. 1



PROJECT LOCATION MAP

# Project Background

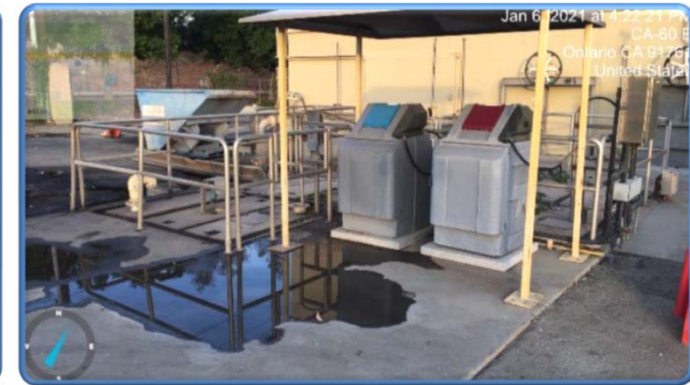
- Current Conditions:
  - East Influent Gate leaks; end of useful life.
  - Influent Gate System not flexible or reliable.
  - Flow Monitoring Structure Covers have excessive wear.
  - Plant 2 Sump Pump drain line is a vector concern.



Existing Slide Gate System  
Left (West) / Middle (East) / Right (Future)



Future Slide Gate System Location



Covers Over  
Flowmeter Structure

# Project Scope of Work

- Influent Structure
  - Install a secondary set of slide gates
  - Install additional access hatches
  - Replace covers on existing Parshall flume metering structures
  - Install safety guardrail barriers and removable bollards
- Plant 2 Sump Pump Discharge
  - Relocate the existing 6" sump pump discharge pipeline

# Contractor Selection

Three bids were received on February 23, 2022:

| Bidder's Name                      | Final Bid Amount |
|------------------------------------|------------------|
| Tharsos, Inc.                      | \$302,000        |
| J.R. Filanc Construction Co., Inc. | \$504,000        |
| Genesis Construction Co., Inc.     | \$546,999        |
| <b>Engineer's Estimate</b>         | <b>\$462,000</b> |

# Project Budget and Schedule

| Description                              | Estimated Cost   |
|------------------------------------------|------------------|
| <b>Design Services</b>                   | <b>\$128,889</b> |
| Design Consultant Contract               | \$61,935         |
| IEUA Design Services (actuals)           | \$66,954         |
| <b>Construction Services</b>             | <b>\$114,820</b> |
| Engineering Services During Construction | \$69,520         |
| IEUA Construction Services (~15%)        | \$45,300         |
| <b>Construction</b>                      | <b>\$347,300</b> |
| Construction Contract (this action)      | \$302,000        |
| Contingency (~15%)                       | \$45,300         |
| <b>Total Project Cost</b>                | <b>\$591,009</b> |
| <b>Total Project Budget:</b>             | <b>\$450,000</b> |
| <b>Budget Transfer (this action)*:</b>   | <b>\$175,000</b> |
| <b>Revised Total Project Budget:</b>     | <b>\$625,000</b> |

\*Budget transfer from the RP-4 Primary Clarifier Rehab Project (10800 Fund)

| Project Milestone           | Date          |
|-----------------------------|---------------|
| <b>Construction</b>         |               |
| Construction Contract Award | April 2022    |
| Construction Completion     | November 2022 |

## Recommendation

- Award a construction contract for the RP-1 Influent Gate Replacement, Project No. EN21042, to Tharsos, Inc. in the amount of \$302,000;
- Approve a total project budget and FY 2021/22 budget transfer from the RP-4 Primary Clarifier Rehabilitation, Project No. EN17043 to the RP-1 East Influent Gate Replacement, Project EN21042, in the amount of \$175,000 in the RO/10800 Fund; and
- Authorize the General Manager to execute the construction contract and budget transfer, subject to non-substantive changes.

The RP-1 East Influent Gate Replacement Project is consistent with **IEUA's business goal of Wastewater Management**, specifically the Water Quality Asset Management objective that IEUA will ensure that Agency systems are planned, constructed and managed to protect public health, the environment, and meet anticipated regulatory requirements.

# **Attachment 2**



## RP-1 East Influent Gate Replacement Contract

### 1.0 CONTRACT

THIS CONTRACT, made and entered into this 20th day of April, 2022, by and between Tharsos, 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 "IEUA".

#### WITNESSETH:

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

- A.** CONTRACTOR agrees to perform and complete in a workmanlike manner, all Work required under these Bid Documents FOR RP-1 East Influent Gate Replacement, Project No. EN21042, in accordance with the Bid Documents, 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 Bid Documents to be furnished by IEUA, and to do everything required by this Contract and the said Bid Documents.
- B.** 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 Bid Documents; 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 IEUA, 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 Bid Documents are expressly stipulated to be borne by IEUA; and for completing the Work in accordance with the requirements of said Bid Documents, IEUA will pay and said CONTRACTOR shall receive, in full compensation therefore, the price(s) set forth in this Contract.
- C.** That IEUA 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 IEUA, and set forth in this below.

Total Bid Price \$ Three Hundred and Two Thousand  
Dollars.

and Zero Cents.

- D.** IEUA 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 Bid Documents; 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.
- E.** The Notice Inviting Bids, Instructions to Bidders, Bid Forms, Information Required of Bidder, Performance Bond, Payment Bond, Contractor's License Declaration, Specifications, Drawings, all General Conditions, Special Conditions and all Project Requirements, and all Addenda issued by IEUA 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.
- F.** 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 IEUA one hundred and eighty (180) calendar days after award of the Contract. All Work shall be completed before final payment is made.
- G.** Time is of the essence on this Contract.
- H.** CONTRACTOR agrees that in case the Work is not completed before or upon the expiration of the Contract Time, damage will be sustained by IEUA, and that it is and will be impracticable to determine the actual damage which IEUA will sustain in the event and by reason of such delay, and it is therefore agreed that the CONTRACTOR shall pay to IEUA the amounts as set forth in General Conditions, Section C – Changes to the Contract for each day of delay, which shall be the period between the expiration of the Contract Time and the date of final acceptance by IEUA, 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 IEUA, and the CONTRACTOR agrees to pay such liquidated damages as herein provided. In case the liquidated damages are not paid, the CONTRACTOR agrees that IEUA 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.
- I.** In addition to the liquidated damages, which may be imposed if the CONTRACTOR fails to complete the Work within the time agreed upon, IEUA may also deduct from any sums due or to become due to the CONTRACTOR, penalties and fines for violations of applicable local, state, and federal law.
- J.** That the CONTRACTOR shall carry Workers' Compensation Insurance and require all subcontractors to carry Workers' Compensation Insurance as required by the California Labor Code.

- K. That the CONTRACTOR shall have furnished, prior to execution of the Contract, two bonds approved by IEUA, 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.
- L. The CONTRACTOR hereby agrees to protect, defend, indemnify and hold IEUA and its employees, Engineer, 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 IEUA 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 to the fullest extent permitted by law.

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.

- M. The CONTRACTOR, by signing the contract does swear under penalty of perjury that no more than one final unappeasable finding of contempt of court by a Federal court has been issued against the CONTRACTOR within the immediately preceding two year period because of the CONTRACTOR's failure to comply with an order of a Federal court which orders the CONTRACTOR to comply with an order of the National Labor Relations Board (Public Contract Code 10296).

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

CONTRACTOR

By \_\_\_\_\_  
*General Manager*  
Shivaji Deshmukh

By \_\_\_\_\_  
Michael Lopez  
President  
\_\_\_\_\_  
*Title*

\* *A Municipal Water District*

**CONSENT  
ITEM**

**1E**



**Date:** April 20, 2022

*ADD*

**To:** The Honorable Board of Directors                      **From:** Shivaji Deshmukh, General Manager

**Committee:** Engineering, Operations & Water Resources                      04/13/22

Finance & Administration                      04/13/22

**Executive Contact:** Christiana Daisy, Deputy General Manager

**Subject:** RP-1 Solids Hot Water Loop Replacement Amended Change Order

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**Executive Summary:**

On October 21, 2020, Inland Empire Utilities Agency (IEUA) awarded a \$996,000 construction contract to Ferreira Construction Company for the RP-1 Solids Hot Water Loop Replacement Project. The scope included replacing 720 feet of hot water loop pipeline that had reached the end of its useful life. The loop supplies the digesters with heat to maintain the needed temperature for the anaerobic digestion process. During construction, staff requested the contractor to provide cost to replace an additional 100 feet of pipe to complete the replacement of the entire underground hot water system. The contractor submitted a cost of \$180,000 to complete the work, and the not-to-exceed value was approved by the IEUA Board in July 2021. Since then, all work has been completed. Unfortunately, after the completion, the contractor's costs exceeded the original estimate by approximately \$40,000 due to delays in procurement and construction challenges. IEUA also incurred additional costs for labor and bypass piping rental that were not originally anticipated in the project cost estimate.

Therefore, staff recommends an increase of \$40,000 to the original \$180,000 change order bringing the new total to \$220,000. Finally, staff is recommending a total project budget and FY 2021/22 budget transfer of \$210,000.

---

**Staff's Recommendation:**

1. Approve a \$40,000 increase to the construction change order for the RP-1 Solids Hot Water Loop Replacement, Project No. EN20065, to Ferreira Construction Co., increasing the not-to-exceed amount of \$180,000 to \$220,000, and increasing the contract from \$1,341,542 to \$1,381,542 (approximately 3% increase);
2. Approve a total project budget and FY 2021/22 budget transfer from the RP-4 Primary Clarifier Rehabilitation, Project No. EN17043, to the RP-1 Solids Hot Water Loop Replacement, Project No. EN20065, in the amount of \$210,000 in the RO/10800 Fund; and
3. Authorize the General Manager to execute the change order and budget amendment, subject to non-substantive changes.

---

**Budget Impact** Budgeted (Y/N): N    Amendment (Y/N): Y    Amount for Requested Approval: \$ 210,000

*Account/Project Name:*

EN17043/RP-4 Primary Clarifier Rehabilitation

EN20065/RP-1 Solids Hot Water Loop Replacement

*Fiscal Impact (explain if not budgeted):*

If approved, the total project budget and FY 2021/22 budget transfer from the RP-4 Primary Clarifier Rehabilitation, Project EN17043, to the RP-1 Solids Hot Water Loop Replacement, Project No. EN20065, will be \$210,000 in the Regional Operations and Maintenance (10800/RO) Fund.

**Prior Board Action:**

In July 2021, the Board of Directors approved a construction change order to Ferreira Construction Company for the not-to-exceed amount of \$180,000.

In October 2020, the Board of Directors awarded a Construction Contract to Ferreira Construction Company for \$996,000 and approved a budget transfer from the future Project EN21040 to Project EN20065, in the amount of \$560,000 and advanced the 21/22 Fiscal Year budget for EN21040 to the 20/21 Fiscal Year in the amount of \$250,000.

---

**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:**

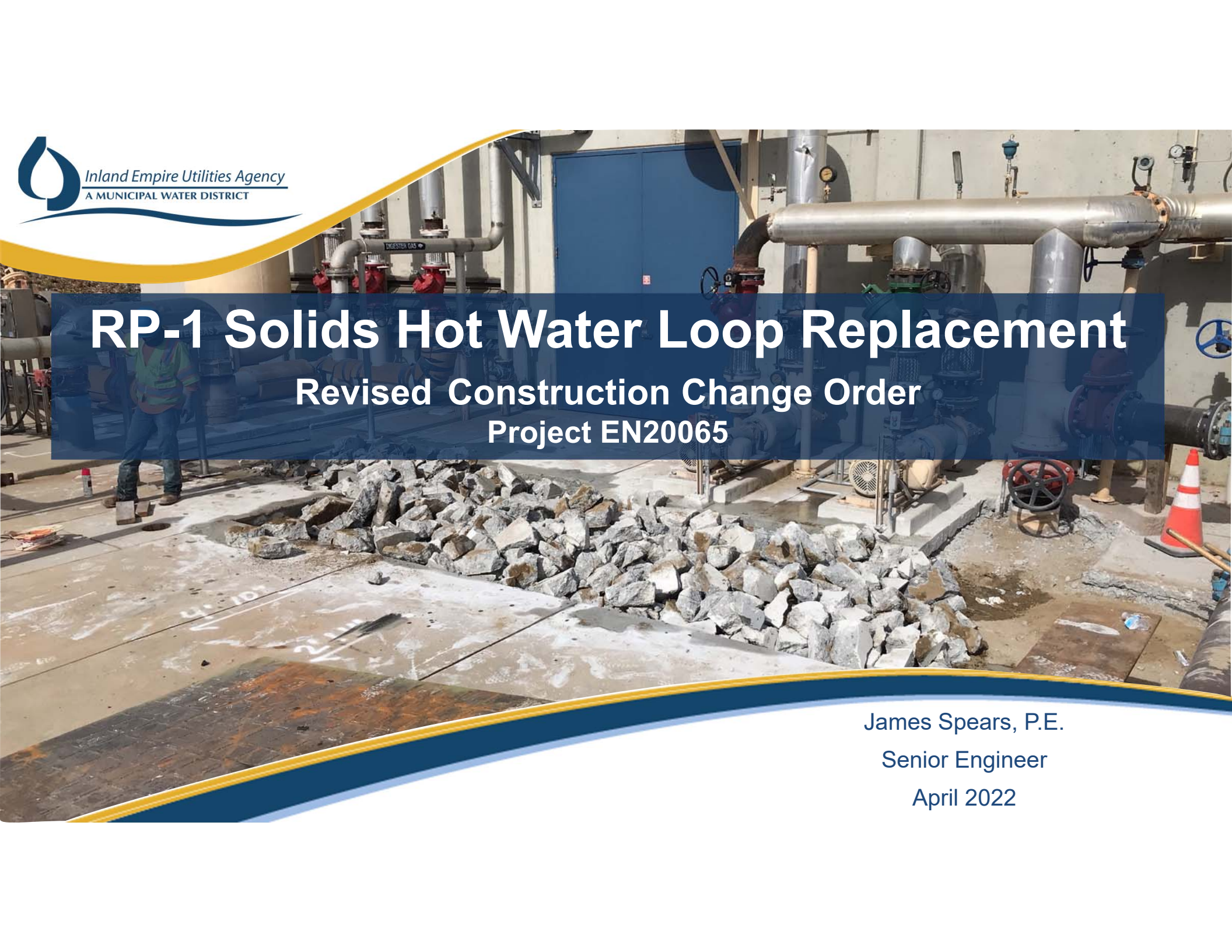
The RP-1 Solids Hot Water Loop Replacement Project is consistent with IEUA's Business Goal of Wastewater Management specifically the Asset Management objective that IEUA will ensure the treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate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

---

**Attachments:**

Attachment 1 - PowerPoint

# **Attachment 1**



# RP-1 Solids Hot Water Loop Replacement

## Revised Construction Change Order

### Project EN20065

James Spears, P.E.  
Senior Engineer  
April 2022



# Project Location: Regional Plant 1



# The Project

- RP-1 Solids Hot Water Loop Replacement Project
  - Awarded in October 2020 to Ferreira Construction Co.
  - Board approved Change Order in July 2021 for \$180,000.
- Replace 720 Feet of Pipeline
  - 360 feet for supply and 360 feet for return.
  - Replace 15 existing valves and add 11 new valves.



Removed Corroded Line



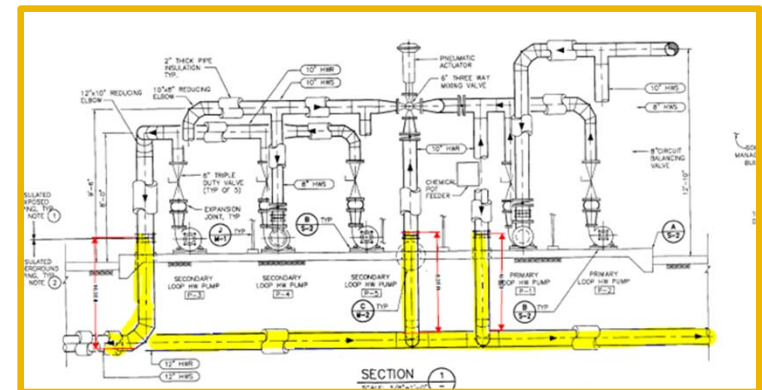
New Hot Water Loop Pipeline

# The Problem/Opportunity

- Hot Water Loop Issues:
  - Three emergency projects in the last two years
  - Corrosion occurring in multiple locations
- Opportunity
  - Replace remaining 100 lineal feet of pipeline
- Unforeseen Costs
  - Procurement delays
    - Additional months of bypass
    - Additional labor
    - Natural gas for boilers
  - Hydro excavation
  - Slurry backfill



Corrosion on Pipeline



Additional 100 lineal feet to be replaced

# Project Budget

| Description                              | Estimated Cost     |
|------------------------------------------|--------------------|
| <b>Design Services</b>                   | <b>\$86,194</b>    |
| Design Consultant Contract               | \$25,000           |
| IEUA Design Services (actuals)           | \$61,194           |
| <b>Construction Services</b>             | <b>\$298,631</b>   |
| Engineering Services During Construction | \$56,020           |
| IEUA Construction Services               | \$242,611          |
| <b>Construction</b>                      | <b>\$1,381,542</b> |
| Construction Contract                    | \$1,161,542        |
| Previously Approved Change Order         | \$180,000          |
| Change Order Increase (this action)      | \$40,000           |
| <b>Total Project Cost:</b>               | <b>\$1,766,367</b> |
| <b>Total Project Budget:</b>             | <b>\$1,560,000</b> |
| <b>Budget Transfer (this action):</b>    | <b>\$210,000</b>   |
| <b>Revised Total Project Budget:</b>     | <b>\$1,770,000</b> |

| Project Milestone              | Date         |
|--------------------------------|--------------|
| <b>Construction</b>            |              |
| Construction Contract Award    | October 2020 |
| Original Completion            | July 2021    |
| Actual Construction Completion | August 2021  |

*\*Budget transfer from the RP-4 Primary Clarifier Rehabilitation Project (10800 Fund)*

## Recommendation

- Approve a \$40,000 increase to the construction change order for the RP-1 Solids Hot Water Loop Replacement, Project No. EN20065, to Ferreira Construction Co., increasing the not-to-exceed amount of \$180,000 to \$220,000, and increasing the contract from \$1,341,542 to \$1,381,542 (approximately 3% increase);
- Approve a total project budget and FY 2021/22 budget transfer from the RP-4 Primary Clarifier Rehabilitation, Project No. EN17043, to the RP-1 Solids Hot Water Loop Replacement, Project No. EN20065, in the amount of \$210,000 in the RO/10800 Fund; and
- Authorize the General Manager to execute the change order and budget amendment, subject to non-substantive changes.

The RP-1 Solids Hot Water Loop Replacement Project is consistent with **IEUA's Business Goal of Wastewater Management and Water Reliability**, that IEUA is committed to providing a reliable and cost-effective water supply, promoting sustainable water use throughout the region, and is committed to meeting regional demands in an environmentally responsible and cost-effective manner.

ACTION  
ITEM  
2A

**Date:** April 20, 2022

*SDD*

**To:** The Honorable Board of Directors

**From:** Shivaji Deshmukh, General Manager

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

04/13/22

Finance & Administration

04/13/22

**Staff Contact:** Christiana Daisy, Deputy General Manager

**Subject:** RP-1 Disinfection Improvements Project Construction Contract Award

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**Executive Summary:**

The Tertiary Treatment Plant (TP-1) at the Regional Plant No. 1 (RP-1) treats secondary effluent with sodium hypochlorite (bleach) to meet recycled water standards. The RP-1 Disinfection Project was placed on hold in 2018, due to budgetary constraints. In 2019, the bleach distribution system failed, and a temporary system was installed under an emergency project. In April 2021, after receipt of a State Revolving Fund (SRF) loan, the original design engineer consultant, Carollo Engineers, Inc., was contracted to complete the design. This project will construct a new bleach storage, injection and mixing system. Other improvements include new chemical mixing pump station at the Filter Effluent Structures, concrete and coating repairs to sedimentation basins, and asphalt improvements. On January 13, 2022, IEUA issued an invitation for bids to seven prequalified contractors. On March 3, 2022, IEUA received three construction bids. Innovative Construction Solutions (ICS) was the lowest responsive, responsible bidder with a bid price of \$8,575,000; engineer's estimate was \$8,225,238. Further, staff is recommending a consulting contract for Engineering Services During Construction to Carollo Engineers, Inc., for a total of \$598,411, for continuity between design and construction phases. Staff also recommends a total project budget increase in the amount of \$4,450,000. The construction contract award was unanimously recommended for IEUA Board approval by the Regional Technical and Policy Committees on March 31, 2022, and April 5, 2022.

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**Staff's Recommendation:**

1. Award a construction contract for the RP-1 Disinfection Improvements, Project No. EN11039, to Innovative Construction Solutions in the amount of \$8,575,000;
2. Award a consulting contract for Engineering Services During Construction to Carollo Engineers, Inc. for a not-to-exceed amount of \$598,411;
3. Approve a total project budget increase to the RP-1 Disinfection Improvements, Project No. EN11039, in the amount of \$4,450,000 in the RC/10900 Fund; and
4. Authorize the General Manager to execute the construction contract, consultant contract, and budget increase, subject to non-substantive changes.

---

**Budget Impact** *Budgeted (Y/N):* N *Amendment (Y/N):* Y *Amount for Requested Approval:* \$ 4,450,000

*Account/Project Name:*

EN11039/RP-1 Disinfection Improvements Project

*Fiscal Impact (explain if not budgeted):*

If approved, the total project budget will increase in the amount \$4,450,000 for the RP-1 Disinfection Improvements, Project No. EN11039, in the Regional Wastewater Capital (RC/10900) Fund.

**Prior Board Action:**

In March 2018, the Board of Directors issued Amendment No. 3 to Carollo Engineers, Inc. for final design services for a not-to-exceed amount of \$592,325.

---

**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 of the State CEQA Guidelines.

---

**Business Goal:**

The RP-1 Disinfection Improvements Project is consistent with IEUA's business goal of Wastewater Management, specifically the Asset Management objective that IEUA will ensure the treatment facilities are well maintained, upgraded to meet evolving requirements, sustainability managed, and can accommodate changes in regional water use.

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**Attachments:**

Attachment 1 - PowerPoint

Attachment 2 - Consultant Contract

Attachment 3 - Construction Contract



# **Attachment 1**



# RP-1 Disinfection Improvements Project

## Construction Contract Award

### Project EN11039

Vicky Salazar, EIT  
Associate Engineer  
April 2022

# Project Location: Regional Plant No. 1



## Background

- Existing chemical distribution piping has failed
- Temporary system installed as an emergency project

### Project will:

- Improve operational flexibility and redundancy
- Enhance effluent to ensure compliance
- Reduce chemical usage and bulk deliveries



Temporary Sodium Hypochlorite (Bleach) Piping System

# The Project

## Scope of Work:

- Demolish existing tanks and pumps
- New bleach facility
  - Chemical feed pumps, bleach storage tanks, chemical containment
- Construct new chemical mixing pump station at filter effluent structures
- Rehabilitation and mechanical upgrades at sedimentation basin
- Pavement restoration
- SCADA integration



Existing Bleach Storage Tanks

Apr 15, 2021 at 10:51:07 AM  
CA, Ontario, Central Ontario

Existing Sedimentation Basin



Apr 15, 2021 at 10:47:12 AM  
CA, Ontario, Central Ontario

# Contractor Selection

Three bids were received on March 3, 2022:

| Bidder's Name                         | Final Bid Amount   |
|---------------------------------------|--------------------|
| Innovative Construction Solutions     | \$8,575,000        |
| W.A. Rasic Construction Company, Inc. | \$9,722,088        |
| J.F. Shea Construction, Inc.          | \$13,422,000       |
| <b>Engineer's Estimate</b>            | <b>\$8,225,238</b> |

# Project Budget and Schedule

| Description                                            | Estimated Cost      |
|--------------------------------------------------------|---------------------|
| <b>Design Services</b>                                 | <b>\$1,406,093</b>  |
| Design Consultant Contract                             | \$658,699           |
| IEUA Design Services (actuals)                         | \$747,394           |
| <b>Construction Services</b>                           | <b>\$1,455,911</b>  |
| Engineering Services During Construction (this action) | \$598,411           |
| IEUA Construction Services (~10%)                      | \$857,500           |
| <b>Construction</b>                                    | <b>\$9,861,250</b>  |
| Construction Contract (this action)                    | \$8,575,000         |
| Contingency (~15%)                                     | \$1,286,250         |
| <b>Total Project Cost</b>                              | <b>\$12,723,254</b> |
| <b>Total Project Budget:</b>                           | <b>\$8,547,043</b>  |
| <b>Budget Increase (this action)*:</b>                 | <b>\$4,450,000</b>  |
| <b>Revised Total Project Budget:</b>                   | <b>\$12,997,043</b> |

| Project Milestone           | Date         |
|-----------------------------|--------------|
| <b>Construction</b>         |              |
| Construction Contract Award | April 2022   |
| Construction Completion     | October 2023 |

\*Budget increase from Regional Wastewater Capital Fund (10900)

## Recommendation

- Award a construction contract for the RP-1 Disinfection Improvements, Project No. EN11039, to Innovative Construction Solutions in the amount of \$8,575,000;
- Award a consulting contract for Engineering Services During Construction to Carollo Engineers, Inc. for a not-to-exceed amount of \$598,411;
- Approve a total project budget increase to the RP-1 Disinfection Improvements, Project No. EN11039, in the amount of \$4,450,000 in the RC/10900 Fund; and
- Authorize the General Manager to execute the construction contract, consultant contract, and budget increase, subject to non-substantive changes.

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



# **Attachment 2**



**CONTRACT NUMBER: 4600003130**  
**CONSULTING ENGINEERING SERVICES**  
**FOR THE**  
**RP-1 DISINFECTION PUMP IMPROVEMENTS, PROJECT EN11039**

THIS CONTRACT (the "Contract") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2022, 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 Carollo Engineers, Inc. with offices located in Riverside, Irvine, and Los Angeles (hereinafter referred to as "Consultant"), for Engineering Services During Construction (ESDC) for Project EN11039.

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

1. **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: James S. Spears, P.E., Senior Engineer  
Address: 6075 Kimball Avenue, Building "B"  
Chino, CA 91708  
Telephone: (909) 993-1851  
Facsimile: (909) 993-1987  
Email: [jspears@ieua.org](mailto:jspears@ieua.org)

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

Consultant: Rajesh Doppalapudi, P.E., BCEE  
Project Manager  
Address: 3150 Bristol Street, Suite 500, Costa Mesa, CA 92626  
Telephone: (714) 593-5100  
Facsimile: (714) 593-5101  
Email: [rdoppalapudi@carollo.com](mailto:rdoppalapudi@carollo.com)

3. ORDER OF PRECEDENCE: 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 Number 4600003130
  - B. Contract Number 4600003130 General Terms and Conditions.
  - C. Project Manager's Request for Proposal and germane Addenda, incorporated herein by reference.
  - D. Consultant's Proposals dated November 22, 2021 and March 2, 2022, incorporated herein as **Attachment 1**.
4. SCOPE OF WORK AND SERVICES: Consultant's services and responsibilities shall be in accordance with Project Manager's Request for Proposal and germane Addenda, incorporated herein by reference, and **Attachment 1** which is attached hereto, referenced herein and made a part hereof.
5. TERM: The term of this Contract shall extend from the date of the Notice to Proceed, and terminate on June 30, 2024 unless otherwise agreed to by both parties, reduced to writing, and amended to this Contract.
6. COMPENSATION: Agency shall pay Consultant's once-monthly, properly-executed invoice, approved by the Project Manager (basis Consultant's Fee Schedule attached hereto, referenced herein, and made a part hereof as being within the context of **Attachment 1**) within thirty (30) days following receipt of the invoice by IEUA Accounts Receivable, utilizing Consulting Services Invoice Template **Attachment 2**, attached hereto and made a part hereof, for the submittal of each invoice. (The template in Excel format will be furnished to Consultant by the cognizant IEUA Project Manager.) Invoices shall include the name of assigned personnel, fully-burdened hourly billing rate, dates worked, a brief description of work, as well as the Contract Number 4600003130 for payment. Payment shall be withheld for any service which does not meet Agency requirements or have proven unacceptable until such service is revised, the invoice resubmitted and accepted by the Project Manager. Consultant's original invoice shall be submitted electronically to [apgroup@ieua.org](mailto:apgroup@ieua.org). Should Consultant engage in any public works activity in excess of \$25,000.00 in billing value, Consultant 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> ].

In compensation for the work represented by this Contract, Agency shall pay Consultant NOT-TO-EXCEED a maximum total of **\$598,411.00** for all services provided in accordance with **Attachment 1**, referenced herein, attached hereto, and made a part hereof. All compensation shall be made via Automatic Clearing House (ACH) transactions.

Agency may, at any time, make changes to the Scope of Work, including additions, reductions, and changes to any or all of the Work, as directed in writing by the Agency. Such changes shall be made by an Amendment to the Contract. Any changes shall be made by a written Amendment to the Contract. Consultant's invoice must be submitted

according to milestones achieved by Consultant and accepted by the Agency's Project Manager, and shall include a breakdown by items completed, all associated labor provided, labor hours supplied and associated hourly rates, dates worked, the current monthly amount due, and the cumulative amount invoiced to-date against this Contract, using the Agency's standard Excel-based invoicing template **Attachment 2**. Invoice shall not be submitted in advance and shall not be dated earlier than the actual date of submittal.

7. **CONTROL OF THE WORK:** The 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.
8. **FITNESS FOR DUTY:**
  - A. **Fitness:** Consultant 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.
    4. **Compliance:** Consultant shall advise all Consultant and subcontractor 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. Consultant shall impose these requirements on its Subcontractors. Agency may cancel the Contract if Consultant violates these Fitness for Duty Requirements.
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. 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: Risk Specialist Ms. Angela Witte  
P.O. Box 9020  
Chino Hills, California 91709  
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. Subcontract Services: Any subcontracts for the performance of any services under this Contract shall be subject to the written approval of the Project Manager. For this project subcontractor list law shall apply.
- E. Grant-Funded Projects: This is a grant-funded (e.g., Federal Grant and State Revolving Funds combined) project. The agreement has specific requirements regarding clauses that must be included in all of Agency's contractual documents related to this project. Consultant must assist IEUA in meeting all the requirements for this Agreement. These requirements include, but are not limited to, the State Prevailing Wages, Federal Davis-Bacon requirements, Federal Disadvantaged Business Enterprise (DBE), Single Audit, Records and Drug Free Workplace. If a subconsultant is hired, the grant requirements language must be included in the subconsultant's contract in its entirety. Reference all special language and reporting requirements attached hereto, referenced herein, and made a part hereof as **Attachment 3**.
- F. 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.

Consultant understands and acknowledges that executing this Agreement may inhibit the Consultant from engaging in future contracts, jobs, or agreements with the Agency that is, or can be considered, related to the Scope of Work due to a potential conflict of interest.

G. Equal Opportunity and Unlawful Discrimination: 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. The Agency is committed to creating and maintaining an environment free from harassment and discrimination. To accomplish these goals the Agency has established procedures regarding the implementation and enforcement of the Agency's Harassment Prohibition and Equal Employment Opportunity commitments. Please refer to Agency Policies A-29 (Equal Employment Opportunity) and A-30 Harassment Prohibition for detailed information or contact the Agency's Human Resources Administrator. A copy of either of these Policies can be obtained by contacting the Project Manager for your respective Contract. Please advise any of your staff that believes they might have been harassed or discriminated against while on Agency property, to report said possible incident to either the Project Manager, or the Agency's Human Resources Administrator. Please be assured that any possible infraction shall be thoroughly investigated by the Agency.

H. Non-Conforming Work and Warranty: Consistent with the standard of skill and care set forth in Section 10, A, Professional Responsibility, Consultant represents and warrants that the Work and Documentation shall be adequate to serve the purposes described in the Contract. 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.

I. 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 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 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 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 hereto 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 (5) names of persons acceptable to the Consultant to be appointed as Arbitrator. The Agency shall determine if any of the names submitted by Consultant are acceptable and, if so, such person shall be designated as Arbitrator.
  - b. In the event that none of the names submitted by Consultant are acceptable to Agency, or if for any reason the Arbitrator selected in Step (a) is unable to serve, the Agency shall submit to Consultant a list of five (5) names of persons acceptable to Agency for appointment as Arbitrator. The Consultant 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). Joinder in Mediation/Arbitration: The Agency may join the Consultant in mediation or arbitration commenced by a subcontractor 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. **INDEMNIFICATION:** Consultant 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 Consultant, its directors, employees, agents and assigns, in the performance of work under this Contract, to the extent caused by Consultant's negligence or willful misconduct. Notwithstanding the foregoing, to the extent that this Contract includes design professional services as addressed 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.

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.

Notwithstanding the foregoing, for any claim alleging Consultant's negligent performance of professional services, Consultant's obligations regarding the Agency's defense under this paragraph include only the reimbursement of the Agency's reasonable defense costs incurred to the extent of Consultant's negligence as expressly determined by a final judgment, arbitration, award, order, settlement, or other final resolution. Consultant shall not be responsible for warranties, guarantees, fitness for a particular purpose, breach of fiduciary duty, or loss of anticipated profits. Additionally, Consultant shall not be responsible for acts and decisions of third parties, including governmental agencies, other than Consultant's subconsultants, that impact project completion and/or success.

In addition to the above, Consultant will indemnify, defend, and hold Agency, its directors, employees, agents, and assigns harmless from all liabilities, losses, damages, claims, penalties, fines, costs, attorney's fees or other responsibilities incurred by the Agency (an "Indemnified Loss") as a result of the acts, errors or omissions, whether intentional, negligent or otherwise, of Consultant, its employees, and its consultants that result in claims against the Agency by Consultant's employees, consultants, and/or contractors for employment-related claims including but not limited to claims for wages, benefits, insurances, employee misconduct, workplace hostile environment, wrongful termination, discrimination or retaliation. Consultant will not be obligated to indemnify, defend, or hold harmless Agency for any liabilities, losses, damages, claims, penalties, fines, costs, attorney's fees or other responsibilities incurred by the Agency (a "Non-Indemnified Loss")

as a result of claims made by Consultant's employees, consultants, and/or contractors against Agency arising out of the negligent, intentional, or reckless acts, errors or omissions of Agency and its employees.

12. 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 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 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.
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 Agreement 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, trademark, 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, trademark, 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, a Municipal Water District

P.O. Box 9020  
Chino Hills, California 91709

Consultant: Mr. Balakrishnan Narayanan  
Chief Executive Officer  
Carollo Engineers, Inc.  
2700 Ygnacio Valley Road, Suite 300  
Walnut Creek, CA 94598

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. 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 this work.  

In the event of litigation concerning disclosure of information Consultant considers exempt from disclosure, (e.g., "Confidential," "Proprietary" or "Trade Secret,") 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.
19. RIGHT TO AUDIT: The Agency reserves the right to review and/or audit all Consultant'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 termination of the Contract. The Consultant shall make all records and related documentation available within three (3) working days after said records are requested by the Agency.
20. INTEGRATION: The Contract Documents represent the entire Contract 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.

21. GOVERNING LAW: This Contract is to be governed by and constructed in accordance with the laws of the State of California, County of San Bernardino.
22. 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 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.
23. 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.
24. NOTICE TO PROCEED: No services shall be performed or furnished under this Contract unless and until this document has been properly signed by all responsible parties and a Notice to Proceed order has been issued to the Consultant.
25. AGENCY-PROVIDED INFORMATION AND SERVICES: The Agency shall furnish Consultant available studies, reports and other data pertinent to Consultant's services; obtain or authorize Consultant to obtain or provide additional reports and data as required; furnish to Consultant services of others required for the performance of Consultant's services hereunder, all subject to Agency's prior approval, and Consultant shall be entitled to use and rely upon all such information and services provided by the Agency or others in performing Consultant's services under this Agreement.
26. ESTIMATES AND PROJECTIONS: Consultant has no control over the cost of labor, materials, equipment or services furnished by others, over the incoming water quality and/or quantity, or over the way the Agency's plant and/or associated processes are operated and/or maintained. Data and cost projections are based on Consultant's opinion based on experience and judgment. Consultant cannot and does not guarantee that actual base unit quantities realized and/or costs will not vary from the data and cost projections prepared by Consultant and Consultant does not and will be not liable to and/or indemnify the Agency and/or any third party related to any inconsistencies between Consultant's data and/or cost projections and actual base unit quantities and/or associated energy cost savings realized by the Agency and/or any third party in the future. However, nothing herein shall relieve Consultant from liability for its failure to perform the work to the standard of skill and care expected of a consultant under the same or similar circumstances.
27. THIRD PARTIES: The services to be performed by Consultant are intended solely for the benefit of the Agency. No person or entity not a signatory to this Agreement shall be entitled to rely on Consultant's performance of its services hereunder, and no right to assert a claim against Consultant by assignment of indemnity rights or otherwise shall

accrue to a third party as a result of this Agreement or the performance of Consultant's services hereunder.

IN WITNESS WHEREOF, 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)

CAROLLO ENGINEERS, INC.:

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

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

\_\_\_\_\_  
Graham Juby, PhD, PE  
Principal-in-Charge

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

\_\_\_\_\_  
Eric M. Mills, P.E.  
Senior Vice President

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

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# **Consultant Contract Attachment 1**



March 2, 2022

Mr. James Spears, P.E.  
Senior Engineer  
Inland Empire Utilities Agency  
6075 Kimball Avenue  
Chino, CA 91708

Subject: RP-1 Disinfection Improvements Project (EN11039) – Engineering Services During Construction

Dear Mr. Spears:

Thank you for your request to provide a detailed breakdown for providing Engineering Services during Construction (ESDC) for the Inland Empire Utilities Agency (IEUA/Agency) Project EN11039.

### **Background**

In January 2022, Carollo submitted the Final Bid Set documents for the RP-1 Disinfection Improvements Project (EN11039). IEUA is planning on bidding this project in January, with potential construction Notice to Proceed in March 2022. The construction duration for the project is estimated to be about 12-months. This scope of work includes engineering services during construction for this project.

In addition, this scope of work also includes additional effort that was required to update the Bid Set to current IEUA's Engineering Standards as agreed to by IEUA and presented in Carollo's letter dated November 22, 2021 (Exhibit C).

### **Scope of Work**

The tasks listed below present our understanding of the scope of work:

#### **Task 1 – Revised Bid Set due to Updated Engineering Standards**

As presented in Carollo's letter dated November 22, 2021, this task includes the following two subtasks:

##### *Task 1.1 – Revised Electrical and Instrumentation Drawings*

Fourteen additional drawings were included in the Bid Set to meet the intent of IEUA's current Engineering Standards and to include clarifications to the contractor. Refer to the letter in Exhibit C for additional details.

##### *Task 1.2 – Updated Construction Cost Estimate*

The original construction cost estimate for the EN11039 project was developed in 2018 and is more than three years old. Since that time, there has been significant changes in material and labor costs especially due to impacts related to Covid -19. A more detailed Construction Cost Estimate based on the current Bid Set was developed in December 2021 to reflect current market conditions.

### Task 2 – Project Management

Monitor elements of engineering services effort for conformance with the project's intent and provide active engineering overview and support of construction administration and IEUA staff in responding to construction issues. Monitor and manage resources to adequately support contractor's construction schedule. Attend periodic project meetings to monitor activities during the construction phase, that is anticipated to last 18-months. Carollo will attend up to 18 in-person project meetings.

In addition, Carollo will attend up to 6 workshops, led by the General Contractor, as included in the General Conditions. A total of 3 hours per workshop with one person attending was assumed for this task.

### Task 3 – Prepare Conformed Documents

After construction bid opening, prepare conformed documents (specifications and drawings) to incorporate modifications to the contract documents made via the addenda issued during the bidding period. Prepare one (1) set of electronic files representing conformed documents information. This set of conformed documents will be developed in electronic format using MicroStation and Microsoft Word. Provide one (1) set of originals for revised specification sections and 22-inch by 34-inch drawings in.pdf format. Total sheet count for the drawings is 146, including 5 demolition drawings that will be provided by IEUA. Average level of effort of 1.5 hours per sheet and 40 hours to update the specifications is assumed for this task.

### Task 4 – Respond to Requests for Information (RFIs)

All questions and concerns that arise during construction will be transmitted and coordinated by IEUA's Construction Manager (CM) and will be documented using RFI format. Carollo Engineers (ENGINEER) will review and respond in writing to all RFIs that are submitted to Carollo. IEUA staff and the CM will review ENGINEER's response to the RFIs, as appropriate. Design team members will provide overview in each discipline to confirm that the decisions made in design are incorporated in the responses to RFIs generated during construction. It is assumed that IEUA's CM will respond directly to some RFIs. Carollo's scope of work assumed responding to up to 120 RFIs with an average level of effort of 3 hours per RFI.

### Task 5 – Review Major Shop Drawing Submittals

Equipment shop drawings and other major submittals will be reviewed by the design team for conformance to the Contract Documents. ENGINEER will provided an initial review and one resubmittal review. Carollo's scope of work assumes reviewing a total of 100 shop drawings as listed in Exhibit D, including resubmittals, with an average level of effort of 6 hours per submittal.

### Task 6 – Review Change Order Proposals (COPs)

All COPs that arise during construction will be transmitted and coordinated by IEUA's CM and will be documented using COP format. Carollo (ENGINEER) will review and respond in writing to all COPs that are submitted to Carollo. Design team members will provide overview in each discipline to confirm that the COPs meet the design intent. IEUA staff and the CM will review ENGINEER's response to the COP, as appropriate. This scope of work includes review of up to 10 COPs, and assumes an average level of effort of 16 hours per COP.

#### Task 7 – Commissioning and Startup Assistance

The Contract Documents direct the Contractor to assume responsibility for commissioning and startup and to demonstrate the function of each process system and subsystem. Carollo will provide as-needed engineering services to review the Contractor's Commissioning and Startup Plan and sample forms and test reports that are required for check out of each piece of mechanical equipment. It is assumed that the commissioning phase will not last more than two weeks. An allowance of 134 hours has been assumed.

After commissioning is completed, Carollo will assist IEUA operations staff with system startup and system performance testing of the project. It is assumed that the start-up period will not last more than two weeks, and duties will include:

1. Attend sequencing and startup meetings with the appropriate Operations staff, equipment suppliers and appropriate subcontractors including a kick-off meeting to enhance coordination and scheduling.
2. Assist in monitoring system performance and provide comments and recommendations regarding the results.

An allowance of 112 hours has been assumed for startup assistance.

#### Task 8 – Electronic O&M Manuals (EO&Ms)

One EO&M (including two SOPs) for the Disinfection process will be prepared and updated for the RP-1 Disinfection Improvements. The EO&M and SOPs will follow the format developed with IEUA Operations Staff, to match other process O&Ms at RP-1. A total work effort of 172 hours was assumed, which includes a total of 52 hours for the two SOPs.

#### Task 9 – Record Drawings

IEUA inspection staff in support of the Contractor's record drawings will maintain a set of full-size drawings and record field changes (including RFI responses) and corrections identified in the construction phase. These marked up drawings will be provided to Carollo for incorporation into Record Drawings. Record drawing information will be based on the provided marked-up drawings. Carollo will prepare one (1) set of electronic files. The record drawings will be developed in electronic format using MicroStation. Total sheet count is 146, including the 5 demolition drawings to be prepared by IEUA. Average level of effort of 4 hours per sheet is assumed for this task.

Mr. James Spears, P.E.  
Inland Empire Utilities Agency  
March 2, 2022

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### Optional Items Not Included

1. Carollo's estimated work effort and budget is based upon IEUA staff providing construction management, inspection services and supporting the effort to resolve construction conflicts.
2. All material testing and management of subconsultants and subcontractors will be contracted by and coordinated by the IEUA.
3. Specialty inspection other than that specifically identified.
4. Factory witness testing/inspection of equipment or any other item.
5. Electrical coordination study and Arc Flash study.
6. Coordination for obtaining NPDES, AQMD, and any other permits.
7. Legal assistance or fees associated with resolving construction disputes and formal claims.
8. Other items not specifically listed in the above Scope of Work.

### Cost of Work Effort

A detailed breakdown of the proposed Tasks, labor effort and budget cost estimates are shown in the table included in Exhibit B, attached. As indicated, the proposed effort for the ESDCs totals \$ 598,411.

We appreciate your consideration of this work effort and look forward to the successful completion of the construction phase of you Project EN11039.

Sincerely,

CAROLLO ENGINEERS, INC.



Graham J.G. Juby, Ph.D., P.E.  
Principal in Charge



Rajesh Doppalapudi, P.E., BCEE  
Project Manager

GJJ/RBD:mr

Enclosures: Exhibit B  
Exhibit C  
Exhibit D

EXHIBIT B

**EXHIBIT B**  
**FEE ESTIMATE (02/04/2022)**  
**INLAND EMPIRE UTILITIES AGENCY**  
**RP-1 - DISINFECTION IMPROVEMENTS - EN11039**  
**ENGINEERING SERVICES DURING CONSTRUCTION**

| IEUA - RP-1-DISINFECTION IMPROVEMENTS - EN11039      | ESTIMATED CAROLLO LABOR COSTS |                   |              |                        |                  |                    |               |              |                         |                 |                    |                     |
|------------------------------------------------------|-------------------------------|-------------------|--------------|------------------------|------------------|--------------------|---------------|--------------|-------------------------|-----------------|--------------------|---------------------|
|                                                      | Senior Professional           | Lead Professional | Professional | Assistant Professional | Sr. CAD Designer | Asst. CAD Designer | Support Staff | Total Hours  | Carollo Labor excl PECE | PECE            | Other Direct Costs | Total Carollo Costs |
| Hourly Rate                                          | \$300                         | \$276             | \$216        | \$177                  | \$177            | \$130              | \$118         |              |                         | \$13.00         |                    |                     |
| <b>Task 1 - Revised Bid Set</b>                      |                               |                   |              |                        |                  |                    |               |              |                         |                 |                    |                     |
| 1.1 Revised EI&C Drawings                            | 8                             | 24                | 40           | 72                     | 48               | 129                | 2             | 323          | \$55,454                | \$4,199         | \$5                | \$59,658            |
| 1.2 Updated Construction Cost Estimate               | 4                             | 12                | 24           | 50                     | 0                | 0                  | 0             | 90           | \$18,352                | \$1,170         | \$0                | \$19,522            |
| <b>Subtotal - Task 1</b>                             | <b>12</b>                     | <b>36</b>         | <b>64</b>    | <b>122</b>             | <b>48</b>        | <b>129</b>         | <b>2</b>      | <b>413</b>   | <b>\$73,806</b>         | <b>\$5,369</b>  | <b>\$5</b>         | <b>\$79,180</b>     |
| <b>Task 2 - Project Management</b>                   |                               |                   |              |                        |                  |                    |               |              |                         |                 |                    |                     |
| 2.1 Project Management                               | 18                            | 54                | 0            | 0                      | 0                | 0                  | 0             | 72           | \$20,304                | \$936           | \$0                | \$21,240            |
| 2.2 Project Meetings                                 | 0                             | 54                | 54           | 0                      | 0                | 0                  | 0             | 108          | \$26,568                | \$1,404         | \$1,500            | \$29,472            |
| 2.3 Project Workshops (6)                            | 0                             | 0                 | 18           | 0                      | 0                | 0                  | 0             | 18           | \$3,888                 | \$234           | \$1,500            | \$5,622             |
| <b>Subtotal - Task 2</b>                             | <b>18</b>                     | <b>108</b>        | <b>72</b>    | <b>0</b>               | <b>0</b>         | <b>0</b>           | <b>0</b>      | <b>198</b>   | <b>\$50,760</b>         | <b>\$2,574</b>  | <b>\$3,000</b>     | <b>\$56,334</b>     |
| <b>Task 3 - Prepare Conformed Set</b>                |                               |                   |              |                        |                  |                    |               |              |                         |                 |                    |                     |
| 3.1 Prepare Conformed Set                            | 3                             | 10                | 12           | 62                     | 20               | 145                | 7             | 259          | \$40,442                | \$3,367         | \$0                | \$43,809            |
| <b>Subtotal - Task 3</b>                             | <b>3</b>                      | <b>10</b>         | <b>12</b>    | <b>62</b>              | <b>20</b>        | <b>145</b>         | <b>7</b>      | <b>259</b>   | <b>\$40,442</b>         | <b>\$3,367</b>  | <b>\$0</b>         | <b>\$43,809</b>     |
| <b>Task 4 - Respod to RFIs</b>                       |                               |                   |              |                        |                  |                    |               |              |                         |                 |                    |                     |
| 4.1 RFIs                                             | 8                             | 40                | 84           | 220                    | 0                | 0                  | 8             | 360          | \$71,468                | \$4,680         | \$0                | \$76,148            |
| <b>Subtotal - Task 4</b>                             | <b>8</b>                      | <b>40</b>         | <b>84</b>    | <b>220</b>             | <b>0</b>         | <b>0</b>           | <b>8</b>      | <b>360</b>   | <b>\$71,468</b>         | <b>\$4,680</b>  | <b>\$0</b>         | <b>\$76,148</b>     |
| <b>Task 5 - Review Major Shop Drawing Submittals</b> |                               |                   |              |                        |                  |                    |               |              |                         |                 |                    |                     |
| 5.1 Review Shop Drawing Submittals                   | 4                             | 60                | 200          | 340                    | 0                | 0                  | 0             | 604          | \$121,140               | \$7,852         | \$0                | \$128,992           |
| <b>Subtotal - Task 5</b>                             | <b>4</b>                      | <b>60</b>         | <b>200</b>   | <b>340</b>             | <b>0</b>         | <b>0</b>           | <b>0</b>      | <b>604</b>   | <b>\$121,140</b>        | <b>\$7,852</b>  | <b>\$0</b>         | <b>\$128,992</b>    |
| <b>Task 6 - Review COPs</b>                          |                               |                   |              |                        |                  |                    |               |              |                         |                 |                    |                     |
| 6.1 Review COPs                                      | 4                             | 16                | 30           | 60                     | 10               | 40                 | 0             | 160          | \$29,686                | \$2,080         | \$0                | \$31,766            |
| <b>Subtotal - Task 6</b>                             | <b>4</b>                      | <b>16</b>         | <b>30</b>    | <b>60</b>              | <b>10</b>        | <b>40</b>          | <b>0</b>      | <b>160</b>   | <b>\$29,686</b>         | <b>\$2,080</b>  | <b>\$0</b>         | <b>\$31,766</b>     |
| <b>Task 7 - Commissioning and Startup</b>            |                               |                   |              |                        |                  |                    |               |              |                         |                 |                    |                     |
| 7.1 Commissioning                                    | 2                             | 12                | 40           | 80                     | 0                | 0                  | 0             | 134          | \$26,712                | \$1,742         | \$0                | \$28,454            |
| 7.2 Startup                                          | 0                             | 8                 | 80           | 24                     | 0                | 0                  | 0             | 112          | \$23,736                | \$1,456         | \$500              | \$25,692            |
| <b>Subtotal - Task 7</b>                             | <b>2</b>                      | <b>20</b>         | <b>120</b>   | <b>104</b>             | <b>0</b>         | <b>0</b>           | <b>0</b>      | <b>246</b>   | <b>\$50,448</b>         | <b>\$3,198</b>  | <b>\$500</b>       | <b>\$54,146</b>     |
| <b>Task 8 - Training and Electronic O&amp;Ms</b>     |                               |                   |              |                        |                  |                    |               |              |                         |                 |                    |                     |
| 8.1 Electronic O&Ms                                  | 0                             | 4                 | 40           | 120                    | 0                | 0                  | 8             | 172          | \$31,928                | \$2,236         | \$0                | \$34,164            |
| <b>Subtotal - Task 8</b>                             | <b>0</b>                      | <b>4</b>          | <b>40</b>    | <b>120</b>             | <b>0</b>         | <b>0</b>           | <b>8</b>      | <b>172</b>   | <b>\$31,928</b>         | <b>\$2,236</b>  | <b>\$0</b>         | <b>\$34,164</b>     |
| <b>Task 9 - Record Drawings</b>                      |                               |                   |              |                        |                  |                    |               |              |                         |                 |                    |                     |
| 9.1 Record Drawings                                  | 0                             | 8                 | 40           | 80                     | 36               | 420                | 0             | 584          | \$85,980                | \$7,592         | \$300              | \$93,872            |
| <b>Subtotal - Task 9</b>                             | <b>0</b>                      | <b>8</b>          | <b>40</b>    | <b>80</b>              | <b>36</b>        | <b>420</b>         | <b>0</b>      | <b>584</b>   | <b>\$85,980</b>         | <b>\$7,592</b>  | <b>\$300</b>       | <b>\$93,872</b>     |
| <b>TOTAL</b>                                         | <b>51</b>                     | <b>302</b>        | <b>662</b>   | <b>1,108</b>           | <b>114</b>       | <b>734</b>         | <b>25</b>     | <b>2,996</b> | <b>\$555,658</b>        | <b>\$38,948</b> | <b>\$3,805</b>     | <b>\$598,411</b>    |

EXHIBIT C

November 22, 2021

Mr. James Spears, P.E.  
Senior Engineer  
Inland Empire Utilities Agency  
6075 Kimball Avenue  
Chino, CA 91708

Subject: RP-1 Disinfection Improvements Project (EN11039) – Additional work effort under existing Task Order 7

Dear Mr. Spears:

Thank you for your request to provide a detailed breakdown of the additional work effort to complete the design for the Inland Empire Utilities Agency (IEUA/Agency) Project EN11039.

### **Background**

In May 2021, IEUA and Carollo executed Amendment No. 1 to Task Order 7 which amended the Task Order to include scope to update the contract documents for the RP-1 Disinfection Improvements Project (EN11039) and provide Bid Period services. Subsequently, in August 2021, IEUA and Carollo executed Amendment No. 2 to Task Order 7 to add additional scope and compensation for providing a standalone PLC to control the new chlorine dosing system. Amendment No. 2 increased Task Order 7 to a total of \$156,032.50.

On September 7, 2021, Carollo submitted the 100% design package for IEUA's review.

### **Cost to Complete the Work**

Carollo's engineering costs through August 2021 totaled \$198,286, and it is anticipated that it will take about \$70,000 more to complete the remaining scope, including preparation of the bid set, completing bid period services, and an additional scope item to update the construction cost estimate. This will take the total work effort above the limit of Task Order 7.

### **Explanation of Additional Work Effort**

The major reason for the additional work effort is added project scope.

#### *Additional Drawings*

The original 100% set prepared by Carollo in 2018 included 131 sheets. The updated 100% set submitted on September 7, 2021 includes 150 sheets. However, not all the 29 additional sheets were new. Ten of the original sheets related to the Alum system were removed from the project, so these are no longer included in the set, although the sheet number was retained to reduce effort. Therefore, 19 sheets were added to the project. Five of the 19 were included in the updated scope captured in Amendments 1 and 2 mentioned above, but 14 were added because of additional scope.



The need for the additional 14 sheets is explained below:

1. IEUA's updated Engineering Design Guidelines (updated July 2020), sent to Carollo after the Amendment No. 1 scope and budget had been finalized, required the addition of 7 new sheets. The updated guidelines mostly impacted the instrumentation sheets. The need for each of the new sheets was discussed with IEUA and it was agreed that IEUA would cover the cost of 5.5 of the 7 sheets. Details of each new sheet and a brief explanation for why it was needed and how the costs would be split, is provided below:
  - a. 01N02: Symbols and Abbreviations – Instrument Tags - IEUA's updated Engineering Guidelines require a separate sheet to show instrument Tags. Two sheets for tagging nomenclature are required due to the complexity of tagging scheme, one for equipment and one for instruments. Sheet 01N02 is for the instruments. Carollo and IEUA will split the cost of this sheet.
  - b. 01N07: Control Schematics I – this sheet was entirely changed to match other IEUA projects and to match the updated standard approach from IEUA Engineering Guidelines. The 2020 Design Guidelines do have sample motor control schematics which were not part of the 2016 version. The updated in 2020 design guidelines samples resulted in additional effort. IEUA agreed to cover the cost of this sheet.
  - c. 01N08: Control Schematics II - same as above, second sheet. IEUA agreed to cover the cost of this sheet.
  - d. 02N02: ILCP-34001 Cabinet Internal Elevation – details of panel internals are typically covered by a specification requiring a submittal by the systems integrator, but IEUA's Engineering Guidelines and sample drawings require this drawing to be included as part of the design. Carollo and IEUA will split the cost of this sheet.
  - e. 04N01: Overall Network Topology Diagram - this sheet was required to show the details of the interconnections between the new PLC and the SCADA system, originally to be prepared by IEUA. Carollo and IEUA will split the cost of this sheet.
  - f. 05N01: SCADA Network Tables - this sheet is a direct result of having electronic overloads on MCCs as required by IEUA's Engineering Guidelines. IEUA agreed to cover the cost of this sheet.
  - g. 40N16: ILCP-34001 Cabinet - as a result of the new PLC Panel a number of new signals and alarms are required per IEUA's updated Guidelines and were included in this new sheet. IEUA agreed to cover the cost of this sheet.
2. The original 100 Percent Design submitted in October 2018, included electrical design that left it up to the contractor to develop some of the details for electrical systems. However, based on our recent construction experience with other projects in which the contractor requested a change order because electrical duct bank sizes and details were not provided, a decision was made by Carollo to increase the level of detail on the electrical drawings. We felt it was prudent to add this extra level of detail for the duct banks (5 new sheets) given the extensive duct bank routing changes that have occurred, and the challenging and congested site conditions.

Similarly, we added an additional sheet to provide more details for the electrical site layout and another sheet to provide additional details for the leak detection vaults. This resulted in a total of 7 new sheets, all aimed at providing more details and clarifications to the Contractor to avoid construction change orders. After discussions with IEUA it was agreed that Carollo and the Agency would evenly split the costs of the seven new sheets. A list of the new electrical drawings are provided below.

- a. 01E04: Site Plan Details
- b. 01E22: Leak Detection Vaults
- c. 01E23: Duct Bank Sections I
- d. 01E24: Duct Bank Sections II
- e. 01E25: Duct Bank Sections III
- f. 01E26: Duct Bank Sections IV
- g. 01E27: Duct Bank Sections V

#### Updated Construction Cost Estimate

Our May 2021 scope and budget estimate did not include an update to the construction cost estimate. It has been 3-years since the estimate was prepared and new items have been added, and in addition costs have inflated significantly due to the Covid pandemic. We agree that a detailed cost update is needed.

#### Cost of Additional Work Effort

The table below presents a summary of the additional work effort for the portion of the 14 new drawings that IEUA has agreed to pay for (5.5 instrumentation sheets, and 3.5 electrical sheets), and the updated construction cost estimate. As shown, the total overage compared to the current Task Order 7 limit is around \$79,180.

Table 1 Summary of Cost Estimate and Reduction for Additional Work Effort

| Description                                        | Amount (\$)     |
|----------------------------------------------------|-----------------|
| Carollo Costs to Complete Additional Drawings      | \$59,658        |
| Carollo Costs to Update Construction Cost Estimate | \$19,522        |
| <b>Total Overage on Task Order No. 7</b>           | <b>\$79,180</b> |

Mr. James Spears, P.E.  
Inland Empire Utilities Agency  
November 22, 2021

Page 4

A detailed breakdown of the cost estimates shown in the table are included in Exhibit B, attached.

We understand that the overage on Task Order 7 will be added to our Contract amount for upcoming Engineering Services During Construction (ESDCs) in a few months when the project is Bid. We appreciate your consideration of these additional costs due to extra work effort to complete the project, and we look forward to the successful completion of the construction phase.

Sincerely,

CAROLLO ENGINEERS, INC.



Graham J.G. Juby, Ph.D., P.E.  
Principal in Charge



Rajesh Doppalapudi, P.E., BCEE  
Project Manager

GJJ/RBD:mc

Enclosures: Exhibit B

**EXHIBIT B**  
**FEE ESTIMATE (11/22/2021)**  
**INLAND EMPIRE UTILITIES AGENCY**  
**RP-1 - DISINFECTION IMPROVEMENTS - EN11039**  
**ADDITIONAL WORK EFFORT**

| IEUA - RP-1-DISINFECTION IMPROVEMENTS - EN11039         | ESTIMATED CAROLLO LABOR COSTS |                   |              |                        |                  |                    |               |             |                         |                |                    |                     |
|---------------------------------------------------------|-------------------------------|-------------------|--------------|------------------------|------------------|--------------------|---------------|-------------|-------------------------|----------------|--------------------|---------------------|
|                                                         | Senior Professional           | Lead Professional | Professional | Assistant Professional | Sr. CAD Designer | Asst. CAD Designer | Support Staff | Total Hours | Carollo Labor excl PECE | PECE           | Other Direct Costs | Total Carollo Costs |
| Hourly Rate                                             | \$288                         | \$268             | \$216        | \$176                  | \$175            | \$130              | \$118         |             |                         | \$13.00        |                    |                     |
| <b>Task 1 - Electrical and Instrumentation Drawings</b> |                               |                   |              |                        |                  |                    |               |             |                         |                |                    |                     |
| 1.1 Electrical Drawings (3.5 Sheets)                    | 3                             | 10                | 16           | 27                     | 20               | 49                 | 1             | 126         | \$21,740                | \$1,638        | \$0                | \$23,378            |
| 1.2 Instrumentation Drawings (5.5 Sheets)               | 5                             | 14                | 24           | 45                     | 28               | 80                 | 1             | 197         | \$33,714                | \$2,561        | \$5                | \$36,280            |
| <b>Subtotal - Task 1</b>                                | <b>8</b>                      | <b>24</b>         | <b>40</b>    | <b>72</b>              | <b>48</b>        | <b>129</b>         | <b>2</b>      | <b>323</b>  | <b>\$55,454</b>         | <b>\$4,199</b> | <b>\$5</b>         | <b>\$59,658</b>     |
| <b>Task 2 - Update Construction Cost Estimate</b>       |                               |                   |              |                        |                  |                    |               |             |                         |                |                    |                     |
| 2.1 Update Construction Cost Estimate                   | 4                             | 12                | 24           | 50                     | 0                | 0                  | 0             | 90          | \$18,352                | \$1,170        | \$0                | \$19,522            |
| <b>Subtotal - Task 2</b>                                | <b>4</b>                      | <b>12</b>         | <b>24</b>    | <b>50</b>              | <b>0</b>         | <b>0</b>           | <b>0</b>      | <b>90</b>   | <b>\$18,352</b>         | <b>\$1,170</b> | <b>\$0</b>         | <b>\$19,522</b>     |
| <b>TOTAL</b>                                            | <b>12</b>                     | <b>36</b>         | <b>64</b>    | <b>122</b>             | <b>48</b>        | <b>129</b>         | <b>2</b>      | <b>413</b>  | <b>\$73,806</b>         | <b>\$5,369</b> | <b>\$5</b>         | <b>\$79,180</b>     |

EXHIBIT D

# Inland Empire Utilities Agency

RP-1 Disinfection Improvements  
Engineering Services During Construction



## Submittal Review Estimate

| Section No. | Title                                                            | Submittal Required? | Discipline | Anticipated No. of Submittals <sup>(1)</sup> |
|-------------|------------------------------------------------------------------|---------------------|------------|----------------------------------------------|
| 01116       | Contract Document Language                                       | NO                  | General    | 0                                            |
| 01140       | Work Restrictions                                                | YES                 | General    | 2                                            |
| 01312       | Project Meetings                                                 | NO                  | General    | 0                                            |
| 01322       | Web Based Construction Document Management                       | NO                  | General    | 0                                            |
| 01329       | Safety Plan                                                      | NO                  | General    | 0                                            |
| 01350       | Special Procedures                                               | NO                  | General    | 0                                            |
| 01410       | Regulatory Requirements                                          | NO                  | General    | 0                                            |
| 01424       | Abbreviations and Acronyms                                       | NO                  | General    | 0                                            |
| 01450       | Quality Control                                                  | NO                  | General    | 0                                            |
| 01455       | Regulatory Quality Assurance                                     | NO                  | General    | 0                                            |
| 01600       | Product Requirements                                             | NO                  | General    | 0                                            |
| 01610       | Project Design Criteria                                          | NO                  | General    | 0                                            |
| 01612       | Seismic Design Criteria                                          | NO                  | General    | 0                                            |
| 01614       | Wind Design Criteria                                             | NO                  | General    | 0                                            |
| 01690       | Asset Management Data                                            | NO                  | General    | 0                                            |
| 01738       | Selective Alterations and Demolition                             | NO                  | General    | 0                                            |
| 01756       | Commissioning                                                    | YES                 | General    | 2                                            |
| 01770       | Closeout Procedures                                              | NO                  | General    | 0                                            |
| 01783       | Warranties and Bonds                                             | NO                  | General    | 0                                            |
| 02050       | Soils and Aggregates for Earthwork                               | YES                 | Civil      | 2                                            |
| 02085       | Precast Concrete Vaults                                          | YES                 | Civil      | 1                                            |
| 02200       | Site Clearing                                                    | NO                  | Civil      | 0                                            |
| 02260       | Excavation Support and Protection                                | YES                 | Civil      | 1                                            |
| 02300       | Earthwork                                                        | NO                  | Civil      | 0                                            |
| 02312       | Controlled Low Strength Material (CLSM)                          | YES                 | Civil      | 1                                            |
| 02318       | Trenching                                                        | NO                  | Civil      | 0                                            |
| 02370       | Riprap And Gabions Erosion And Sedimentation Control             | NO                  | Civil      | 0                                            |
| 02553       | In-Plant Temporary Bypass Piping                                 | NO                  | Civil      | 0                                            |
| 02581       | Precast Electrical Handholes And Electrical Manholes             | YES                 | Civil      | 1                                            |
| 02742A      | Asphaltic Concrete Paving                                        | NO                  | Civil      | 0                                            |
| 02762       | Pavement Markings                                                | NO                  | Civil      | 0                                            |
| 02772       | Concrete Curbs, Gutters, And Sidewalks                           | NO                  | Civil      | 0                                            |
| 02952       | Pavement Restoration And Rehabilitation                          | NO                  | Civil      | 0                                            |
| 03055       | Adhesive-Bonded Reinforcing Bars and All Thread Rods in Concrete | YES                 | Structural | 1                                            |
| 03071       | Epoxies                                                          | YES                 | Structural | 1                                            |
| 03072       | Epoxy Resin/Portland Cement Bonding Agent                        | YES                 | Structural | 1                                            |
| 03102       | Concrete Formwork                                                | YES                 | Structural | 1                                            |
| 03150       | Concrete Accessories                                             | YES                 | Structural | 1                                            |
| 03200       | Concrete Reinforcing                                             | YES                 | Structural | 2                                            |
| 03300       | Cast-In-Place Concrete                                           | YES                 | Structural | 2                                            |
| 03366       | Tooled Concrete Finishing                                        | NO                  | Structural | 0                                            |
| 03600       | Grouting                                                         | YES                 | Structural | 1                                            |

# Inland Empire Utilities Agency

RP-1 Disinfection Improvements  
Engineering Services During Construction



## Submittal Review Estimate

| Section No. | Title                                                      | Submittal Required? | Discipline | Anticipated No. of Submittals <sup>(1)</sup> |
|-------------|------------------------------------------------------------|---------------------|------------|----------------------------------------------|
| 03926       | Structural Concrete Repair                                 | YES                 | Structural | 1                                            |
| 03931       | Epoxy Injection System                                     | YES                 | Structural | 1                                            |
| 05120       | Structural Steel                                           | YES                 | Structural | 1                                            |
| 05140       | Structural Aluminum                                        | YES                 | Structural | 1                                            |
| 05190       | Mechanical Anchoring And Fastening To Concrete And Masonry | YES                 | Structural | 2                                            |
| 05310       | Steel Decking                                              | YES                 | Structural | 1                                            |
| 05500       | Metal Fabrications                                         | YES                 | Structural | 1                                            |
| 06611       | Fiberglass Reinforced Plastic Fabrications                 | YES                 | Structural | 1                                            |
| 06616       | Fiberglass Reinforced Plastic Handrail And Guardrail       | YES                 | Structural | 1                                            |
| 07530       | Single Ply Membrane Roofing                                | YES                 | Structural | 1                                            |
| 07600       | Flashing And Sheet Metal                                   | YES                 | Structural | 1                                            |
| 07700       | Roof Specialties And Accessories                           | YES                 | Structural | 1                                            |
| 07900       | Joint Sealants                                             | NO                  | Structural | 0                                            |
| 08320       | Floor Access Doors                                         | YES                 | Structural | 1                                            |
| 09960       | High-Performance Coatings                                  | YES                 | Process    | 1                                            |
| 10400       | Signage                                                    | NO                  | Process    | 0                                            |
| 10732       | Shade Fabric                                               | YES                 | Process    | 1                                            |
| 11240       | Chemical Metering Pumps                                    | YES                 | Process    | 2                                            |
| 11261       | Chemical Feeding Equipment, General                        | YES                 | Process    | 1                                            |
| 11312F      | Horizontal Self-Priming Non-Clog Centrifugal Pumps         | YES                 | Process    | 2                                            |
| 11312J      | Submersible Process Liquid Sump Pumps                      | YES                 | Process    | 1                                            |
| 11312O      | Horizontal Ansi Centrifugal Pumps                          | YES                 | Process    | 2                                            |
| 13208       | Polyethylene Tanks                                         | YES                 | Process    | 1                                            |
| 13445       | Pneumatic Actuators                                        | YES                 | Process    | 1                                            |
| 13446       | Manual Actuators                                           | YES                 | Process    | 1                                            |
| 15050       | Common Work Results for Mechanical Equipment               | NO                  | Process    | 0                                            |
| 15052       | Common Work Results for General Piping                     | YES                 | Process    | 2                                            |
| 15061       | Pipe Supports                                              | YES                 | Process    | 1                                            |
| 15063       | Non-Metallic Pipe Support System                           | YES                 | Process    | 1                                            |
| 15075       | Equipment Identification                                   | NO                  | Process    | 0                                            |
| 15076       | Pipe Identification                                        | NO                  | Process    | 0                                            |
| 15082       | Piping Insulation                                          | YES                 | Process    | 1                                            |
| 15110       | Common Work Results for Valves                             | NO                  | Process    | 0                                            |
| 15111       | Ball Valves                                                | YES                 | Process    | 1                                            |
| 15112       | Butterfly Valves                                           | YES                 | Process    | 1                                            |
| 15114       | Check Valves                                               | YES                 | Process    | 1                                            |
| 15116       | Plug Valves                                                | YES                 | Process    | 1                                            |
| 15117       | Specialty Valves                                           | YES                 | Process    | 1                                            |
| 15118       | Pressure Reducing And Pressure Relief Valves               | YES                 | Process    | 1                                            |
| 15119       | Air and Vacuum Relief Valves                               | YES                 | Process    | 1                                            |
| 15120       | Piping Specialities                                        | YES                 | Process    | 1                                            |
| 15121       | Pipe Couplings                                             | YES                 | Process    | 1                                            |

# Inland Empire Utilities Agency

RP-1 Disinfection Improvements  
Engineering Services During Construction



## Submittal Review Estimate

| Section No. | Title                                                               | Submittal Required? | Discipline           | Anticipated No. of Submittals <sup>(1)</sup> |
|-------------|---------------------------------------------------------------------|---------------------|----------------------|----------------------------------------------|
| 15125       | Strainers                                                           | YES                 | Process              | 1                                            |
| 15230       | Plastic Piping and Tubing                                           | YES                 | Process & Structural | 1                                            |
| 15278       | Steel Pipe                                                          | YES                 | Process              | 1                                            |
| 15286       | Stainless Steel Pipe and Tubing                                     | YES                 | Process              | 1                                            |
| 15430       | Emergency Eye Wash and Shower Equipment                             | YES                 | Process              | 1                                            |
| 15956       | Piping Systems Testing                                              | YES                 | Process              | 1                                            |
| 15958       | Mechanical Equipment Testing                                        | NO                  | Process              | 0                                            |
| 16050       | Common Work Results For Electrical                                  | NO                  | Electrical           | 0                                            |
| 16060       | Grounding And Bonding                                               | YES                 | Electrical           | 1                                            |
| 16070       | Hangers And Supports                                                | YES                 | Electrical           | 1                                            |
| 16075       | Identification For Electrical Systems                               | NO                  | Electrical           | 0                                            |
| 16123       | 600-Volt Or Less Wires And Cables                                   | YES                 | Electrical           | 1                                            |
| 16125       | Fiber Optic Cable And Appurtenances                                 | YES                 | Electrical           | 1                                            |
| 16130       | Conduits                                                            | YES                 | Electrical           | 1                                            |
| 16133       | Duct Banks                                                          | YES                 | Electrical           | 1                                            |
| 16134       | Boxes                                                               | YES                 | Electrical           | 1                                            |
| 16140       | Wiring Devices                                                      | YES                 | Electrical           | 1                                            |
| 16150       | Low Voltage Wire Connections                                        | YES                 | Electrical           | 1                                            |
| 16222       | Low Voltage Motors Up To 500 Horsepower                             | YES                 | Electrical           | 2                                            |
| 16285       | Surge Protective Devices                                            | YES                 | Electrical           | 1                                            |
| 16305       | Electrical System Studies                                           | YES                 | Electrical           | 2                                            |
| 16412       | Low Voltage Molded Case Circuit Breakers                            | YES                 | Electrical           | 1                                            |
| 16422       | Motor Starters                                                      | YES                 | Electrical           | 1                                            |
| 16444       | Low Voltage Motor Control Centers                                   | YES                 | Electrical           | 2                                            |
| 16472       | Packaged Power Supply Center                                        | YES                 | Electrical           | 1                                            |
| 16510       | Lighting: Led Luminaires                                            | YES                 | Electrical           | 1                                            |
| 16950       | Field Electrical Acceptance Tests                                   | NO                  | Electrical           | 0                                            |
| 17050       | Common Work Results For Process Control And Instrumentation Systems | NO                  | Instrumentation      | 0                                            |
| 17101       | Specific Control Strategies                                         | YES                 | Instrumentation      | 2                                            |
| 17101A      | Process Control Narrative – Chemical Feed System - Bleach           | NO                  | Instrumentation      | 0                                            |
| 17101B      | Process Control Narrative - Chemical Feed System - Sodium Bisulfite | NO                  | Instrumentation      | 0                                            |
| 17101C      | Process Control Narrative - Ancillary - Sump Pumps                  | NO                  | Instrumentation      | 0                                            |
| 17201       | Level Measurement: Switches                                         | YES                 | Instrumentation      | 1                                            |
| 17206       | Level Measurement: Ultrasonic                                       | YES                 | Instrumentation      | 1                                            |
| 17302       | Flow Measurement: Magnetic Flowmeters                               | YES                 | Instrumentation      | 1                                            |
| 17316       | Flow Measurement: Rotameters (Variable Area Flowmeters)             | YES                 | Instrumentation      | 1                                            |
| 17401       | Pressure/Vacuum Measurement: Diaphragm And Annular Seals            | YES                 | Instrumentation      | 1                                            |
| 17402       | Pressure/Vacuum Measurement: Instrument Valves                      | YES                 | Instrumentation      | 1                                            |
| 17403       | Pressure/Vacuum Measurement: Switches                               | YES                 | Instrumentation      | 1                                            |



# Inland Empire Utilities Agency

RP-1 Disinfection Improvements

Engineering Services During Construction



## Submittal Review Estimate

| Section No.                     | Title                                                     | Submittal Required? | Discipline      | Anticipated No. of Submittals <sup>(1)</sup> |
|---------------------------------|-----------------------------------------------------------|---------------------|-----------------|----------------------------------------------|
| 17404                           | Pressure/Vacuum Measurement: Gauges                       | YES                 | Instrumentation | 1                                            |
| 17405                           | Pressure/Vacuum Measurement: Direct                       | YES                 | Instrumentation | 1                                            |
| 17710                           | Control Systems: Panels, Enclosures, And Panel Components | YES                 | Instrumentation | 1                                            |
| 17733                           | Control Systems: Network Materials And Equipment          | YES                 | Instrumentation | 1                                            |
| 17901                           | Schedules: Field Instruments                              | NO                  | Instrumentation | 0                                            |
| 17903                           | Schedules: I/O List                                       | NO                  | Instrumentation | 0                                            |
| 17950                           | Testing, Calibration, And Commissioning                   | NO                  | Instrumentation | 0                                            |
| <b>TOTAL UNIQUE SUBMITTALS:</b> |                                                           |                     |                 | <b>100</b>                                   |

Notes:

- (1) Anticipated number of submittals includes unique submittals only; number of resubmittals were not included.

# **Consultant Contract Attachment 2**

**INLAND EMPIRE UTILITIES AGENCY - CONSULTING SERVICES INVOICE**

Consultant: \_\_\_\_\_

Project Number \_\_\_\_\_  
Project Name \_\_\_\_\_



|                       |       |               |       |                  |       |
|-----------------------|-------|---------------|-------|------------------|-------|
| Contract No.:         | _____ | Invoice No.:  | _____ | Consult Ref No.: | _____ |
| PO Number:            | _____ | Invoice Date: | _____ |                  |       |
| IEUA Project Manager: | _____ |               |       |                  |       |

Contract Name: \_\_\_\_\_ Invoice Period: \_\_\_\_\_ From: \_\_\_\_\_ To: \_\_\_\_\_

**CONTRACT INCLUDING AMENDMENTS**

| WBS Element No. | Item Description                   | Contract \$   | Previously Invoiced, \$ | This Invoice, \$ | Total to Date Including This Invoice, \$ | % Spent to Date | Estimated % Complete (Progress to Date) | Remaining Contract Value, \$ |
|-----------------|------------------------------------|---------------|-------------------------|------------------|------------------------------------------|-----------------|-----------------------------------------|------------------------------|
|                 |                                    |               | \$0.00                  | \$0.00           | \$0.00                                   | #DIV/0!         | 0%                                      | \$0.00                       |
|                 |                                    |               | \$0.00                  | \$0.00           | \$0.00                                   | #DIV/0!         | 0%                                      | \$0.00                       |
|                 |                                    |               | \$0.00                  | \$0.00           | \$0.00                                   | #DIV/0!         | 0%                                      | \$0.00                       |
|                 |                                    |               | \$0.00                  | \$0.00           | \$0.00                                   | #DIV/0!         | 0%                                      | \$0.00                       |
|                 |                                    |               | \$0.00                  | \$0.00           | \$0.00                                   | #DIV/0!         | 0%                                      | \$0.00                       |
|                 | <b>Sub-Total Original Contract</b> | <b>\$0.00</b> | <b>\$0.00</b>           | <b>\$0.00</b>    | <b>\$0.00</b>                            |                 |                                         | <b>\$0.00</b>                |
|                 |                                    |               | \$0.00                  | \$0.00           | \$0.00                                   | #DIV/0!         | 0%                                      | \$0.00                       |
|                 |                                    |               | \$0.00                  | \$0.00           | \$0.00                                   | #DIV/0!         | 0%                                      | \$0.00                       |
|                 |                                    |               | \$0.00                  | \$0.00           | \$0.00                                   | #DIV/0!         | 0%                                      | \$0.00                       |
|                 | <b>Sub-Total Phase Amendments</b>  | <b>\$0.00</b> | <b>\$0.00</b>           | <b>\$0.00</b>    | <b>\$0.00</b>                            |                 |                                         | <b>\$0.00</b>                |
|                 |                                    |               | \$0.00                  | \$0.00           | \$0.00                                   | #DIV/0!         | 0%                                      | \$0.00                       |
|                 |                                    |               | \$0.00                  | \$0.00           | \$0.00                                   | #DIV/0!         | 0%                                      | \$0.00                       |
|                 |                                    |               | \$0.00                  | \$0.00           | \$0.00                                   | #DIV/0!         | 0%                                      | \$0.00                       |
|                 | <b>Sub-Total Scope Amendments</b>  | <b>\$0.00</b> | <b>\$0.00</b>           | <b>\$0.00</b>    | <b>\$0.00</b>                            |                 |                                         | <b>\$0.00</b>                |
|                 | <b>Total</b>                       | <b>\$0.00</b> | <b>\$0.00</b>           | <b>\$0.00</b>    | <b>\$0.00</b>                            | <b>#DIV/0!</b>  | <b>0%</b>                               | <b>\$0.00</b>                |

**PAYMENT SUMMARY:**

|                                       |         |        |
|---------------------------------------|---------|--------|
| Total Original Contract               |         | \$0.00 |
| Total Amendments                      | #DIV/0! | \$0.00 |
| Phase                                 | #DIV/0! | \$0.00 |
| Scope                                 | #DIV/0! | \$0.00 |
| Total Contract                        |         | \$0.00 |
| Total Prior Invoices                  |         | \$0.00 |
| This Invoice                          |         | \$0.00 |
| Total Invoiced Including This Invoice |         | \$0.00 |
| Remaining Contract Value              |         | \$0.00 |
| Invoices Paid to Date                 |         |        |
| Unpaid Invoices Due                   |         | \$0.00 |

**CONTRACT SCHEDULE SUMMARY:**

|                                |       |
|--------------------------------|-------|
| Contract Start Date:           | _____ |
| Original Contract End Date:    | _____ |
| Amendment No. 1 - New End Date | _____ |
| Amendment No. 2 - New End Date | _____ |
| Revised Contract End Date:     | _____ |

**STATUS REPORT:**

Consultant to attach a summary report including:  
Performance this period  
Next Period planned activities  
Project issues

**Consultant Approval:**

Title: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Inland Empire Utilities Agency Approvals:**

Project Engineer: \_\_\_\_\_ Date: \_\_\_\_\_  
Project Manager: \_\_\_\_\_ Date: \_\_\_\_\_

Deputy Manager: \_\_\_\_\_ Date: \_\_\_\_\_  
Department Manager: \_\_\_\_\_ Date: \_\_\_\_\_  
Executive Manager of Eng./AGM: \_\_\_\_\_ Date: \_\_\_\_\_

**Consultant Contract  
Attachment 3**

# RP-1 Disinfection Improvements Project

This Project will be funded by the source listed below:

1. State Water Resources Control Board (SWRCB) Clean Water State Revolving Fund (CWSRF) Loan

The CWSRF loans have regulatory requirements that the Inland Empire Utilities Agency (IEUA) is required to include in all contracts for work related to the performance of the Loan. This language is pending an executed agreement. The final language should be similar and will include final guidance regarding the Build America, Buy America Act which takes effect May 15, 2022. AIS provisions are not applicable to this project. The contractors must assist IEUA in meeting the federal and state requirements that apply to the scope stated in their contracts. If a sub is hired, the grant requirements language must be included in the sub's contract in its entirety. The table below provides more details about the specific requirements and must be included in all contracts for this project.

|                                                                                                                                                                |                                                                    |            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|------------|
| 1.                                                                                                                                                             | <b>Article I, II, IV, V – Loan Provisions</b>                      | pp. 1-28   |
| 2.                                                                                                                                                             | <b>Exhibit A – Signage</b>                                         | p. 29      |
| 3.                                                                                                                                                             | <b>Exhibit D – Special Conditions</b>                              | pp. 30-31  |
| 4.                                                                                                                                                             | <b>Exhibit E – Programmatic Conditions and Cross-Cutters</b>       | pp. 32-35  |
| 5.                                                                                                                                                             | <b>Exhibit G – Compliance with Cross-Cutting State Authorities</b> | pp.36-37   |
| 6.                                                                                                                                                             | <b>Davis Bacon Labor Compliance Requirements</b>                   | p. 21      |
| 7.                                                                                                                                                             | <b>Wage Determination</b>                                          | pp. 38-68  |
| 8.                                                                                                                                                             | <b>DBE Instructions/Forms</b>                                      | pp. 69-79  |
| 9.                                                                                                                                                             | <b>Build America, Buy America (BABA)</b>                           | pp. 80-103 |
| <i>Please note that Exhibits B, C and F and Article III are intentionally not included, as they are only relevant to the agreement between SWRCB and IEUA.</i> |                                                                    |            |

## Forms Required at the Time of Bid Opening

**DBE Subcontractor Utilization Form 4500-4**

**DBE Subcontractor Performance Form 4500-3**

**Six Good Faith Efforts (GFE) backup documentation**

WHEREAS,

1. The State Water Board is authorized to provide financial assistance under this Agreement pursuant to the following:
  - Chapter 6.5 of Division 7 of the California Water Code (State Act) and Resolutions Nos. 2019-0031 and 2019-0064
  - Title VI of the federal Water Pollution Control Act (Federal Act)
2. The State Water Board determines eligibility for financial assistance, determines a reasonable schedule for providing financial assistance, establishes compliance with the Federal Act, State Act, and establishes the terms and conditions of a financial assistance agreement.
3. The Recipient has applied to the State Water Board for financial assistance for the Project described in Exhibit A of this Agreement and the State Water Board has selected the application for financial assistance.
4. The State Water Board proposes to assist in providing financial assistance for eligible costs of the Project, and the Recipient desires to participate as a recipient of financial assistance from the State Water Board and evidence its obligation to pay Payments, which obligation will be secured by Net Revenues as defined herein, upon the terms and conditions set forth in this Agreement, all pursuant to the Federal Act and the State Act.

NOW, THEREFORE, in consideration of the mutual representations, covenants and agreements herein set forth, the State Water Board and the Recipient, each binding itself, its successors and assigns, do mutually promise, covenant, and agree as follows:

Subject to the satisfaction of any conditions precedent to this Agreement, this Agreement shall become effective upon the signature of both the Recipient and the State Water Board.

Upon execution, the term of the Agreement shall begin on the Eligible Start Date and extend through the Final Repayment Date.

ARTICLE I DEFINITIONS

1.1 Definitions.

Unless otherwise specified, each capitalized term used in this Agreement has the following meaning:

"Additional Payments" means the Additional Payments described in Section 3.2(c) of this Agreement.

"Agreement" means this Installment Sale Agreement and Loan including all exhibits and attachments.

"Allowance" means an amount based on a percentage of the accepted bid for an eligible project to help defray the planning, design, and construction engineering and administration costs of the Project.

"Authorized Representative" means the duly appointed representative of the Recipient as set forth in the certified original of the Recipient's authorizing resolution that designates the authorized representative by title.

"Bank" means the California Infrastructure and Economic Development Bank.

"Bond Funded Portion of the Project Funds" means any portion of the Project Funds which was or will be funded with Bond Proceeds.

"Bond Proceeds" means original proceeds, investment proceeds, and replacement proceeds of Bonds.

"Bonds" means any series of bonds issued by the Bank, the interest on which is excluded from gross income for federal tax purposes, all or a portion of the proceeds of which have been, are, or will be applied by the State Water Board to fund all or any portion of the Project Costs or that are secured in whole or in part by Payments paid hereunder.

"Charge In Lieu of Interest" means any fee or charge in lieu of some or all of, but not to exceed, the interest that would otherwise be owed under this Agreement, as set forth in Exhibit C.

"Code" as used in Article V of this Agreement means the Internal Revenue Code of 1986, as amended, and any successor provisions and the regulations of the U.S. Department of the Treasury promulgated thereunder.

"Completion of Construction" means the date, as determined by the Division after consultation with the Recipient, that the work of building and erection of the Project is substantially complete, and is identified in Exhibit A of this Agreement.

"CWSRF" means the Clean Water State Revolving Fund.

"Days" means calendar days unless otherwise expressly indicated.

"Debt Service" means, for any Fiscal Year, the sum of:

- (a) The interest payable during such Fiscal Year on all outstanding System Obligations, assuming that all outstanding serial System Obligations are retired as scheduled and that all outstanding term System Obligations are prepaid or paid from sinking fund payments as scheduled (except to the extent that such interest is capitalized or is reasonably anticipated to be reimbursed to the Recipient by the United States of America pursuant to Section 54AA of the Code (Section 1531 of Title I of Division B of the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111 5, 23 Stat. 115 (2009), enacted February 17, 2009), or any future similar program);
- (b) Those portions of the principal amount of all outstanding serial System Obligations maturing in such Fiscal Year (but excluding Excluded Principal);
- (c) Those portions of the principal amount of all outstanding term System Obligations required to be prepaid or paid in such Fiscal Year (but excluding Excluded Principal); and
- (d) Those portions of any other payments under System Obligations required to be made during such Fiscal Year (except to the extent the interest evidenced and represented thereby is capitalized or is reasonably anticipated to be reimbursed to the Recipient by the United States of America pursuant to Section 54AA of the Code (Section 1531 of Title I of Division B of the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111 5, 23 Stat. 115 (2009), enacted February 17, 2009), or any future similar program); provided that, as to any such System Obligations bearing or comprising interest at other than a fixed rate, the rate of interest used to calculate Debt Service shall, for all purposes, be assumed to bear interest at a fixed rate equal to the higher of 1) the actual rate on the date of calculation, or if such System Obligation is not yet outstanding, the initial rate (if established and binding), and 2) the highest average variable rate borne over a six month period during the preceding 24 months by outstanding variable rate debt issued by the Recipient or, if no such variable rate debt is at the time outstanding, by variable rate debt of which the interest rate is computed by reference to an index comparable to that to be utilized in determining the interest rate for the debt then proposed to be issued;

And provided further that if any series or issue of such System Obligation has twenty-five percent (25%) or more of the aggregate principal amount of such series or issue due in any one year (and such principal is not Excluded Principal), Debt Service shall be determined for the Fiscal Year of determination as if the principal of and interest on such series or issue of such System Obligation were being paid from the date of incurrence thereof in substantially equal annual amounts over a period of forty (40) years from the date of calculation;

And provided further that, as to any such System Obligation or portions thereof bearing no interest but which are sold at a discount and which discount accretes with respect to such System Obligations or portions thereof, such accreted discount shall be treated as interest in the calculation of Debt Service in the Fiscal Year when due;

And provided further that if the System Obligations constitute Paired Obligations, the interest rate on such System Obligations shall be the resulting linked rate or the effective fixed interest rate to be paid by the Recipient with respect to such Paired Obligations;

And provided further that for System Obligations which are interest rate swap agreements which do not constitute Paired Obligations but for which an Independent Financial Consultant certifies that such System Obligation has a fixed spread component payable to the Recipient, Debt Service shall be credited by an amount equal to the lesser of (a) the average of the actual payment received by the Recipient over the last three Fiscal Years (or if outstanding less than three years, over the period outstanding) and (b) the fixed spread component.

“Deputy Director” means the Deputy Director of the Division.

“Division” means the Division of Financial Assistance of the State Water Board or any other segment of the State Water Board authorized to administer this Agreement.

“Eligible Start Date” means the date set forth in Exhibit B, establishing the date on or after which construction costs may be incurred and eligible for reimbursement hereunder.

“Enterprise Fund” means (i) all revenue accounts maintained by the Recipient as of the date of this Agreement other than the Water Resources Fund and (ii) any revenue account created after the date of this Agreement and designated by the Chief Financial Officer of the Recipient as a part of the Enterprise Fund.

“Event of Default” means the occurrence of any of the following events:

- a) Failure by the Recipient to pay Payments when due, or failure to make any other payment required to be paid pursuant to this Agreement;
- b) A representation or warranty made by or on behalf of the Recipient in this Agreement or in any document furnished by or on behalf of the Recipient to the State Water Board pursuant to this Agreement shall prove to have been inaccurate, misleading or incomplete in any material respect;
- c) A material adverse change in the condition of the Recipient, the Revenues, or the System, which the Division reasonably determines would materially impair the Recipient’s ability to satisfy its obligations under this Agreement.
- d) Failure by the Recipient to comply with the additional debt test or reserve fund requirement, if any, in Section 3.7 or Exhibit D of this Agreement;
- e) Failure to operate the System or the Project without the Division’s approval;
- f) Failure by the Recipient to observe and perform any covenant, condition, or provision in this Agreement, which failure shall continue for a period of time, to be determined by the Division;
- g) The occurrence of a material breach or event of default under any System Obligation that results in the acceleration of principal or interest or otherwise requires immediate prepayment, repurchase or redemption;



- h) Initiation of proceedings seeking arrangement, reorganization, or any other relief under any applicable bankruptcy, insolvency, or other similar law; the appointment of or taking possession of the Recipient's property by a receiver, liquidator, assignee, trustee, custodian, conservator, or similar official; the Recipient's entering into a general assignment for the benefit of creditors; the initiation of resolutions or proceedings to terminate the Recipient's existence, or any action in furtherance of any of the foregoing;
- i) A determination pursuant to Gov. Code section 11137 that the Recipient has violated any provision in Article 9.5 of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code;

"Excluded Principal" means each payment of principal of System Obligations with a maturity of less than 42 months and which the Recipient specifies in a certificate signed by the General Manager of the Recipient and filed with the trustee for the System Obligation that the Recipient intends to pay from the proceeds of System Obligations, other bonds, notes or other obligations of the Recipient or moneys other than Revenues or Net Revenues. No such determination shall affect the security for such System Obligations or the obligation of the Recipient to pay such System Obligations from Net Revenues.

"Final Disbursement Request Date" means the date established in Exhibit A, after which date, no further Project Funds disbursements may be requested.

"Final Repayment Date" is the date by which all principal and accrued interest due under this Agreement is to be paid in full to the State Water Board and is specified in Exhibit B and Exhibit C.

"Fiscal Year" means the period beginning on July 1 of each year and ending on the last day of June of the next succeeding year, or any other twelve-month period selected and designated as the official Fiscal Year of the Recipient.

"Force Account" means the use of the Recipient's own employees or equipment.

"Generally Accepted Accounting Principles" or "GAAP" means the uniform accounting and reporting procedures set forth in publications of the American Institute of Certified Public Accountants or its successor, or by any other generally accepted authority on such procedures, and includes, as applicable, the standards set forth by the Governmental Accounting Standards Board or its successor.

"Independent Financial Consultant" means a financial consultant or firm of such consultants appointed by the Recipient, and who, or each of whom: (1) is in fact independent and not under domination of the Recipient; (2) does not have any substantial interest, direct or indirect, with the Recipient; and (3) is not connected with the Recipient as an officer or employee thereof, but who may be regularly retained to make reports thereto.

"Indirect Costs" means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the Project (i.e., costs that are not directly related to the Project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the Recipient; non-project-specific accounting and personnel services performed within the Recipient organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; generic overhead or markup; and taxes.

"Initiation of Construction" means the date that notice to proceed with work is issued for the Project, or, if notice to proceed is not required, the date of commencement of building and erection of the Project.

"Listed Event" means, so long as the Recipient has outstanding any System Obligation subject to Rule 15c2-12, any of the events required to be reported pursuant to Rule 15c2-12(b)(5).

"Maximum Annual Debt Service" means the maximum amount of Debt Service that is due on System Obligations in any Fiscal Year during the period commencing with the Fiscal Year for which such calculation is made and terminating with the last Fiscal Year in which such Debt Service for any System Obligations will become due.

"Net Revenues" means, for any Fiscal Year, the Revenues for such Fiscal Year less the Operations and Maintenance Costs for such Fiscal Year.

"Obligation" means the obligation of the Recipient to make Payments and Additional Payments as provided herein, as evidenced by the execution of this Agreement, proceeds of such obligations being used to fund the Project as specified in the Project Description in Exhibit A and Exhibit A-FBA and in the documents thereby incorporated by reference.

"Operations and Maintenance Costs" means (1) costs spent or incurred for maintenance and operation of the System calculated in accordance with Generally Accepted Accounting Principles, including (among other things) the reasonable expenses of management and repair and other expenses necessary to maintain and preserve the System in good repair and working order, and including administrative costs of the Recipient that are charged directly or apportioned to the System, including but not limited to salaries and wages of employees, payments to the Public Employees Retirement System, overhead, insurance, taxes (if any), fees of auditors, accountants, attorneys, consultants or engineers and insurance premiums, and including all other reasonable and necessary costs of the Recipient or charges required to be paid by it to comply with the terms of this Agreement or any other Parity Contract or Senior Contract or of any resolution or indenture authorizing the issuance of any Parity Bonds or Senior Bonds or of such Parity Bonds or Senior Bonds, and (2) all payments under Operation and Maintenance Obligations, but excluding in all cases depreciation, replacement and obsolescence charges or reserves therefor and amortization of intangibles, including amortization of water rights, unrealized losses on investments, write offs of the value of any impaired assets or other bookkeeping entries of a similar nature.

"Operation and Maintenance Obligation" means any contractual obligation with respect to any facilities, properties, structures, works, services, water or rights to receive water, or any loan of credit to or guaranty of debts, claims or liabilities of any other person (including a joint powers agency of which the Recipient is a member) with respect to any facilities, properties, structures, works, services, water or rights to receive water, so long as in each case the payments thereunder are designated as Operation and Maintenance Costs by the Board of Directors of the Recipient; provided however System Obligations shall not constitute Operation and Maintenance Obligations, and in no instance will an Operation and Maintenance Obligation include provisions for the financing of construction or acquisition of any of the Recipient's facilities, structures, or works.

"Other Continuing Funding Obligation" means any obligation under any other State Water Board funding agreement received by the Recipient whereby the Recipient has agreed to undertake activity (e.g., operation and maintenance, records retention, etc.), which activity may continue during the term of this Agreement.

"Paired Obligations" means any System Obligation (or portion thereof) designated as Paired Obligations in the resolution, indenture or other document authorizing the issuance or execution and delivery thereof, which are simultaneously issued or executed and delivered (i) the principal of which is of equal amount maturing and to be redeemed or prepaid (or cancelled after acquisition thereof) on the same dates and in the same amounts, and (ii) the interest rates which, taken together, are reasonably expected to result in a fixed interest rate obligation of the Recipient for the term of such System Obligation, as determined by an Independent Financial Consultant in writing.

"Parity Bonds" means all revenue bonds or notes of the Recipient authorized, executed, issued and delivered by the Recipient, the payments of which are payable from Net Revenues on a parity with the Payments.

“Parity Contracts” means this Agreement and any amendments and supplements hereto, and all contracts of the Recipient previously or hereafter authorized and executed by the Recipient, the Parity Installment Payments under which are payable from Net Revenues on a parity with the Payments, but excluding contracts entered into for operation and maintenance of the System.

“Parity Debt Service” means, for any Fiscal Year, the sum of:

- (a) The interest payable during such Fiscal Year on all outstanding Parity Bonds, assuming that all outstanding serial Parity Bonds are retired as scheduled and that all outstanding term Parity Bonds are prepaid or paid from sinking fund payments as scheduled (except to the extent that such interest is capitalized or is reasonably anticipated to be reimbursed to the Recipient by the United States of America pursuant to Section 54AA of the Code (Section 1531 of Title I of Division B of the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111 5, 23 Stat. 115 (2009), enacted February 17, 2009), or any future similar program);
- (b) Those portions of the principal amount of all outstanding serial Parity Bonds maturing in such Fiscal Year (but excluding Excluded Principal);
- (c) Those portions of the principal amount of all outstanding term Parity Bonds required to be prepaid or paid in such Fiscal Year (but excluding Excluded Principal); and
- (d) Those portions of the Parity Installment Payments required to be made during such Fiscal Year (except to the extent the interest evidenced and represented thereby is capitalized or is reasonably anticipated to be reimbursed to the Recipient by the United States of America pursuant to Section 54AA of the Code (Section 1531 of Title I of Division B of the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111 5, 23 Stat. 115 (2009), enacted February 17, 2009), or any future similar program); provided that, as to any such Parity Bonds or Parity Installment Payments bearing or comprising interest at other than a fixed rate, the rate of interest used to calculate Parity Debt Service shall, for all purposes, be assumed to bear interest at a fixed rate equal to the higher of 1) the actual rate on the date of calculation, or if such Parity Contract or Parity Bond is not yet outstanding, the initial rate (if established and binding), and 2) the highest average variable rate borne over a six month period during the preceding 24 months by outstanding variable rate debt issued by the Recipient or, if no such variable rate debt is at the time outstanding, by variable rate debt of which the interest rate is computed by reference to an index comparable to that to be utilized in determining the interest rate for the debt then proposed to be issued;

And provided further that if any series or issue of such Parity Bonds or Parity Installment Payments have twenty-five percent (25%) or more of the aggregate principal amount of such series or issue due in any one year (and such principal is not Excluded Principal), Parity Debt Service shall be determined for the Fiscal Year of determination as if the principal of and interest on such series or issue of such Parity Bonds or Parity Installment Payments were being paid from the date of incurrence thereof in substantially equal annual amounts over a period of forty (40) years from the date of calculation;

And provided further that, as to any such Parity Bonds or Parity Installment Payments or portions thereof bearing no interest but which are sold at a discount and which discount accretes with respect to such Parity Bonds or Parity Installment Payments or portions thereof, such accreted discount shall be treated as interest in the calculation of Parity Debt Service in the Fiscal Year when due;

And provided further that if the Parity Bonds or Parity Contracts constitute Paired Obligations, the interest rate on such Parity Bonds or Parity Contracts shall be the resulting linked rate or the effective fixed interest rate to be paid by the Recipient with respect to such Paired Obligations;

And provided further that for Parity Contracts which are interest rate swap agreements which do not constitute Paired Obligations but for which an Independent Financial Consultant certifies that such Parity Contracts has a fixed spread component payable to the Recipient, Parity Debt Service shall be credited by an amount equal to the lesser of (a) the average of the actual payment received by the Recipient over the last three Fiscal Years (or if outstanding less than three years, over the period outstanding) and (b) the fixed spread component.

“Parity Installment Payments” means the payments of interest and principal or other scheduled payments scheduled to be paid by the Recipient under and pursuant to the Parity Contracts.

“Other Material Obligation” means an obligation of the Recipient set forth in Exhibit F that is not payable from Net Revenues, but is otherwise material to this transaction.

“Party Contact” means, for the Recipient, the Authorized Representative of the Recipient or any designee of the Authorized Representative, and, for the State Water Board, the Grant Manager, or the Program Analyst.

“Payment” means any payment due to the State Water Board from the Recipient pursuant to Section 3.2 of this Agreement, as set forth in Exhibit C.

“Policy” means the State Water Board's “Policy for Implementing the Clean Water State Revolving Fund,” as amended from time to time, and the WRFPP Guidelines, and including the Intended Use Plan in effect as of the Eligible Start Date.

“Project” means the Project financed by this Agreement as described in Exhibit A, Exhibit A-FBA, and in the documents incorporated by reference herein.

“Project Completion” means the date, as determined by the Division after consultation with the Recipient, that operation of the Project is initiated or is capable of being initiated, whichever comes first.

“Project Costs” means the incurred costs of the Recipient which are eligible for financial assistance under this Agreement, which are allowable costs as defined under the Policy, and which are reasonable, necessary and allocable by the Recipient to the Project under GAAP, plus capitalized interest.

“Project Funds” means all moneys disbursed to the Recipient by the State Water Board pursuant to this Agreement.

“Recipient” means Inland Empire Utilities Agency.

“Records Retention End Date” means the last date that the Recipient is obligated to maintain records pursuant to Section 2.17 of this Agreement.

“Regional Water Quality Control Board” or “Regional Water Board” means the appropriate Regional Water Quality Control Board.

“Reimbursement Resolution” means the Recipient’s reimbursement resolution identified in Exhibit A of this Agreement.

“Reserve Fund” means the reserve fund required pursuant to Section 3.7 of this Agreement.

“Revenues” means all income, rents, rates, fees, charges and other moneys derived from the ownership or operation of the System, including, without limiting the generality of the foregoing,

- (a) All income, rents, rates, fees, charges, business interruption insurance proceeds or other moneys derived by the Recipient from the sale, furnishing and supplying of sewer services, composting services or other services, facilities, and commodities sold, furnished or supplied through the facilities of or in the conduct or operation of the business of the System, including the Recipient's share of the County of San Bernardino's 1% ad valorem property tax (to the extent allocated to the Enterprise Fund), determined in accordance with Generally Accepted Accounting Principles, plus
- (b) The earnings on and income derived from the investment of the amounts described in clauses (1) hereof, including the Recipient's share of the County of San Bernardino's 1% ad valorem property tax (to the extent allocated to the Enterprise Fund), and the general unrestricted funds of the Recipient,

But excluding in all cases revenues derived from ownership or operation of the Water System, customer deposits or any other deposits or advances subject to refund until such deposits or advances have become the property of the Recipient, and excluding any proceeds of taxes restricted by law to be used by the Recipient to pay bonds hereafter issued.

"Rule 15c2-12(b)(5)" means Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

"Senior Bonds" means all revenue bonds or notes of the Recipient authorized, executed, issued and delivered by the Recipient, the payments of which are payable from Net Revenues on a basis senior to the Payments.

"Senior Contracts" means this Agreement and any amendments and supplements hereto, and all contracts of the Recipient previously or hereafter authorized and executed by the Recipient, the Senior Installment Payments under which are payable from Net Revenues on a basis senior to the Payments, but excluding contracts entered into for operation and maintenance of the System.

"Senior Debt Service" means, for any Fiscal Year, the sum of:

- (a) The interest payable during such Fiscal Year on all outstanding Senior Bonds, assuming that all outstanding serial Senior Bonds are retired as scheduled and that all outstanding term Senior Bonds are prepaid or paid from sinking fund payments as scheduled (except to the extent that such interest is capitalized or is reasonably anticipated to be reimbursed to the Recipient by the United States of America pursuant to Section 54AA of the Code (Section 1531 of Title I of Division B of the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111 5, 23 Stat. 115 (2009), enacted February 17, 2009), or any future similar program);
- (b) Those portions of the principal amount of all outstanding serial Senior Bonds maturing in such Fiscal Year (but excluding Excluded Principal);
- (c) Those portions of the principal amount of all outstanding term Senior Bonds required to be prepaid or paid in such Fiscal Year (but excluding Excluded Principal); and
- (d) Those portions of the Senior Installment Payments required to be made during such Fiscal Year (except to the extent the interest evidenced and represented thereby is capitalized or is reasonably anticipated to be reimbursed to the Recipient by the United States of America pursuant to Section 54AA of the Code (Section 1531 of Title I of Division B of the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111 5, 23 Stat. 115 (2009), enacted February 17, 2009), or any future similar program);

Provided that, as to any such Senior Bonds or Senior Installment Payments bearing or comprising interest at other than a fixed rate, the rate of interest used to calculate Senior Debt Service shall, for

all purposes, be assumed to bear interest at a fixed rate equal to the higher of 1) the actual rate on the date of calculation, or if such Senior Contract or Senior Bond is not yet outstanding, the initial rate (if established and binding), and 2) the highest average variable rate borne over a six month period during the preceding 24 months by outstanding variable rate debt issued by the Recipient or, if no such variable rate debt is at the time outstanding, by variable rate debt of which the interest rate is computed by reference to an index comparable to that to be utilized in determining the interest rate for the debt then proposed to be issued.

“Senior Installment Payments” means the payments of interest and principal or other scheduled payments scheduled to be paid by the Recipient under and pursuant to the Senior Contracts.

“SRF” means the Clean Water State Revolving Fund.

“State” means State of California.

“State Water Board” means the State Water Resources Control Board.

“System” means all facilities, land, and property rights of the Recipient, including the Project, and including all properties, structures or works hereafter acquired or constructed by the Recipient and determined to be part of the System, together with all additions, betterments, extensions and improvements to such facilities, properties, structures or works, or any part thereof hereafter acquired or constructed, other than the Water System.

“System Obligation” means any obligation of the Recipient secured by or payable from Revenues or Net Revenues, including this Obligation and obligations listed in Exhibit F or Exhibit J, and including without limitation Senior Bonds, Senior Contracts, Parity Bonds, Parity Contracts, and such obligations that are payable on a subordinate basis to this Obligation, Parity Bonds, or Parity Contracts, and additional such obligations as may hereafter be issued in accordance with the provisions of such obligations and this Agreement.

“Water System” means the whole and each and every part of the imported water system of the Recipient, including the portion thereof existing on the date hereof, and including all additions, betterments, extensions and improvements to such imported water system or any part thereof hereafter acquired or constructed.

“WRF Guidelines” means the Water Recycling Funding Program Guidelines, as amended by the State Water Board on October 16, 2019.

“Year” means calendar year unless otherwise expressly indicated.

## 1.2 Exhibits Incorporated.

All exhibits to this Agreement, including any amendments and supplements hereto, are hereby incorporated herein and made a part of this Agreement.

## ARTICLE II REPRESENTATIONS, WARRANTIES, AND COMMITMENTS

The Recipient represents, warrants, and commits to the following as of the Eligible Start Date set forth on the first page hereof and continuing thereafter for the term of this Agreement.

### 2.1 Application and General Recipient Commitments.

The Recipient has not made any untrue statement of a material fact in its application for this financial assistance, or omitted to state in its application a material fact that makes the statements in its application not misleading.

The Recipient shall comply with all terms, provisions, conditions, and commitments of this Agreement, including all incorporated documents, and shall fulfill all assurances, declarations, representations, and commitments in its application, accompanying documents, and communications filed in support of its request for financial assistance.

The Recipient is current in its Other Continuing Funding Obligations.

## 2.2 Authorization and Validity.

The execution and delivery of this Agreement, including all incorporated documents, has been duly authorized by the Recipient. Upon execution by both parties, this Agreement constitutes a valid and binding obligation of the Recipient, enforceable in accordance with its terms, except as such enforcement may be limited by law.

## 2.3 No Violations.

The execution, delivery, and performance by Recipient of this Agreement, including all incorporated documents, do not violate any provision of any law or regulation in effect as of the date set forth on the first page hereof, or result in any breach or default under any contract, obligation, indenture, or other instrument to which Recipient is a party or by which Recipient is bound as of the date set forth on the first page hereof.

## 2.4 No Litigation.

There are no pending or, to Recipient's knowledge, threatened actions, claims, investigations, suits, or proceedings before any governmental authority, court, or administrative agency which materially affect the financial condition or operations of the Recipient, the System, the Revenues, and/or the Project.

## 2.5 Solvency and Insurance.

None of the transactions contemplated by this Agreement will be or have been made with an actual intent to hinder, delay, or defraud any present or future creditors of Recipient. As of the date set forth on the first page hereof, Recipient is solvent and will not be rendered insolvent by the transactions contemplated by this Agreement. Recipient is able to pay its debts as they become due. Recipient maintains sufficient insurance coverage considering the scope of this Agreement, including, for example but not necessarily limited to, general liability, automobile liability, workers compensation and employers liability, professional liability.

## 2.6 Legal Status and Eligibility.

Recipient is duly organized and existing and in good standing under the laws of the State of California. Recipient shall at all times maintain its current legal existence and preserve and keep in full force and effect its legal rights and authority. Recipient shall maintain its eligibility for funding under this Agreement.

## 2.7 Financial Statements and Continuing Disclosure.

The financial statements of Recipient previously delivered to the State Water Board as of the date(s) set forth in such financial statements: (a) are materially complete and correct; (b) present fairly the financial condition of the Recipient; and (c) have been prepared in accordance with GAAP. Since the date(s) of such financial statements, there has been no material adverse change in the financial condition of the

Recipient, nor have any assets or properties reflected on such financial statements been sold, transferred, assigned, mortgaged, pledged or encumbered, except as previously disclosed in writing by Recipient and approved in writing by the State Water Board.

The Recipient is current in its continuing disclosure obligations associated with its material debt.

## 2.8 Completion of Project.

The Recipient shall expeditiously proceed with and complete construction of the Project in substantial accordance with Exhibit A and Exhibit A-FBA.

## 2.9 Award of Construction Contracts.

- (a) The Recipient shall award the prime construction contract timely in order to meet the start of construction date specified in Exhibit A.
- (b) The Recipient shall promptly notify the Division in writing both of the award of the prime construction contract for the Project and of Initiation of Construction of the Project. The Recipient shall make all reasonable efforts to complete construction in substantial conformance with the terms of the contract by the Completion of Construction date established in Exhibit A.

## 2.10 Notice.

Upon the occurrence of any of the following events, the Recipient shall notify the Deputy Director and the Division's project manager within the time specified below.

- (1) The Recipient shall notify the Division within 24 hours of any discovery of any potential tribal cultural resource and/or archaeological or historical resource. In addition to notifying the Deputy Director and the Division's project manager, notice shall be delivered by phone to (916) 327-9978 and by email to [CleanWaterSRF@waterboards.ca.gov](mailto:CleanWaterSRF@waterboards.ca.gov). Should a potential tribal cultural resource and/or archaeological or historical resource be discovered during construction, the Recipient shall ensure that all work in the area of the find will cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the Division has determined what actions should be taken to protect and preserve the resource. The Recipient shall implement appropriate actions as directed by the Division.
- (2) The Recipient shall notify the Division within five (5) business days of the occurrence of any of the following events:
  - (a) Bankruptcy, insolvency, receivership or similar event of the Recipient, or actions taken in anticipation of any of the foregoing;
  - (b) Change of ownership of the System or change of management or service contracts, if any, for operation of the System;
  - (c) Loss, theft, damage, or impairment to the Revenues or the System;
  - (d) Failure to meet any debt service coverage test in section 3.7 of this agreement;
  - (e) Draws on the Reserve Fund;
  - (f) Listed Events or Events of Default, except as set forth in subdivisions (b) or (c) of this section;
  - (g) Failure to observe or perform any covenant in this Agreement;
  - (h) Incurrence of a System Obligation; or
  - (i) A default, event of acceleration, termination event, modification of terms, or other similar event under the terms of a System Obligation, any of which reflect financial difficulties.
- (3) The Recipient shall notify the Division in writing within ten (10) business days of the following events:



- (a) Material defaults on System Obligations, other than this Obligation;
  - (b) Unscheduled draws on debt service reserves held for System Obligations, other than this Obligation, if any, reflecting financial difficulties;
  - (c) Unscheduled draws on credit enhancements on System Obligations, if any, reflecting financial difficulties;
  - (d) Substitution of credit or liquidity providers, if any or their failure to perform;
  - (e) Any litigation pending or threatened with respect to the Project or the Recipient's technical, managerial or financial capacity to operate the System or the Recipient's continued existence, circulation of a petition to repeal, reduce, or otherwise challenge the Recipient's rates for services of the System, consideration of dissolution, or reincorporation, or any other event that could materially impair the Revenues;
  - (f) Adverse tax opinions, the issuance by the Internal Revenue Service or proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of any tax-exempt bonds;
  - (g) Rating changes on outstanding System Obligations, if any;
  - (h) Issuance of additional parity obligations; or
  - (i) Enforcement actions by the Regional Water Board.
- (4) The Recipient shall notify the Division promptly of the following:
- (a) The discovery of a false statement of fact or representation made in this Agreement or in the application to the Division for this financial assistance, or in any certification, report, or request for disbursement made pursuant to this Agreement, by the Recipient, its employees, agents, or contractors;
  - (b) Any substantial change in scope of the Project. The Recipient shall undertake no substantial change in the scope of the Project until prompt written notice of the proposed change has been provided to the Division and the Division has given written approval for the change;
  - (c) Cessation of all major construction work on the Project where such cessation of work is expected to or does extend for a period of thirty (30) days or more;
  - (d) Any circumstance, combination of circumstances, or condition, which is expected to or does delay Completion of Construction for a period of ninety (90) days or more beyond the estimated date of Completion of Construction as specified in Exhibit A;
  - (e) Discovery of any unexpected endangered or threatened species, as defined in the federal Endangered Species Act. Should a federally protected species be unexpectedly encountered during construction of the Project, the Recipient agrees to promptly notify the Division. This notification is in addition to the Recipient's obligations under the federal Endangered Species Act;
  - (f) Any Project monitoring, demonstration, or other implementation activities required in Exhibit A or Exhibit D of this Agreement, if any;
  - (g) Any public or media event publicizing the accomplishments and/or results of this Agreement and provide the opportunity for attendance and participation by state representatives with at least ten (10) working days' notice to the Division;
  - (h) Any events requiring notice to the Division pursuant to the provisions of Exhibit E to this Agreement; or
  - (i) Completion of Construction of the Project, and actual Project Completion.

## 2.11 Findings and Challenge

Upon consideration of a voter initiative to reduce Revenues, the Recipient shall make a finding regarding the effect of such a reduction on the Recipient's ability to satisfy the rate covenant set forth in Section 3.7 of this Agreement. The Recipient shall make its findings available to the public and shall request, if necessary, the authorization of the Recipient's decision-maker or decision-making body to file litigation to challenge any such initiative that it finds will render it unable to satisfy the rate covenant set forth in

Section 3.7 and its obligation to operate and maintain the Project for its useful life. The Recipient shall diligently pursue and bear any and all costs related to such challenge. The Recipient shall notify and regularly update the State Water Board regarding the status of any such challenge.

#### 2.12 Project Access.

The Recipient shall ensure that the State Water Board, the Governor of the State, the United States Environmental Protection Agency, the Office of Inspector General, any member of Congress, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of the Obligation. The Recipient acknowledges that, except for a subset of information regarding archaeological records, the Project records and locations are public records, including but not limited to all of the submissions accompanying the application, all of the documents incorporated by Exhibit A and Exhibit A-FBA, and all reports, disbursement requests, and supporting documentation submitted hereunder.

#### 2.13 Project Completion; Initiation of Operations.

Upon Completion of Construction of the Project, the Recipient shall expeditiously initiate Project operations.

#### 2.14 Continuous Use of Project; Lease, Sale, Transfer of Ownership, or Disposal of Project.

The Recipient agrees that, except as provided in this Agreement, it will not abandon, substantially discontinue use of, lease, sell, transfer ownership of, or dispose of all or a significant part or portion of the Project during the useful life of the Project without prior written approval of the Division. Such approval may be conditioned as determined to be appropriate by the Division, including a condition requiring repayment of all disbursed Project Funds or all or any portion of all remaining funds covered by this Agreement together with accrued interest and any penalty assessments that may be due.

#### 2.15 Project Reports.

- (a) Status Reports. The Recipient shall provide expeditiously status reports no less frequently than quarterly, starting with the execution of this Agreement. A status report must accompany any disbursement request and is a condition precedent to any disbursement. At a minimum the reports will contain the following information:
- (1) A summary of progress to date including a description of progress since the last report, percent construction complete, percent contractor invoiced, and percent schedule elapsed;
  - (2) A description of compliance with environmental requirements;
  - (3) A listing of change orders including amount, description of work, and change in contract amount and schedule; and
  - (4) Any problems encountered, proposed resolution, schedule for resolution, and status of previous problem resolutions.
- (b) Project Completion Report. The Recipient shall submit a Project Completion Report to the Division with a copy to the appropriate Regional Water Quality Control Board on or before the due date established by the Division and the Recipient at the time of final project inspection. The Project Completion Report must address the following:
- (1) Describe the Project,

- (2) Describe the water quality problem the Project sought to address,
- (3) Discuss the Project's likelihood of successfully addressing that water quality problem in the future, and
- (4) Summarize compliance with environmental conditions, if applicable.

If the Recipient fails to submit a timely Project Completion Report, the State Water Board may stop processing pending or future applications for new financial assistance, withhold disbursements under this Agreement or other agreements, and begin administrative proceedings.

- (c) **As Needed Reports.** The Recipient shall provide expeditiously, during the term of this Agreement, any reports, data, and information reasonably required by the Division, including but not limited to material necessary or appropriate for evaluation of the funding program or to fulfill any reporting requirements of the state or federal government.
- (d) **Recycled water reports.** Commencing with the date of Project Completion, the Recipient shall submit annual reports for five (5) consecutive calendar years or until the Project's actual total annual recycled water deliveries equal the Project's planned total recycled water deliveries.
  - (1) The Recipient shall submit annual reports in hard copy and/or electronically.
  - (2) The first annual report is due on February 28th following the first full calendar year of operation and shall cover the period from the Project Completion through the end of the first full calendar year thereafter. Subsequent annual reports are due by February 28th following the calendar year covered. The annual reports shall be prepared in accordance with the "Water Recycling Funding Program Guidelines."
  - (3) The annual reports shall include the following:
    - (a) The planned total recycled water deliveries from the Recipient's funding application/user-connection schedule;
    - (b) A breakdown of the actual total annual recycled water deliveries by month and type of use, presented in a table showing month vs. type of use. If the Recipient supplements recycled water deliveries with potable or fresh water, the annual report shall include the monthly and total amounts;
    - (c) The Project's operation and maintenance costs for the year;
    - (d) The costs to Recipient's end users of recycled water vs. potable/fresh water during the year; and
    - (e) If the Project's actual total recycled water deliveries are less than the planned total recycled water deliveries, the Recipient shall provide a brief discussion on its progress toward achieving the remaining system capacity.

#### 2.16 Federal Disadvantaged Business Enterprise (DBE) Reporting.

The Recipient shall report DBE utilization to the Division on the DBE Utilization Report, State Water Board Form DBE UR334. The Recipient must submit such reports to the Division annually within ten (10) calendar days following October 1 until such time as the "Notice of Completion" is issued. The Recipient shall comply with 40 CFR § 33.301.

2.17 Records.

- (a) Without limitation of the requirement to maintain Project accounts in accordance with GAAP, the Recipient shall:
- (1) Establish an official file for the Project which adequately documents all significant actions relative to the Project;
  - (2) Establish separate accounts which will adequately and accurately depict all amounts received and expended on the Project, including all assistance funds received under this Agreement;
  - (3) Establish separate accounts which will adequately depict all income received which is attributable to the Project, specifically including any income attributable to assistance funds disbursed under this Agreement;
  - (4) Establish an accounting system which will accurately depict final total costs of the Project, including both direct and Indirect Costs;
  - (5) Establish such accounts and maintain such records as may be necessary for the State to fulfill federal reporting requirements, including any and all reporting requirements under federal tax statutes or regulations; and
  - (6) If Force Account is used by the Recipient for any phase of the Project, other than for planning, design, and construction engineering and administration provided for by allowance, accounts will be established which reasonably document all employee hours charged to the Project and the associated tasks performed by each employee. Indirect Costs from Force Account are not eligible for funding.
- (b) The Recipient shall maintain separate books, records and other material relative to the Project. The Recipient shall also retain such books, records, and other material for itself and for each contractor or subcontractor who performed or performs work on this project for a minimum of thirty-six (36) years after Completion of Construction. The Recipient shall require that such books, records, and other material are subject at all reasonable times (at a minimum during normal business hours) to inspection, copying, and audit by the State Water Board, the California State Auditor, the Bureau of State Audits, the United States Environmental Protection Agency (USEPA), the Office of Inspector General, the Internal Revenue Service, the Governor, or any authorized representatives of the aforementioned. The Recipient shall allow and shall require its contractors to allow interviews during normal business hours of any employees who might reasonably have information related to such records. The Recipient agrees to include a similar duty regarding audit, interviews, and records retention in any contract or subcontract related to the performance of this Agreement. The provisions of this section shall survive the discharge of the Recipient's Obligation and the term of this Agreement.

2.18 Audit.

- (a) The Division may call for an audit of financial information relative to the Project if the Division determines that an audit is desirable to assure program integrity or if an audit becomes necessary because of state or federal requirements. If an audit is called for, the audit shall be performed by a certified public accountant independent of the Recipient and at the cost of the Recipient. The audit shall be in the form required by the Division
- (b) Audit disallowances will be returned to the State Water Board.

#### ARTICLE IV MISCELLANEOUS PROVISIONS

##### 4.1 Amendment.

No amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by both the Recipient and the Deputy Director or designee. Requests for amendments shall be made in writing and directed to the Deputy Director.

##### 4.2 Assignability.

This Agreement is not assignable by the Recipient, either in whole or in part, without the consent of the State Water Board in the form of a formal written amendment to this Agreement.

##### 4.3 Bonding.

Where contractors are used, the Recipient shall not authorize construction to begin until each contractor has furnished a performance bond in favor of the Recipient in the following amounts: faithful performance (100%) of contract value; labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than \$25,000.00.

##### 4.4 Competitive Bidding

Recipient shall adhere to any applicable state law or local ordinance for competitive bidding and applicable labor laws.

#### 4.5 Compliance with Law, Regulations, etc.

The Recipient shall, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and state laws, rules, guidelines, regulations, and requirements. Without limitation of the foregoing, to the extent applicable, the Recipient shall:

- (a) Comply with the provisions of the adopted environmental mitigation plan, if any, for the term of this Agreement;
- (b) Comply with the State Water Board's Policy;
- (c) Comply with and require compliance with the list of State laws attached as Exhibit H.
- (d) Comply with and require its contractors and subcontractors on the Project to comply with federal DBE requirements; and
- (e) Comply with and require its contractors and subcontractors to comply with the list of federal laws attached as Exhibit E.

#### 4.6 Conflict of Interest.

The Recipient certifies that its owners, officers, directors, agents, representatives, and employees are in compliance with applicable state and federal conflict of interest laws.

#### 4.7 Damages for Breach Affecting Tax-Exempt Status or Federal Compliance

In the event that any breach of any of the provisions of this Agreement by the Recipient shall result in the loss of tax-exempt status for any bonds of the State or any subdivision or agency thereof, including Bonds issued on behalf of the State Water Board, or if such breach shall result in an obligation on the part of the State or any subdivision or agency thereof to reimburse the federal government by reason of any arbitrage profits, the Recipient shall immediately reimburse the State or any subdivision or agency thereof in an amount equal to any damages paid by or loss incurred by the State or any subdivision or agency thereof due to such breach. In the event that any breach of any of the provisions of this Agreement by the Recipient shall result in the failure of Project Funds to be used pursuant to the provisions of this Agreement, or if such breach shall result in an obligation on the part of the State or any subdivision or agency thereof to reimburse the federal government, the Recipient shall immediately reimburse the State or any subdivision or agency thereof in an amount equal to any damages paid by or loss incurred by the State or any subdivision or agency thereof due to such breach.

#### 4.8 Disputes.

- (a) The Recipient may appeal a staff decision within 30 days to the Deputy Director of the Division or designee, for a final Division decision. The Recipient may appeal a final Division decision to the State Water Board within 30 days. The Office of the Chief Counsel of the State Water Board will prepare a summary of the dispute and make recommendations relative to its final resolution, which will be provided to the State Water Board's Executive Director and each State Water Board Member. Upon the motion of any State Water Board Member, the State Water Board will review and resolve the dispute in the manner determined by the State Water Board. Should the State Water Board determine not to review the final Division decision, this decision will represent a final agency action on the dispute.
- (b) This clause does not preclude consideration of legal questions, provided that nothing herein shall be construed to make final the decision of the State Water Board, or any official or representative thereof, on any question of law.

- (c) Recipient shall continue with the responsibilities under this Agreement during any dispute.
- (d) This section 4.8 relating to disputes does not establish an exclusive procedure for resolving claims within the meaning of Government Code sections 930 and 930.4.

#### 4.9 Governing Law.

This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

#### 4.10 Income Restrictions.

The Recipient agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Recipient under this Agreement shall be paid by the Recipient to the State Water Board, to the extent that they are properly allocable to costs for which the Recipient has been reimbursed by the State Water Board under this Agreement.

#### 4.11 Indemnification and State Reviews.

The parties agree that review or approval of Project plans and specifications by the State Water Board is for administrative purposes only, including conformity with application and eligibility criteria, and expressly not for the purposes of design defect review or construction feasibility, and does not relieve the Recipient of its responsibility to properly plan, design, construct, operate, and maintain the Project. To the extent permitted by law, the Recipient agrees to indemnify, defend, and hold harmless the State Water Board, the Bank, and any trustee, and their officers, employees, and agents for the Bonds, if any (collectively, "Indemnified Persons"), against any loss or liability arising out of any claim or action brought against any Indemnified Persons from and against any and all losses, claims, damages, liabilities, or expenses, of every conceivable kind, character, and nature whatsoever arising out of, resulting from, or in any way connected with (1) the System or the Project or the conditions, occupancy, use, possession, conduct, or management of, work done in or about, or the planning, design, acquisition, installation, or construction, of the System or the Project or any part thereof; (2) the carrying out of any of the transactions contemplated by this Agreement or any related document; (3) any violation of any applicable law, rule or regulation, any environmental law (including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the California Hazardous Substance Account Act, the Federal Water Pollution Control Act, the Clean Air Act, the Toxic Substances Control Act, the Occupational Safety and Health Act, the Safe Drinking Water Act, the California Hazardous Waste Control Law, and California Water Code Section 13304, and any successors to said laws), rule or regulation or the release of any toxic substance on or near the System; or (4) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements required to be stated therein, in light of the circumstances under which they were made, not misleading with respect to any information provided by the Recipient for use in any disclosure document utilized in connection with any of the transactions contemplated by this Agreement, except those arising from the gross negligence or willful misconduct of the Indemnified Persons. The Recipient shall also provide for the defense and indemnification of the Indemnified Parties in any contractual provision extending indemnity to the Recipient in any contract let for the performance of any work under this Agreement, and shall cause the Indemnified Parties to be included within the scope of any provision for the indemnification and defense of the Recipient in any contract or subcontract. To the fullest extent permitted by law, the Recipient agrees to pay and discharge any judgment or award entered or made against Indemnified Persons with respect to any such claim or action, and any settlement, compromise or other voluntary resolution. The provisions of this section shall survive the term of this Agreement and the discharge of the Recipient's Obligation hereunder.

#### 4.12 Independent Actor.

The Recipient, and its agents and employees, if any, in the performance of this Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State Water Board.

#### 4.13 Integration.

This Agreement constitutes the complete and final agreement between the parties. No oral or written understanding or agreement not incorporated in this Agreement shall be binding on either party.

#### 4.14 Leveraging Covenants.

- (a) Tax Covenant. Notwithstanding any other provision hereof, the Recipient covenants and agrees that it will comply with the Tax Covenants set forth in Article V of this Agreement.
- (b) Disclosure of Financial Information, Operating Data, and Other Information. The Recipient covenants to furnish such financial, operating and other data pertaining to the Recipient as may be requested by the State Water Board to: (i) enable the State Water Board to cause the issuance of Bonds and provide for security therefor; or (ii) enable any underwriter of Bonds issued for the benefit of the State Water Board to comply with Rule 15c2-12(b)(5). The Recipient further covenants to provide the State Water Board with copies of all continuing disclosure documents or reports that are disclosed pursuant to (i) the Recipient's continuing disclosure undertaking or undertakings made in connection with any outstanding System Obligation, (ii) the terms of any outstanding System Obligation, or (iii) a voluntary disclosure of information related to an outstanding System Obligation. The Recipient shall disclose such documents or reports to the State Water Board at the same time such documents or reports are submitted to any dissemination agent, trustee, nationally recognized municipal securities information repository, the Municipal Securities Rulemaking Board's Electronic Municipal Market Access (EMMA) website or other person or entity.

#### 4.15 Non-Discrimination Clause.

- (a) The Recipient shall comply with Government Code section 11135 and the implementing regulations (Cal. Code Regs, tit. 2, § 11140 et seq.), including, but not limited to, ensuring that no person is unlawfully denied full and equal access to the benefits of, or unlawfully subjected to discrimination in the operation of, the Project or System on the basis of sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental disability, physical disability, medical condition, genetic information, marital status, or sexual orientation as such terms are defined under California law, for as long as the Recipient retains ownership or possession of the Project.
- (b) If Project Funds are used to acquire or improve real property, the Recipient shall include a covenant of nondiscrimination running with the land in the instrument effecting or recording the transfer of such real property.
- (c) The Recipient shall comply with the federal American with Disabilities Act of 1990 and implementing regulations as required by Government Code section 11135(b).
- (d) The Recipient's obligations under this section shall survive the term of this Agreement.
- (e) During the performance of this Agreement, Recipient and its contractors and subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, sexual orientation, physical disability (including HIV and AIDS), mental disability, medical condition



(cancer), age (over 40), marital status, denial of family care leave, or genetic information, gender, gender identity, gender expression, or military and veteran status.

- (f) The Recipient, its contractors, and subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.
- (g) The Recipient, its contractors, and subcontractors shall comply with the provisions of the Fair Employment and Housing Act and the applicable regulations promulgated thereunder. (Gov. Code, §12990, subds. (a)-(f) et seq.; Cal. Code Regs., tit. 2, § 7285 et seq.) Such regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.
- (h) The Recipient, its contractors, and subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
- (i) The Recipient shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.

#### 4.16 No Third Party Rights.

The parties to this Agreement do not create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or of any duty, covenant, obligation, or undertaking established herein.

#### 4.17 Operation and Maintenance; Insurance.

The Recipient agrees to sufficiently and properly staff, operate and maintain all portions of the System during its useful life in accordance with all applicable state and federal laws, rules, and regulations.

The Recipient will procure and maintain or cause to be maintained insurance on the System with responsible insurers, or as part of a reasonable system of self-insurance, in such amounts and against such risks (including damage to or destruction of the System) as are usually covered in connection with systems similar to the System. Such insurance may be maintained by a self-insurance plan so long as such plan provides for (i) the establishment by the Recipient of a separate segregated self-insurance fund in an amount determined (initially and on at least an annual basis) by an independent insurance consultant experienced in the field of risk management employing accepted actuarial techniques and (ii) the establishment and maintenance of a claims processing and risk management program.

In the event of any damage to or destruction of the System caused by the perils covered by such insurance, the net proceeds thereof shall be applied to the reconstruction, repair or replacement of the damaged or destroyed portion of the System. The Recipient shall begin such reconstruction, repair or replacement as expeditiously as possible, and shall pay out of such net proceeds all costs and expenses in connection with such reconstruction, repair or replacement so that the same shall be completed and the System shall be free and clear of all claims and liens. If such net proceeds are insufficient to reconstruct, repair, or restore the System to the extent necessary to enable the Recipient to pay all remaining unpaid principal portions of the Payments, if any, in accordance with the terms of this Agreement, the Recipient shall provide additional funds to restore or replace the damaged portions of the System.

Recipient agrees that for any policy of insurance concerning or covering the construction of the Project, it will cause, and will require its contractors and subcontractors to cause, a certificate of insurance to be issued showing the State Water Board, its officers, agents, employees, and servants as additional insured; and shall provide the Division with a copy of all such certificates prior to the commencement of construction of the Project.

#### 4.18 Permits, Subcontracting, and Remedies.

The Recipient shall comply in all material respects with all applicable federal, state and local laws, rules and regulations. Recipient shall procure all permits, licenses and other authorizations necessary to accomplish the work contemplated in this Agreement, pay all charges and fees, and give all notices necessary and incidental to the due and lawful prosecution of the work. Signed copies of any such permits or licenses shall be submitted to the Division before construction begins.

The Recipient shall not contract or allow subcontracting with excluded parties. The Recipient shall not contract with any party who is debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized. For any work related to this Agreement, the Recipient shall not contract with any individual or organization on the State Water Board's List of Disqualified Businesses and Persons that is identified as debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which funding under this Agreement is authorized. The State Water Board's List of Disqualified Businesses and Persons is located at [http://www.waterboards.ca.gov/water\\_issues/programs/enforcement/fwa/dbp.shtml](http://www.waterboards.ca.gov/water_issues/programs/enforcement/fwa/dbp.shtml)

#### 4.19 Prevailing Wages.

The Recipient agrees to be bound by all applicable provisions of State Labor Code regarding prevailing wages. The Recipient shall monitor all agreements subject to reimbursement from this Agreement to ensure that the prevailing wage provisions of the State Labor Code are being met. In addition, the Recipient agrees to comply with the Davis-Bacon provisions incorporated by reference in Exhibit A of this Agreement.

#### 4.20 Public Funding.

This Project is publicly funded. Any service provider or contractor with which the Recipient contracts must not have any role or relationship with the Recipient, that, in effect, substantially limits the Recipient's ability to exercise its rights, including cancellation rights, under the contract, based on all the facts and circumstances.

#### 4.21 Recipient's Responsibility for Work.

The Recipient shall be responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Recipient shall be responsible for responding to any and all disputes arising out of its contracts for work on the Project. The State Water Board will not mediate disputes between the Recipient and any other entity concerning responsibility for performance of work.

#### 4.22 Related Litigation.

Under no circumstances may the Recipient use funds from any disbursement under this Agreement to pay costs associated with any litigation the Recipient pursues against the State Water Board or any Regional Water Quality Control Board. Regardless of the outcome of any such litigation, and notwithstanding any conflicting language in this Agreement, the Recipient agrees to repay all of the disbursed funds plus interest in the event that Recipient does not complete the project.

#### 4.23 Rights in Data.

The Recipient agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes, and other written or graphic work produced in the performance of this Agreement are subject to the rights of the State as set forth in this section. The State shall have the right to reproduce,

publish, and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so. If any such work is copyrightable, the Recipient may copyright the same, except that, as to any work which is copyrighted by the Recipient, the State reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, and use such work, or any part thereof, and to authorize others to do so, and to receive electronic copies from the Recipient upon request.

#### 4.24 State Water Board Action; Costs and Attorney Fees.

Any remedy provided in this Agreement is in addition to and not in derogation of any other legal or equitable remedy available to the State Water Board as a result of breach of this Agreement by the Recipient, whether such breach occurs before or after completion of the Project, and exercise of any remedy provided by this Agreement by the State Water Board shall not preclude the State Water Board from pursuing any legal remedy or right which would otherwise be available. In the event of litigation between the parties hereto arising from this Agreement, it is agreed that each party shall bear its own costs and attorney fees.

#### 4.25 Termination and Other Remedies Upon Event of Default.

For purposes of this section, the term "State Water Board" shall mean the State Water Board and its assignees.

- (a) Return of Funds; Acceleration; and Additional Payments. Notwithstanding Exhibit B, if the Division determines that an Event of Default has occurred, the Recipient shall, upon demand, immediately do each of the following:
  - (a) return to the State Water Board the grant or principal forgiveness amounts received pursuant to this Agreement, if any;
  - (b) accelerate the payment of all principal owed under this Agreement, if any, which shall be immediately due and payable;
  - (c) pay interest at the highest legal rate on all amounts owed; and
  - (d) pay any Additional Payments.
- (b) Judicial remedies. Whenever the State Water Board determines that an Event of Default shall have occurred, the State Water Board may enforce its rights under this Agreement by any judicial proceeding, whether at law or in equity. Without limiting the generality of the foregoing, the State Water Board may: by suit in equity, require the Recipient to account for amounts relating to this Agreement as if the Recipient were the trustee of an express trust; by mandamus or other proceeding, compel the performance by the Recipient and any of its officers, agents, and employees of any duty under the law or of any obligation or covenant under this Agreement, including but not limited to the imposition and collection of rates for the services of the System sufficient to meet all requirements of this Agreement; and take whatever action at law or in equity as may appear necessary or desirable to the State Water Board to collect the Payments then due or thereafter to become due, or to enforce performance of any obligation or covenant of the Recipient under this Agreement.
- (c) Termination. Upon an Event of Default, the State Water Board may terminate this Agreement. Interest shall accrue on all amounts due at the highest legal rate of interest from the date that the State Water Board delivers notice of termination to the Recipient.
- (d) Remedies Not Exclusive. None of the remedies available to the State Water Board shall be exclusive of any other remedy, and each such remedy shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. The State

Water Board may exercise any remedy, now or hereafter existing, without exhausting and without regard to any other remedy.

- (e) Non-waiver. Nothing in this section or any other section of this Agreement shall affect or impair the Recipient's obligation to pay Payments as provided herein or shall affect or impair the right of the State Water Board to bring suit to enforce such payment. No delay or omission of the State Water Board in the exercise of any right arising upon an Event of Default shall impair any such right or be construed to be a waiver of any such Event of Default. The State Water Board may exercise from time to time and as often as shall be deemed expedient by the State Water Board, any remedy or right provided by law or pursuant to this Agreement.
- (f) Status Quo. If any action to enforce any right or exercise any remedy shall be brought and either discontinued or determined adversely to the State Water Board, then the State Water Board shall be restored to its former position, rights and remedies as if no such action had been brought.

#### 4.26 Timeliness.

Time is of the essence in this Agreement.

#### 4.27 Unenforceable Provision.

In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

#### 4.28 Useful Life.

The Recipient warrants that the economic useful life of the Project, commencing at Project Completion, is at least equal to the term of this Agreement, as set forth in Exhibit B.

#### 4.29 Venue.

Any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California.

#### 4.30 Waiver and Rights of the State Water Board.

Any waiver of rights by the State Water Board with respect to a default or other matter arising under this Agreement at any time shall not be considered a waiver of rights with respect to any other default or matter.

Any rights and remedies of the State Water Board provided for in this Agreement are in addition to any other rights and remedies provided by law.

## ARTICLE V TAX COVENANTS

#### 5.1 Purpose.

The purpose of this Article V is to establish the reasonable expectations of the Recipient regarding the Project and the Project Funds, and is intended to be and may be relied upon for purposes of Sections 103, 141 and 148 of the Code and as a certification described in Section 1.148-2(b)(2) of the Treasury Regulations. This Article V sets forth certain facts, estimates and circumstances which form the basis for the Recipient's expectation that neither the Project nor the Bond Funded Portion of the Project Funds is to

be used in a manner that would cause the Obligation to be classified as "arbitrage bonds" under Section 148 of the Code or "private activity bonds" under Section 141 of the Code.

#### 5.2 Tax Covenant.

The Recipient agrees that it will not take or authorize any action or permit any action within its reasonable control to be taken, or fail to take any action within its reasonable control, with respect to the Project which would result in the loss of the exclusion of interest on the Bonds from gross income for federal income tax purposes under Section 103 of the Code.

#### 5.3 Governmental Unit.

The Recipient is a state or local governmental unit as defined in Section 1.103-1 of the Treasury Regulations or an instrumentality thereof (a "Governmental Unit") and is not the federal government or any agency or instrumentality thereof.

#### 5.4 Financing of a Capital Project.

The Recipient will use the Project Funds to finance costs it has incurred or will incur for the construction, reconstruction, installation or acquisition of the Project. Such costs shall not have previously been financed with the proceeds of any other issue of tax-exempt obligations.

#### 5.5 Ownership and Operation of Project.

The Recipient exclusively owns and, except as provided in Section 5.12 hereof, operates the Project.

#### 5.6 Temporary Period.

The Recipient reasonably expects that at least eighty-five percent (85%) of the Bond Funded Portion of the Project Funds will be allocated to expenditures for the Project within three (3) years of the earlier of the effective date of this Agreement or the date the Bonds are issued ("Applicable Date"). The Recipient has incurred, or reasonably expects that it will incur within six (6) months of the Applicable Date, a substantial binding obligation (i.e., not subject to contingencies within the control of the Recipient or a related party) to a third party to expend at least five percent (5%) of the Bond Funded Portion of the Project Funds on Project Costs. The completion of acquisition, construction, improvement and equipping of the Project and the allocation of the Bond Funded Portion of the Project Funds to Project Costs will proceed with due diligence.

#### 5.7 Working Capital.

No operational expenditures of the Recipient or any related entity are being, have been or will be financed or refinanced with Project Funds.

#### 5.8 Expenditure of Proceeds.

The Bond Funded Portion of the Project Funds shall be used exclusively for the following purposes: (i) Reimbursement Expenditures (as defined in Section 5.20 below), (ii) Preliminary Expenditures (as defined in Section 5.20 below) in an aggregate amount not exceeding twenty percent (20%) of the Bond Funded Portion of the Project Funds, (iii) capital expenditures relating to the Project originally paid by the Recipient on or after the date hereof, (iv) interest on the Obligation through the later of three (3) years after the Applicable Date or one (1) year after the Project is placed in service, and (v) initial operating expenses directly associated with the Project in the aggregate amount not more than five percent (5%) of the Bond Funded Portion of the Project Funds.

#### 5.9 Private Use and Private Payments.

No portion of the Project Funds or the Project is being, has been or will be used in the aggregate for any activities that constitute a Private Use (as defined below). No portion of the principal of or interest with respect to the Payments will be secured by any interest in property (whether or not the Project) used for a Private Use or in payments in respect of property used for a Private Use, or will be derived from payments in respect of property used for a Private Use. "Private Use" means any activity that constitutes a trade or business that is carried on by persons or entities, other than a Governmental Unit. The leasing of the Project or the access by or the use of the Project by a person or entity other than a Governmental Unit on a basis other than as a member of the general public shall constitute a Private Use. Use by or on behalf of the State of California or any of its agencies, instrumentalities or subdivisions or by any local Governmental Unit and use as a member of the general public will be disregarded in determining whether a Private Use exists. Use under an arrangement that conveys priority rights or other preferential benefits is generally not use on the same basis as the general public. Arrangements providing for use that is available to the general public at no charge or on the basis of rates that are generally applicable and uniformly applied do not convey priority rights or other preferential benefits. For this purpose, rates may be treated as generally applicable and uniformly applied even if (i) different rates apply to different classes of users, such as volume purchasers, if the differences in rates are customary and reasonable; or (ii) a specially negotiated rate arrangement is entered into, but only if the user is prohibited by federal law from paying the generally applicable rates, and the rates established are as comparable as reasonably possible to the generally applicable rates. An arrangement that does not otherwise convey priority rights or other preferential benefits is not treated, nevertheless, as general public use if the term of the use under the arrangement, including all renewal options, is greater than 200 days. For this purpose, a right of first refusal to renew use under the arrangement is not treated as a renewal option if (i) the compensation for the use under the arrangement is redetermined at generally applicable, fair market value rates that are in effect at the time of renewal; and (ii) the use of the financed property under the same or similar arrangements is predominantly by natural persons who are not engaged in a trade or business.

#### 5.10 No Sale, Lease or Private Operation of the Project.

The Project (or any portion thereof) will not be sold or otherwise disposed of, in whole or in part, to any person who is not a Governmental Unit prior to the final maturity date of the Obligation. The Project will not be leased to any person or entity that is not a Governmental Unit prior to the final maturity date of the Obligation. Except as permitted under Section 5.12 hereof, the Recipient will not enter any contract or arrangement or cause or permit any contract or arrangement to be entered with persons or entities that are not Governmental Units if that contract or arrangement would confer on such persons or entities any right to use the Project on a basis different from the right of members of the general public. The contracts or arrangements contemplated by the preceding sentence include but are not limited to management contracts, take or pay contracts or put or pay contracts, and capacity guarantee contracts.

#### 5.11 No Disproportionate or Unrelated Use.

No portion of the Project Funds or the Project is being, has been, or will be used for a Private Use that is unrelated or disproportionate to the governmental use of the Project Funds.

#### 5.12 Management and Service Contracts.

The Recipient represents that, as of the date hereof, it is not a party to any contract, agreement or other arrangement with any persons or entities engaged in a trade or business (other than Governmental Units) that involve the management or operation of property or the provision of services at or with respect to the Project that does not comply with the standards of the Treasury Regulations, Revenue Procedure 97-13, as modified by Revenue Procedure 2001-39 and IRS Notice 2014-67, or Revenue Procedure 2017-13, as applicable. The Recipient represents that it will not be party to any such contract, agreement or arrangement with any person or entity that is not a Governmental Unit for the management of property or

the provision of services at or with respect to the Project, while the Obligation (including any obligation or series thereof issued to refund the Obligation, as the case may be) is outstanding, except: (a) with respect to any contract, agreement or arrangement that does not constitute "private business use" of the Project under Code §141(b), or (b) with respect to any contract, agreement or arrangement that complies with (i) Revenue Procedure 97-13, 1997-1 C.B. 632, as amended by Revenue Procedure 2001-39, 2001-2 C.B. 38, and as amplified by Notice 2014-67, with respect to contracts entered into before August 18, 2017 and not materially modified or extended after August 18, 2017, or (ii) Revenue Procedure 2017-13, with respect to contracts entered into or materially modified or extended on or after August 18, 2017, or (c) with respect to any contract, agreement or arrangement that does not give rise to use of the Bond Funded Portion of the Project Funds or the Project by a non-Governmental Unit of more than the amount of such non-qualified use permitted by the Code, or (d) in the event that the Recipient receives an opinion of counsel, satisfactory to the State Water Board and the Bank and expert in the issuance of state and local government bonds the interest on which is excluded from gross income under Section 103 of the Code ("Nationally-Recognized Bond Counsel"), that such contract, agreement or arrangement will not adversely affect the exclusion of the interest on the Obligation from gross income for federal income taxation purposes.

5.13 No Disposition of Financed Property.

As of the date hereof, the Recipient does not expect to sell or otherwise dispose of any portion of the Project, in whole or in part, prior to the final maturity date of the Obligation.

5.14 Useful Life of Project.

As of the date hereof, the Recipient reasonably expects that the economic useful life of the Project, commencing at Project Completion, will be at least equal to the term of this Agreement, as set forth on Exhibit B hereto.

5.15 Payments.

Payments generally are expected to be derived from assessments, taxes, fees, charges or other current Revenues of the Recipient in each year, and such current Revenues are expected to equal or exceed the Payments during each payment period. Any amounts accumulated in a sinking fund or bona fide debt service fund to pay Payments (whether or not deposited to a fund or account established by the Recipient) will be disbursed to pay Payments within thirteen months of the initial date of accumulation or deposit. Any such fund used for the payment of Payments will be depleted once a year except for a reasonable carryover amount not exceeding the greater of earnings on such fund or one-twelfth of the Payments in either case for the immediately preceding year.

5.16 No Other Replacement Proceeds.

The Recipient will not use any of the Bond Funded Portion of the Project Funds to replace or substitute other funds of the Recipient that were otherwise to be used to finance the Project or which are or will be used to acquire securities, obligations or other investment property reasonably expected to produce a yield that is materially higher than the yield on the Bonds.

5.17 No Sinking or Pledged Fund.

Except as set forth in Section 5.18 below, the Recipient will not create or establish any sinking fund or pledged fund which will be used to pay Payments on the Obligation within the meaning of Section 1.148-1(c) of the Treasury Regulations. If any sinking fund or pledged fund comes into being with respect to the Obligation before the Obligation has been fully retired which may be used to pay the Payments, the Recipient will invest such sinking fund and pledged fund moneys at a yield that does not exceed the yield on the Bonds.

#### 5.18 Reserve Amount.

The State Water Board requires that the Recipient maintain and fund a separate account in an amount equal to one (1) year of Debt Service with respect to the Obligation (the "Reserve Amount") as set forth in Section 3.7. The Recipient represents that the Reserve Amount is and will be available to pay debt service with respect to the Obligation, if and when needed. The Reserve Amount consists solely of revenues of the Recipient and does not include any proceeds of any obligations the interest on which is excluded from gross income for federal income tax purposes or investment earnings thereon. The aggregate of the Reserve Amount, up to an amount not exceeding the lesser of (i) ten percent of the aggregate principal amount of the Obligation, (ii) the maximum annual debt service with respect to the Obligation, or (iii) 125 percent of the average annual debt service with respect to the Obligation, will be treated as a reasonably required reserve fund.

#### 5.19 Reimbursement Resolution.

The "reimbursement resolution" adopted by the Recipient is incorporated herein by reference, pursuant to Exhibit A.

#### 5.20 Reimbursement Expenditures.

Reimbursements are disallowed, except as specifically authorized in Exhibit B or Exhibit D of this Agreement. To the extent so authorized, a portion of the Bond Funded Portion of the Project Funds may be applied to reimburse the Recipient for Project Costs paid before the date hereof, so long as the Project Cost was (i) not paid prior to sixty (60) days before the Recipient's adoption of a declaration of official intent to finance the Project, (ii) not paid more than eighteen (18) months prior to the date hereof or the date the Project was placed-in-service, whichever is later, and (iii) not paid more than three (3) years prior to the date hereof (collectively, "Reimbursement Expenditures"), unless such cost is attributable to a "preliminary expenditure." Preliminary expenditure for this purpose means architectural, engineering, surveying, soil testing and similar costs incurred prior to the commencement of construction or rehabilitation of the Project, but does not include land acquisition, site preparation and similar costs incident to the commencement of acquisition, construction or rehabilitation of the Project. Preliminary expenditures may not exceed 20% of the Bond Funded Portion of the Project Funds.

#### 5.21 Change in Use of the Project.

The Recipient reasonably expects to use all of the Bond Funded Portion of the Project Funds and the Project for the entire stated term to maturity of the Obligation. Absent an opinion of Nationally-Recognized Bond Counsel to the effect that such use of the Bond Funded Portion of the Project Funds will not adversely affect the exclusion from federal gross income of interest on the Bonds pursuant to Section 103 of the Code, the Recipient will use the Bond Funded Portion of the Project Funds and the Project solely as set forth in this Agreement.

#### 5.22 Rebate Obligations.

If the Recipient satisfies the requirements of one of the spending exceptions to rebate specified in Section 1.148-7 of the Treasury Regulations, amounts earned from investments, if any, acquired with the Bond Funded Portion of the Project Funds will not be subject to the rebate requirements imposed under Section 148(f) of the Code. If the Recipient fails to satisfy such requirements for any period, it will notify the State Water Board and the Bank immediately and will comply with the provisions of the Code and the Treasury Regulations at such time, including the payment of any rebate amount calculated by the State Water Board or the Bank.



#### 5.23 No Federal Guarantee.

The Recipient will not directly or indirectly use any of the Bond Funded Portion of the Project Funds in any manner that would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code, taking into account various exceptions including any guarantee related to investments during an initial temporary period until needed for the governmental purpose of the Bonds, investments as part of a bona fide debt service fund, investments of a reasonably required reserve or replacement fund, investments in bonds issued by the United States Treasury, investments in refunding escrow funds or certain other investments permitted under the Treasury Regulations.

#### 5.24 No Notices or Inquiries from IRS.

Within the last 10 years, the Recipient has not received any notice of a final action of the Internal Revenue Service that determines that interest paid or payable on any debt obligation of the Recipient is or was includable in the gross income of an owner or beneficial owner thereof for federal income tax purposes under the Code.

#### 5.25 Amendments.

The provisions in this Article may be amended, modified or supplemented at any time to reflect changes in the Code upon obtaining written approval of the State Water Board and the Bank and an opinion of Nationally-Recognized Bond Counsel to the effect that such amendment, modification or supplement will not adversely affect the exclusion from federal gross income of interest on the Bonds pursuant to Section 103 of the Code.

#### 5.26 Reasonable Expectations.

The Recipient warrants that, to the best of its knowledge, information and belief, and based on the facts and estimates as set forth in the tax covenants in this Article, the expectations of the Recipient as set forth in this Article are reasonable. The Recipient is not aware of any facts or circumstances that would cause it to question the accuracy or reasonableness of any representation made in the provisions in this Article V.

#### 5.27 Assignment.

The Recipient consents to any pledge, sale, or assignment to the Bank or a trustee for the benefit of the owners of the Bonds, if any, at any time of any portion of the State Water Board's estate, right, title, and interest and claim in, to and under this Agreement and the right to make all related waivers and agreements in the name and on behalf of the State Water Board, as agent and attorney-in-fact, and to perform all other related acts which are necessary and appropriate under this Agreement, if any, and the State Water Board's estate, right, title, and interest and claim in, to and under this Agreement to Payments (but excluding the State Water Board's rights to Additional Payments and to notices, opinions and indemnification under each Obligation).

## EXHIBIT A - SIGNAGE

### 10. Signage.

The Recipient shall place a sign at least four feet tall by eight feet wide made of ¾ inch thick exterior grade plywood or other approved material in a prominent location on the Project site and shall maintain the sign in good condition for the duration of the construction period. The sign must include the following disclosure statement and color logos (available from the Division):



“Funding for this 2015 Drought Relief – Baseline Extension Project has been provided in full or in part the Clean Water State Revolving Fund through an agreement with the State Water Resources Control Board. California’s Clean Water State Revolving Fund is capitalized through a variety of funding sources, including grants from the United States Environmental Protection Agency and state bond proceeds.”

The Project sign may include another agency's required promotional information so long as the above logos and disclosure statement are equally prominent on the sign. The sign shall be prepared in a professional manner.

The Recipient shall include the following disclosure statement in any document, written report, or brochure prepared in whole or in part pursuant to this Agreement:

“Funding for this project has been provided in full or in part through an agreement with the State Water Resources Control Board. California’s Clean Water State Revolving Fund is capitalized through a variety of funding sources, including grants from the United States Environmental Protection Agency and state bond proceeds. The contents of this document do not necessarily reflect the views and policies of the foregoing, nor does mention of trade names or commercial products constitute endorsement or recommendation for use.”

## EXHIBIT D – SPECIAL CONDITIONS

Recipient acknowledges and agrees to the following special conditions:

### Environmental:

The documents identified below are incorporated by reference and the Recipient shall comply with the conditions and recommendations therein:

1. The March 16, 2016 adopted Mitigation Monitoring and Reporting Program, including, but not limited to, the following mitigation measures:
  - 4.6-1 through 4.6-10 for air quality,
  - 4.8-1 through 4.8-3 for biological resources,
  - 4.12-1 through 4.12-9 for cultural resources,
  - 4.4-1 through 4.4-16 for geology and soils,
  - 4.5-1 through 4.5-9 for hydrology and water quality, and
  - VII-1 through VII-13 for hazards and hazardous materials.
2. The letter (EPA\_2017\_0203\_001) dated February 15, 2017 from Ms. Julianne Polanco at the State Office of Historic Preservation (OHP), Department of Parks and Recreation to Mrs. Carina Grove at the State Water Board regarding Section 106 of the Historic Preservation Act consultation for the Baseline Recycle Water Pipeline Extension Project (CWSRF NO. 8235-150), Inland Empire Utilities Agency, San Bernardino County, California, including, but not limited to, the following mitigation measures:
  - The Recipient shall coordinate with Mr. Andrew Salas, Chairperson of the Gabrieleno Band Mission Indians, prior to start of the Project construction, to have a qualified Native American monitor present during ground disturbance activities and shall notify the State Water Board of the outcome of such coordination.

The Recipient shall make no changes in the Project, construction area, or special conditions, without obtaining the appropriate and necessary prior approval(s) from the State Water Board and OHP.

### REPORTING TO THE STATE WATER BOARD

1. In its status reports submitted pursuant to this Agreement, the Recipient shall include a discussion of the status of its compliance with environmental measures identified in this Exhibit D.
2. In its Project Completion Report submitted pursuant to this Agreement, the Recipient shall include a discussion of compliance with environmental measures identified in this Exhibit D.

### Financial:

1. Recipient shall establish and maintain rates and charges sufficient to generate Revenues in the amounts necessary to cover Operations and Maintenance Costs and shall ensure that the Net Revenues are equal to at least 1.2 senior and 1.15 parity times the annual debt service in each Fiscal Year.
2. Recipient shall also comply with all additional debt requirements of the Recipient's outstanding System Obligations, including but not limited to the Systems Obligations set forth in Exhibit F, which requirements may be higher than the coverage ratio specified in this special condition.

3. Recipient shall establish a restricted Reserve Fund, held in its Enterprise Funds, equal to one year's debt service on this Obligation prior to Completion of Construction. The restricted Reserve Fund shall be maintained for the full term of the Agreement and shall be subject to lien and pledge as security for this Obligation and its use shall be restricted to payment of this Obligation during the term of this Agreement.
4. Recipient shall maintain separate financial statements in its annual CAFR for the following funds; Regional Wastewater, Recycled Water, Water Resources, and Non-Major funds. Revenues and expenses should be recorded in their appropriate fund.

Technical:

1. As a condition precedent to this Agreement, the Recipient must (1) deliver opinions of bond counsel and general counsel satisfactory to the State Water Board's counsel dated on or after the date that the Recipient signs this Agreement, and (2) deliver to the Division a resolution authorizing this Agreement.
2. The Recipient represents that it owns or has sufficient property rights in the Project property for the longer of the Useful Life or the term of this Agreement, either in fee simple or for a term of years that is not subject to third-party revocation during the Useful Life of the Project.
3. The Recipient agrees that only licensed professionals will be used to perform services under this Agreement where such services are called for. All technical reports required pursuant to this Agreement that involve planning, investigation, evaluation, design, or other work requiring interpretation and proper application of engineering, architectural, or geologic sciences, shall be prepared by or under the direction of persons registered to practice in California pursuant to Business and Professions Code, sections 5536.1, 6735, 7835, and 7835.1. To demonstrate compliance with California Code of Regulations, title 16, sections 415 and 3065, all technical reports must contain a statement of the qualifications of the responsible registered professional(s). As required by these laws, completed technical reports must bear the signature(s) and seal(s) of the registered professional(s) in a manner such that all work can be clearly attributed to the professional responsible for the work.
4. The Recipient certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

## EXHIBIT E - PROGRAMMATIC CONDITIONS AND CROSS-CUTTERS

The Recipient agrees to comply with the following federal conditions:

(A) Federal Award Conditions

- (1) ~~American Iron and Steel. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient shall not purchase "iron and steel products" produced outside of the United States on this Project. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient hereby certifies that all "iron and steel products" used in the Project were or will be produced in the United States. For purposes of this section, the term "iron and steel products" means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials. "Steel" means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements. Wage Rate Requirements (Davis Bacon). The Recipient shall include in full the language incorporated by reference in Exhibit A of this Agreement in all construction contracts and subcontracts.~~
- (2) Signage Requirements. The Recipient shall comply with the signage requirements set forth in Exhibit A.
- (3) Public or Media Events. The Recipient shall notify the State Water Board and the EPA contact as provided in the notice provisions of this Agreement of public or media events publicizing the accomplishment of significant events related to this Project and provide the opportunity for attendance and participation by federal representatives with at least ten (10) working days' notice.
- (4) EPA General Terms and Conditions (USEPA GTCs). The Recipient shall comply with applicable EPA general terms and conditions found at <http://www.epa.gov/ogd>, including but not limited to the following:
  - (a) DUNS. No Recipient may receive funding under this Agreement unless it has provided its DUNS number to the State Water Board.
  - (b) Federal Exclusion or Disqualification. The Recipient represents and warrants that it and its principals are not excluded or disqualified from participating in this transaction as such terms are defined in Parts 180 and 1532 of Title 2 of the Code of Federal Regulations (2 CFR). If the Recipient is excluded after execution of this Agreement, the Recipient shall notify the Division within ten (10) days and shall inform the Division of the Recipient's exclusion in any request for amendment of this Agreement. The Recipient shall comply with Subpart C of Part 180 of 2 CFR, as supplemented by Subpart C of Part 1532 of 2 CFR. Such compliance is a condition precedent to the State Water Board's performance of its obligations under this Agreement. When entering into a covered transaction as defined in Parts 180 and 1532 of 2 CFR, the Recipient shall require the other party to the covered transaction to comply with Subpart C of Part 180 of 2 CFR, as supplemented by Subpart C of Part 1532 of 2 CFR.

EXHIBIT E - PROGRAMMATIC CONDITIONS AND CROSS-CUTTERS

- (c) Conflict of Interest. To the extent applicable, the Recipient shall disclose to the State Water Board any potential conflict of interest consistent with USEPA's Final Financial Assistance Conflict of Interest Policy at <https://www.epa.gov/grants/epas-final-financial-assistance-conflict-interest-policy>. A conflict of interest may result in disallowance of costs.
- (d) Copyright and Patent.
- i. USEPA and the State Water Board have the right to reproduce, publish, use and authorize others to reproduce, publish and use copyrighted works or other data developed under this assistance agreement.
  - ii. Where an invention is made with Project Funds, USEPA and the State Water Board retain the right to a worldwide, nonexclusive, nontransferable, irrevocable, paid-up license to practice the invention owned by the Recipient. The Recipient must utilize the Interagency Edison extramural invention reporting system at <http://iEdison.gov> and shall notify the Division when an invention report, patent report, or utilization report is filed.
- (e) Credit. The Recipient agrees that any reports, documents, publications or other materials developed for public distribution supported by this Agreement shall contain the following statement:
- “This project has been funded wholly or in part by the United States Environmental Protection Agency and the State Water Resources Control Board. The contents of this document do not necessarily reflect the views and policies of the Environmental Protection Agency or the State Water Resources Control Board, nor does the EPA or the Board endorse trade names or recommend the use of commercial products mentioned in this document.”
- (f) Electronic and Information Technology Accessibility. The Recipient is encouraged to follow guidelines established under Section 508 of the Rehabilitation Act, codified at 36 CFR Part 1194, with respect to enabling individuals with disabilities to participate in its programs supported by this Project.
- (g) Trafficking in Persons. The Recipient, its employees, contractors and subcontractors and their employees may not engage in severe forms of trafficking in persons, procure a commercial sex act during the term of this Agreement, or use forced labor in the performance of this Agreement. The Recipient must include this provision in its contracts and subcontracts under this Agreement. The Recipient must inform the State Water Board immediately of any information regarding a violation of the foregoing. The Recipient understands that failure to comply with this provision may subject the State Water Board to loss of federal funds. The Recipient agrees to compensate the State Water Board for any such funds lost due to its failure to comply with this condition, or the failure of its contractors or subcontractors to comply with this condition. The State Water Board may unilaterally terminate this Agreement if the Recipient that is a private entity is determined to have violated the foregoing. Trafficking Victims Protection Act of 2000.
- (6) By signing this Agreement, the Recipient certifies to the best of its knowledge and belief that:

## EXHIBIT E - PROGRAMMATIC CONDITIONS AND CROSS-CUTTERS

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with this Agreement, the Recipient shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions, and notify the State Water Board.

The Recipient shall require this certification from all parties to any contract or agreement that the Recipient enters into and under which the Recipient incurs costs for which it seeks disbursements under this Agreement.

(B) Super Cross-Cutters - Civil Rights Obligations. The Recipient must comply with the following federal non-discrimination requirements:

- (1) Title VI of the Civil Rights Act of 1964, which prohibits discrimination based on race, color, and national origin, including limited English proficiency (LEP).
- (2) Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination against persons with disabilities.
- (3) The Age Discrimination Act of 1975, which prohibits age discrimination.
- (4) Section 13 of the Federal Water Pollution Control Act Amendments of 1972, which prohibits discrimination on the basis of sex.
- (5) 40 CFR Part 7, as it relates to the foregoing.

(C) WRRDA Conditions

- (1) Architectural and engineering contracts. Where the Recipient contracts for program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying, mapping, or architectural related services, the Recipient shall ensure that any such contract is negotiated in the same manner as a contract for architectural and engineering services is negotiated under chapter 11 of title 40, United States Code, or an equivalent State qualifications-based requirement as determined by the State Water Board.
- (2) Fiscal sustainability. The Recipient certifies that it has developed and is implementing a fiscal sustainability plan for the Project that includes an inventory of critical assets that are a part of the Project, an evaluation of the condition and performance of inventoried assets or asset groupings, a certification that the recipient has evaluated and will be implementing water and energy conservation efforts as part of the plan, and a plan for maintaining, repairing, and, as necessary, replacing the Project and a plan for funding such activities.

EXHIBIT E - PROGRAMMATIC CONDITIONS AND CROSS-CUTTERS

(D) Cross-Cutters

- 1) Executive Order No. 11246. The Recipient shall include in its contracts and subcontracts related to the Project the following provisions:

*"During the performance of this contract, the contractor agrees as follows: "(a) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.*

*"(b) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.*

*"(c) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.*

*"(d) The contractor will comply with all provisions of Executive Order No. 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.*

*"(e) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.*

*"(f) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.*

*"(g) The contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of Sept. 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, That in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States."*



## EXHIBIT G – COMPLIANCE WITH CROSS-CUTTING STATE AUTHORITIES

### 1. CALIFORNIA DEBT INVESTMENT ADVISORY COMMISSION (CDIAC)

Where Recipient is a public entity, Recipient acknowledges its responsibility to file debt obligations with the CDIAC. Recipient understands that CDIAC has waived filing fees for State Water Board SRF debt.

### 2. COMPLIANCE WITH STATE REQUIREMENTS

Recipient represents that it complies with the following conditions precedent and shall continue to maintain compliance:

#### (1) Water Conservation

The Recipient certifies that it complies with and shall continue to comply with any applicable water conservation requirements, including regulations in Division 3 of Title 23 of the California Code of Regulations.

#### (2) Monthly Water Diversion Reporting

If Recipient is a water diverter, Recipient must maintain compliance with Water Code section 5103, subdivision (e)(2)(A) by submitting monthly diversion reports to the Division of Water Rights of the State Water Resources Control Board.

#### (3) Public Works Contractor Registration with Department Of Industrial Relations

To bid for public works contracts, Recipient's contractors and Recipient's subcontractors must register with the Department of Industrial Relations as required by Labor Code sections 1725.5 and 1771.1.

#### (4) Volumetric Pricing & Water Meters

If Recipient is an "urban water supplier" as defined by Water Code section 10617, Recipient must charge each customer for actual water volume measured by water meter according to the requirements of Water Code sections 526 and 527. Section 527 further requires that such suppliers not subject to section 526 install water meters on all municipal and industrial service connections within their service area by 2025.

#### (5) Urban Water Management Plan

If Recipient is an "urban water supplier" as defined by Water Code section 10617, the Recipient certifies that this Project complies with the Urban Water Management Planning Act (Water Code, § 10610 et seq.). This shall constitute a condition precedent to this Agreement.

#### (6) Urban Water Demand Management

If Recipient is an "urban water supplier" as defined by Water Code section 10617, Recipient must comply with water conservation measures established by SBx7-7. (Water Code, Sec. 10608.56.)

#### (7) Delta Plan Consistency Findings

If Recipient is a state or local public agency and the proposed action is covered by the Delta Plan, Recipient must submit certification of project consistency with the Delta Plan to the Delta

## EXHIBIT G – COMPLIANCE WITH CROSS-CUTTING STATE AUTHORITIES

Stewardship Council according to the requirements of Water Code section 85225 and California Code of Regulations, title 23, section 5002.

(8) Agricultural Water Management Plan Consistency

If Recipient is an agricultural water supplier as defined by Water Code section 10608.12, Recipient must comply with Agricultural Water Management Planning requirements as mandated by Water Code section 10852.

(9) The California Environmental Quality Act (CEQA), as set forth in Public Resources Code 21000 et seq. and in the CEQA Guidelines at Title 14, Division 6, Chapter 3, Section 15000 et seq.

"General Decision Number: CA20220026 02/18/2022

Superseded General Decision Number: CA20210026

State: California

Construction Types: Building, Heavy (Heavy and Dredging) and Highway

County: San Bernardino County in California.

BUILDING CONSTRUCTION PROJECTS; DREDGING PROJECTS (does not include hopper dredge work); HEAVY CONSTRUCTION PROJECTS (does not include water well drilling); HIGHWAY CONSTRUCTION PROJECTS

Note: Contracts subject to the Davis-Bacon Act are generally required to pay at least the applicable minimum wage rate required under Executive Order 14026 or Executive Order 13658. Please note that these Executive Orders apply to covered contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but do not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(2)-(60).

If the contract is entered into on or after January 30, 2022, or the contract is renewed or extended (e.g., an option is exercised) on or after January 30, 2022, Executive Order 14026 generally applies to the contract. The contractor must pay all covered workers at least \$15.00 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on that contract in 2022.

If the contract was awarded on or between January 1, 2015 and January 29, 2022, and the contract is not renewed or extended on or after January 30, 2022, Executive Order 13658 generally applies to the contract. The contractor must pay all covered workers at least \$11.25 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on that contract in 2022.

The applicable Executive Order minimum wage rate will be adjusted annually. If this contract is covered by one of the Executive Orders and a classification considered necessary for performance of work on the contract does not appear on this wage determination, the contractor must still submit a conformance request.

Additional information on contractor requirements and worker protections under the Executive Orders is available at [www.dol.gov/whd/govcontracts](http://www.dol.gov/whd/govcontracts).

| Modification Number | Publication Date |
|---------------------|------------------|
| 0                   | 01/07/2022       |
| 1                   | 01/14/2022       |
| 2                   | 01/21/2022       |
| 3                   | 02/18/2022       |

ASBE0005-002 09/01/2021

Rates Fringes

Asbestos Workers/Insulator  
(Includes the application of all insulating materials, protective coverings, coatings, and finishes to all

|                                                                                                                                                                          |       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| types of mechanical systems).....\$ 47.25                                                                                                                                | 24.45 |
| Fire Stop Technician<br>(Application of Firestopping<br>Materials for wall openings<br>and penetrations in walls,<br>floors, ceilings and curtain<br>walls).....\$ 32.09 | 19.66 |

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ASBE0005-004 07/05/2021

|       |         |
|-------|---------|
| Rates | Fringes |
|-------|---------|

|                                                                                                                                                                                                                                                                                      |       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| Asbestos Removal<br>worker/hazardous material<br>handler (Includes<br>preparation, wetting,<br>stripping, removal,<br>scrapping, vacuuming, bagging<br>and disposing of all<br>insulation materials from<br>mechanical systems, whether<br>they contain asbestos or not)....\$ 22.40 | 13.07 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|

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BOIL0092-003 01/01/2021

|       |         |
|-------|---------|
| Rates | Fringes |
|-------|---------|

|                          |       |
|--------------------------|-------|
| BOILERMAKER.....\$ 46.03 | 38.81 |
|--------------------------|-------|

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\* BRCA0004-011 05/01/2020

|       |         |
|-------|---------|
| Rates | Fringes |
|-------|---------|

|                                        |       |
|----------------------------------------|-------|
| BRICKLAYER; MARBLE SETTER.....\$ 41.48 | 18.63 |
|----------------------------------------|-------|

\*The wage scale for prevailing wage projects performed in Blythe, China lake, Death Valley, Fort Irwin, Twenty-Nine Palms, Needles and 1-15 corridor (Barstow to the Nevada State Line) will be Three Dollars (\$3.00) above the standard San Bernardino/Riverside County hourly wage rate

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BRCA0018-004 06/01/2021

|       |         |
|-------|---------|
| Rates | Fringes |
|-------|---------|

|                              |       |
|------------------------------|-------|
| MARBLE FINISHER.....\$ 35.90 | 14.11 |
| TILE FINISHER.....\$ 30.47   | 12.52 |
| TILE LAYER.....\$ 43.09      | 18.31 |

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BRCA0018-010 09/01/2020

|       |         |
|-------|---------|
| Rates | Fringes |
|-------|---------|

|                                     |       |
|-------------------------------------|-------|
| TERRAZZO FINISHER.....\$ 33.66      | 14.20 |
| TERRAZZO WORKER/SETTER.....\$ 41.60 | 14.73 |

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CARP0213-001 07/01/2021

|       |         |
|-------|---------|
| Rates | Fringes |
|-------|---------|

|                                                                                                                                              |       |
|----------------------------------------------------------------------------------------------------------------------------------------------|-------|
| CARPENTER<br>(1) Carpenter, Cabinet<br>Installer, Insulation<br>Installer, Hardwood Floor<br>Worker and acoustical<br>installer.....\$ 51.60 | 16.28 |
| (2) Millwright.....\$ 52.10                                                                                                                  | 16.48 |

|                                                                                                                                                              |          |       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|-------|
| (3) Piledrivermen/Derrick<br>Bargeman, Bridge or Dock<br>Carpenter, Heavy Framer,<br>Rock Bargeman or Scowman,<br>Rockslinger, Shingler<br>(Commercial)..... | \$ 51.73 | 16.28 |
| (4) Pneumatic Nailer,<br>Power Stapler.....                                                                                                                  | \$ 51.85 | 16.28 |
| (5) Sawfiler.....                                                                                                                                            | \$ 51.69 | 16.28 |
| (6) Scaffold Builder.....                                                                                                                                    | \$ 42.80 | 16.28 |
| (7) Table Power Saw<br>Operator.....                                                                                                                         | \$ 51.70 | 16.28 |

FOOTNOTE: Work of forming in the construction of open cut sewers or storm drains, on operations in which horizontal lagging is used in conjunction with steel H-Beams driven or placed in pre- drilled holes, for that portion of a lagged trench against which concrete is poured, namely, as a substitute for back forms (which work is performed by piledrivers): \$0.13 per hour additional.

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CARP0213-002 07/01/2021

|                           | Rates     | Fringes |
|---------------------------|-----------|---------|
| Diver                     |           |         |
| (1) Wet.....              | \$ 834.40 | 16.28   |
| (2) Standby.....          | \$ 445.84 | 16.28   |
| (3) Tender.....           | \$ 437.84 | 16.28   |
| (4) Assistant Tender..... | \$ 413.84 | 16.28   |

Amounts in "'Rates' column are per day

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CARP0213-004 07/01/2021

|                              | Rates    | Fringes |
|------------------------------|----------|---------|
| Drywall                      |          |         |
| DRYWALL INSTALLER/LATHER.... | \$ 51.60 | 16.28   |
| STOCKER/SCRAPPER.....        | \$ 22.16 | 8.62    |

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CARP0721-001 07/01/2021

|                                  | Rates    | Fringes |
|----------------------------------|----------|---------|
| Modular Furniture Installer..... | \$ 21.85 | 7.15    |

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\* ELEC0440-004 12/27/2021

COMMUNICATIONS AND SYSTEMS WORK

|                       | Rates    | Fringes  |
|-----------------------|----------|----------|
| Communications System |          |          |
| Installer.....        | \$ 39.60 | 3%+16.89 |
| Technician.....       | \$ 33.09 | 15.89    |

SCOPE OF WORK:

Installation, testing, service and maintenance of systems utilizing the transmission and/or transference of voice, sound, vision and digital for commercial, educational, security and entertainment purposes for the following: TV monitoring and surveillance, background-foreground music, intercom and telephone interconnect, inventory control systems, microwave transmission, multi-media, multiplex, nurse call systems, radio page, school intercom and sound, burglar alarms, fire alarms, and low voltage master clock

systems in commercial buildings. Communication Systems that transmit or receive information and/or control systems that are intrinsic to the above listed systems; inclusion or exclusion of terminations and testings of conductors determined by their function; excluding all other data systems or multiple systems which include control function or power supply; excluding installation of raceway systems, conduit systems, line voltage work, and energy management systems. Does not cover work performed at China Lake Naval Ordnance Test Station.

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ELEC0477-002 06/01/2021

|                    | Rates    | Fringes  |
|--------------------|----------|----------|
| Electricians:..... | \$ 45.75 | 3%+25.33 |

CABLE SPLICER: \$1.50 per hour above Electrician rate.  
TUNNEL WORK: 10% above Electrician rate.

ZONE PAY:

Zone A - 80 road miles from Post Office, 455 Orange Show Lane, San Bernardino, will be a free zone for all contractors  
Zone B - Any work performed outside Zone A's 80 road miles, shall add \$12.00 per hour to the current wage scale.

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ELEC1245-001 01/01/2022

|                                                                                                                                                                                                                | Rates    | Fringes |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|---------|
| LINE CONSTRUCTION                                                                                                                                                                                              |          |         |
| (1) Lineman; Cable splicer..                                                                                                                                                                                   | \$ 60.19 | 22.07   |
| (2) Equipment specialist<br>(operates crawler<br>tractors, commercial motor<br>vehicles, backhoes,<br>trenchers, cranes (50 tons<br>and below), overhead &<br>underground distribution<br>line equipment)..... | \$ 48.08 | 20.86   |
| (3) Groundman.....                                                                                                                                                                                             | \$ 36.76 | 20.46   |
| (4) Powderman.....                                                                                                                                                                                             | \$ 51.87 | 18.79   |

HOLIDAYS: New Year's Day, M.L. King Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day and day after Thanksgiving, Christmas Day

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ELEV0018-001 01/01/2022

|                        | Rates    | Fringes    |
|------------------------|----------|------------|
| ELEVATOR MECHANIC..... | \$ 61.34 | 36.885+a+b |

FOOTNOTE:

a. PAID VACATION: Employer contributes 8% of regular hourly rate as vacation pay credit for employees with more than 5 years of service, and 6% for 6 months to 5 years of service.  
b. PAID HOLIDAYS: New Year's Day, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day, Friday after Thanksgiving, and Christmas Day.

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ENGI0012-003 07/01/2020

Rates Fringes

OPERATOR: Power Equipment  
(All Other Work)

|               |          |       |
|---------------|----------|-------|
| GROUP 1.....  | \$ 48.25 | 27.20 |
| GROUP 2.....  | \$ 49.03 | 27.20 |
| GROUP 3.....  | \$ 49.32 | 27.20 |
| GROUP 4.....  | \$ 50.81 | 27.20 |
| GROUP 5.....  | \$ 48.96 | 25.25 |
| GROUP 6.....  | \$ 51.03 | 27.20 |
| GROUP 8.....  | \$ 51.14 | 27.20 |
| GROUP 9.....  | \$ 49.29 | 25.25 |
| GROUP 10..... | \$ 51.26 | 27.20 |
| GROUP 11..... | \$ 49.41 | 25.25 |
| GROUP 12..... | \$ 51.43 | 27.20 |
| GROUP 13..... | \$ 51.53 | 27.20 |
| GROUP 14..... | \$ 51.56 | 27.20 |
| GROUP 15..... | \$ 51.64 | 27.20 |
| GROUP 16..... | \$ 51.76 | 27.20 |
| GROUP 17..... | \$ 51.93 | 27.20 |
| GROUP 18..... | \$ 52.03 | 27.20 |
| GROUP 19..... | \$ 52.14 | 27.20 |
| GROUP 20..... | \$ 52.26 | 27.20 |
| GROUP 21..... | \$ 52.43 | 27.20 |
| GROUP 22..... | \$ 52.53 | 27.20 |
| GROUP 23..... | \$ 52.64 | 27.20 |
| GROUP 24..... | \$ 52.76 | 27.20 |
| GROUP 25..... | \$ 52.93 | 27.20 |

OPERATOR: Power Equipment  
(Cranes, Piledriving & Hoisting)

|               |          |       |
|---------------|----------|-------|
| GROUP 1.....  | \$ 49.60 | 27.20 |
| GROUP 2.....  | \$ 50.38 | 27.20 |
| GROUP 3.....  | \$ 50.67 | 27.20 |
| GROUP 4.....  | \$ 50.81 | 27.20 |
| GROUP 5.....  | \$ 51.03 | 27.20 |
| GROUP 6.....  | \$ 51.14 | 27.20 |
| GROUP 7.....  | \$ 51.26 | 27.20 |
| GROUP 8.....  | \$ 51.43 | 27.20 |
| GROUP 9.....  | \$ 51.60 | 27.20 |
| GROUP 10..... | \$ 52.60 | 27.20 |
| GROUP 11..... | \$ 53.60 | 27.20 |
| GROUP 12..... | \$ 54.60 | 27.20 |
| GROUP 13..... | \$ 55.60 | 27.20 |

OPERATOR: Power Equipment  
(Tunnel Work)

|              |          |       |
|--------------|----------|-------|
| GROUP 1..... | \$ 50.10 | 27.20 |
| GROUP 2..... | \$ 50.88 | 27.20 |
| GROUP 3..... | \$ 51.17 | 27.20 |
| GROUP 4..... | \$ 51.31 | 27.20 |
| GROUP 5..... | \$ 51.53 | 27.20 |
| GROUP 6..... | \$ 51.64 | 27.20 |
| GROUP 7..... | \$ 51.76 | 27.20 |

PREMIUM PAY:

\$3.75 per hour shall be paid on all Power Equipment Operator work on the following Military Bases: China Lake Naval Reserve, Vandenberg AFB, Point Arguello, Seely Naval Base, Fort Irwin, Nebo Annex Marine Base, Marine Corp Logistics Base Yermo, Edwards AFB, 29 Palms Marine Base and Camp Pendleton

Workers required to suit up and work in a hazardous material environment: \$2.00 per hour additional. Combination mixer and compressor operator on gunite work shall be classified as a concrete mobile mixer operator.

SEE ZONE DEFINITIONS AFTER CLASSIFICATIONS

## POWER EQUIPMENT OPERATORS CLASSIFICATIONS

GROUP 1: Bargeman; Brakeman; Compressor operator; Ditch Witch, with seat or similar type equipment; Elevator operator-inside; Engineer Oiler; Forklift operator (includes loed, lull or similar types under 5 tons; Generator operator; Generator, pump or compressor plant operator; Pump operator; Signalman; Switchman

GROUP 2: Asphalt-rubber plant operator (nurse tank operator); Concrete mixer operator-skip type; Conveyor operator; Fireman; Forklift operator (includes loed, lull or similar types over 5 tons; Hydrostatic pump operator; oiler crusher (asphalt or concrete plant); Petromat laydown machine; PJU side dum jack; Screening and conveyor machine operator (or similar types); Skiploader (wheel type up to 3/4 yd. without attachment); Tar pot fireman; Temporary heating plant operator; Trenching machine oiler

GROUP 3: Asphalt-rubber blend operator; Bobcat or similar type (Skid steer); Equipment greaser (rack); Ford Ferguson (with dragtype attachments); Helicopter radioman (ground); Stationary pipe wrapping and cleaning machine operator

GROUP 4: Asphalt plant fireman; Backhoe operator (mini-max or similar type); Boring machine operator; Boxman or mixerman (asphalt or concrete); Chip spreading machine operator; Concrete cleaning decontamination machine operator; Concrete Pump Operator (small portable); Drilling machine operator, small auger types (Texoma super economatic or similar types - Hughes 100 or 200 or similar types - drilling depth of 30' maximum); Equipment greaser (grease truck); Guard rail post driver operator; Highline cableway signalman; Hydra-hammer-aero stomper; Micro Tunneling (above ground tunnel); Power concrete curing machine operator; Power concrete saw operator; Power-driven jumbo form setter operator; Power sweeper operator; Rock Wheel Saw/Trencher; Roller operator (compacting); Screed operator (asphalt or concrete); Trenching machine operator (up to 6 ft.); Vacuum or much truck

GROUP 5: Equipment Greaser (Grease Truck/Multi Shift).

GROUP 6: Articulating material hauler; Asphalt plant engineer; Batch plant operator; Bit sharpener; Concrete joint machine operator (canal and similar type); Concrete planer operator; Dandy digger; Deck engine operator; Derrickman (oilfield type); Drilling machine operator, bucket or auger types (Calweld 100 bucket or similar types - Watson 1000 auger or similar types - Texoma 330, 500 or 600 auger or similar types - drilling depth of 45' maximum); Drilling machine operator; Hydrographic seeder machine operator (straw, pulp or seed), Jackson track maintainer, or similar type; Kalamazoo Switch tamper, or similar type; Machine tool operator; Maginnis internal full slab vibrator, Mechanical berm, curb or gutter (concrete or asphalt); Mechanical finisher operator (concrete, Clary-Johnson-Bidwell or similar); Micro tunnel system (below ground); Pavement breaker operator (truck mounted); Road oil mixing machine operator; Roller operator (asphalt or finish), rubber-tired earth moving equipment (single engine, up to and including 25 yds. struck); Self-propelled tar pipelining machine operator; Skiploader operator (crawler and wheel type, over 3/4 yd. and up to and including 1-1/2 yds.); Slip form pump operator (power driven hydraulic lifting device for concrete forms); Tractor operator-bulldozer, tamper-scraper (single engine,



up to 100 h.p. flywheel and similar types, up to and including D-5 and similar types); Tugger hoist operator (1 drum); Ultra high pressure waterjet cutting tool system operator; Vacuum blasting machine operator

GROUP 8: Asphalt or concrete spreading operator (tamping or finishing); Asphalt paving machine operator (Barber Greene or similar type); Asphalt-rubber distribution operator; Backhoe operator (up to and including 3/4 yd.), small ford, Case or similar; Cast-in-place pipe laying machine operator; Combination mixer and compressor operator (gunite work); Compactor operator (self-propelled); Concrete mixer operator (paving); Crushing plant operator; Drill Doctor; Drilling machine operator, Bucket or auger types (Calweld 150 bucket or similar types - Watson 1500, 2000 2500 auger or similar types - Texoma 700, 800 auger or similar types - drilling depth of 60' maximum); Elevating grader operator; Grade checker; Gradall operator; Grouting machine operator; Heavy-duty repairman; Heavy equipment robotics operator; Kalamazoo balliste regulator or similar type; Kolman belt loader and similar type; Le Tourneau blob compactor or similar type; Loader operator (Athey, Euclid, Sierra and similar types); Mobark Chipper or similar; Ozzie padder or similar types; P.C. slot saw; Pneumatic concrete placing machine operator (Hackley-Presswell or similar type); Pumpcrete gun operator; Rock Drill or similar types; Rotary drill operator (excluding caisson type); Rubber-tired earth-moving equipment operator (single engine, caterpillar, Euclid, Athey Wagon and similar types with any and all attachments over 25 yds. up to and including 50 cu. yds. struck); Rubber-tired earth-moving equipment operator (multiple engine up to and including 25 yds. struck); Rubber-tired scraper operator (self-loading paddle wheel type-John Deere, 1040 and similar single unit); Self-propelled curb and gutter machine operator; Shuttle buggy; Skiploader operator (crawler and wheel type over 1-1/2 yds. up to and including 6-1/2 yds.); Soil remediation plant operator; Surface heaters and planer operator; Tractor compressor drill combination operator; Tractor operator (any type larger than D-5 - 100 flywheel h.p. and over, or similar-bulldozer, tamper, scraper and push tractor single engine); Tractor operator (boom attachments), Traveling pipe wrapping, cleaning and bending machine operator; Trenching machine operator (over 6 ft. depth capacity, manufacturer's rating); trenching Machine with Road Miner attachment (over 6 ft depth capacity): Ultra high pressure waterjet cutting tool system mechanic; Water pull (compaction) operator

#### GROUP 9: Heavy Duty Repairman

GROUP 10: Drilling machine operator, Bucket or auger types (Calweld 200 B bucket or similar types-Watson 3000 or 5000 auger or similar types-Texoma 900 auger or similar types-drilling depth of 105' maximum); Dual drum mixer, dynamic compactor LDC350 (or similar types); Monorail locomotive operator (diesel, gas or electric); Motor patrol-blade operator (single engine); Multiple engine tractor operator (Euclid and similar type-except Quad 9 cat.); Rubber-tired earth-moving equipment operator (single engine, over 50 yds. struck); Pneumatic pipe ramming tool and similar types; Prestressed wrapping machine operator; Rubber-tired earth-moving equipment operator (single engine, over 50 yds. struck); Rubber tired earth moving equipment operator (multiple engine, Euclid, caterpillar and similar over 25 yds. and up to 50 yds. struck), Tower crane repairman; Tractor loader operator (crawler and wheel type over 6-1/2 yds.); Woods mixer operator (and similar

Pugmill equipment)

GROUP 11: Heavy Duty Repairman - Welder Combination, Welder - Certified.

GROUP 12: Auto grader operator; Automatic slip form operator; Drilling machine operator, bucket or auger types (Calweld, auger 200 CA or similar types - Watson, auger 6000 or similar types - Hughes Super Duty, auger 200 or similar types - drilling depth of 175' maximum); Hoe ram or similar with compressor; Mass excavator operator less than 750 cu. yards; Mechanical finishing machine operator; Mobile form traveler operator; Motor patrol operator (multi-engine); Pipe mobile machine operator; Rubber-tired earth-moving equipment operator (multiple engine, Euclid, Caterpillar and similar type, over 50 cu. yds. struck); Rubber-tired self-loading scraper operator (paddle-wheel-auger type self-loading - two (2) or more units)

GROUP 13: Rubber-tired earth-moving equipment operator operating equipment with push-pull system (single engine, up to and including 25 yds. struck)

GROUP 14: Canal liner operator; Canal trimmer operator; Remote-control earth-moving equipment operator (operating a second piece of equipment: \$1.00 per hour additional); Wheel excavator operator (over 750 cu. yds.)

GROUP 15: Rubber-tired earth-moving equipment operator, operating equipment with push-pull system (single engine, Caterpillar, Euclid, Athey Wagon and similar types with any and all attachments over 25 yds. and up to and including 50 yds. struck); Rubber-tired earth-moving equipment operator, operating equipment with push-pull system (multiple engine-up to and including 25 yds. struck)

GROUP 16: Rubber-tired earth-moving equipment operator, operating equipment with push-pull system (single engine, over 50 yds. struck); Rubber-tired earth-moving equipment operator, operating equipment with push-pull system (multiple engine, Euclid, Caterpillar and similar, over 25 yds. and up to 50 yds. struck)

GROUP 17: Rubber-tired earth-moving equipment operator, operating equipment with push-pull system (multiple engine, Euclid, Caterpillar and similar, over 50 cu. yds. struck); Tandem tractor operator (operating crawler type tractors in tandem - Quad 9 and similar type)

GROUP 18: Rubber-tired earth-moving equipment operator, operating in tandem (scrapers, belly dumps and similar types in any combination, excluding compaction units - single engine, up to and including 25 yds. struck)

GROUP 19: Rotex concrete belt operator (or similar types); Rubber-tired earth-moving equipment operator, operating in tandem (scrapers, belly dumps and similar types in any combination, excluding compaction units - single engine, Caterpillar, Euclid, Athey Wagon and similar types with any and all attachments over 25 yds. and up to and including 50 cu. yds. struck); Rubber-tired earth-moving equipment operator, operating in tandem (scrapers, belly dumps and similar types in any combination, excluding compaction units - multiple engine, up to and including 25 yds. struck)

GROUP 20: Rubber-tired earth-moving equipment operator, operating in tandem (scrapers, belly dumps and similar types in any combination, excluding compaction units -

single engine, over 50 yds. struck); Rubber-tired earth-moving equipment operator, operating in tandem (scrapers, belly dumps, and similar types in any combination, excluding compaction units - multiple engine, Euclid, Caterpillar and similar, over 25 yds. and up to 50 yds. struck)

GROUP 21: Rubber-tired earth-moving equipment operator, operating in tandem (scrapers, belly dumps and similar types in any combination, excluding compaction units - multiple engine, Euclid, Caterpillar and similar type, over 50 cu. yds. struck)

GROUP 22: Rubber-tired earth-moving equipment operator, operating equipment with the tandem push-pull system (single engine, up to and including 25 yds. struck)

GROUP 23: Rubber-tired earth-moving equipment operator, operating equipment with the tandem push-pull system (single engine, Caterpillar, Euclid, Athey Wagon and similar types with any and all attachments over 25 yds. and up to and including 50 yds. struck); Rubber-tired earth-moving equipment operator, operating with the tandem push-pull system (multiple engine, up to and including 25 yds. struck)

GROUP 24: Rubber-tired earth-moving equipment operator, operating equipment with the tandem push-pull system (single engine, over 50 yds. struck); Rubber-tired earth-moving equipment operator, operating equipment with the tandem push-pull system (multiple engine, Euclid, Caterpillar and similar, over 25 yds. and up to 50 yds. struck)

GROUP 25: Concrete pump operator-truck mounted; Rubber-tired earth-moving equipment operator, operating equipment with the tandem push-pull system (multiple engine, Euclid, Caterpillar and similar type, over 50 cu. yds. struck)

#### CRANES, PILEDIVING AND HOISTING EQUIPMENT CLASSIFICATIONS

GROUP 1: Engineer oiler; Fork lift operator (includes loed, lull or similar types)

GROUP 2: Truck crane oiler

GROUP 3: A-frame or winch truck operator; Ross carrier operator (jobsite)

GROUP 4: Bridge-type unloader and turntable operator; Helicopter hoist operator

GROUP 5: Hydraulic boom truck; Stinger crane (Austin-Western or similar type); Tugger hoist operator (1 drum)

GROUP 6: Bridge crane operator; Cretor crane operator; Hoist operator (Chicago boom and similar type); Lift mobile operator; Lift slab machine operator (Vagtborg and similar types); Material hoist and/or manlift operator; Polar gantry crane operator; Self Climbing scaffold (or similar type); Shovel, backhoe, dragline, clamshell operator (over 3/4 yd. and up to 5 cu. yds. mrc); Tugger hoist operator

GROUP 7: Pedestal crane operator; Shovel, backhoe, dragline, clamshell operator (over 5 cu. yds. mrc); Tower crane repair; Tugger hoist operator (3 drum)

GROUP 8: Crane operator (up to and including 25 ton

capacity); Crawler transporter operator; Derrick barge operator (up to and including 25 ton capacity); Hoist operator, stiff legs, Guy derrick or similar type (up to and including 25 ton capacity); Shovel, backhoe, dragline, clamshell operator (over 7 cu. yds., M.R.C.)

GROUP 9: Crane operator (over 25 tons and up to and including 50 tons mrc); Derrick barge operator (over 25 tons up to and including 50 tons mrc); Highline cableway operator; Hoist operator, stiff legs, Guy derrick or similar type (over 25 tons up to and including 50 tons mrc); K-crane operator; Polar crane operator; Self erecting tower crane operator maximum lifting capacity ten tons

GROUP 10: Crane operator (over 50 tons and up to and including 100 tons mrc); Derrick barge operator (over 50 tons up to and including 100 tons mrc); Hoist operator, stiff legs, Guy derrick or similar type (over 50 tons up to and including 100 tons mrc), Mobile tower crane operator (over 50 tons, up to and including 100 tons M.R.C.); Tower crane operator and tower gantry

GROUP 11: Crane operator (over 100 tons and up to and including 200 tons mrc); Derrick barge operator (over 100 tons up to and including 200 tons mrc); Hoist operator, stiff legs, Guy derrick or similar type (over 100 tons up to and including 200 tons mrc); Mobile tower crane operator (over 100 tons up to and including 200 tons mrc)

GROUP 12: Crane operator (over 200 tons up to and including 300 tons mrc); Derrick barge operator (over 200 tons up to and including 300 tons mrc); Hoist operator, stiff legs, Guy derrick or similar type (over 200 tons, up to and including 300 tons mrc); Mobile tower crane operator (over 200 tons, up to and including 300 tons mrc)

GROUP 13: Crane operator (over 300 tons); Derrick barge operator (over 300 tons); Helicopter pilot; Hoist operator, stiff legs, Guy derrick or similar type (over 300 tons); Mobile tower crane operator (over 300 tons)

#### TUNNEL CLASSIFICATIONS

GROUP 1: Skiploader (wheel type up to 3/4 yd. without attachment)

GROUP 2: Power-driven jumbo form setter operator

GROUP 3: Dinkey locomotive or motorperson (up to and including 10 tons)

GROUP 4: Bit sharpener; Equipment greaser (grease truck); Slip form pump operator (power-driven hydraulic lifting device for concrete forms); Tugger hoist operator (1 drum); Tunnel locomotive operator (over 10 and up to and including 30 tons)

GROUP 5: Backhoe operator (up to and including 3/4 yd.); Small Ford, Case or similar; Drill doctor; Grouting machine operator; Heading shield operator; Heavy-duty repairperson; Loader operator (Athey, Euclid, Sierra and similar types); Mucking machine operator (1/4 yd., rubber-tired, rail or track type); Pneumatic concrete placing machine operator (Hackley-Presswell or similar type); Pneumatic heading shield (tunnel); Pumpcrete gun operator; Tractor compressor drill combination operator; Tugger hoist operator (2 drum); Tunnel locomotive operator (over 30 tons)

GROUP 6: Heavy Duty Repairman

GROUP 7: Tunnel mole boring machine operator

#### ENGINEERS ZONES

\$1.00 additional per hour for all of IMPERIAL County and the portions of KERN, RIVERSIDE & SAN BERNARDINO Counties as defined below:

That area within the following Boundary: Begin in San Bernardino County, approximately 3 miles NE of the intersection of I-15 and the California State line at that point which is the NW corner of Section 1, T17N,m R14E, San Bernardino Meridian. Continue W in a straight line to that point which is the SW corner of the northwest quarter of Section 6, T27S, R42E, Mt. Diablo Meridian. Continue North to the intersection with the Inyo County Boundary at that point which is the NE corner of the western half of the northern quarter of Section 6, T25S, R42E, MDM. Continue W along the Inyo and San Bernardino County boundary until the intersection with Kern County, as that point which is the SE corner of Section 34, T24S, R40E, MDM. Continue W along the Inyo and Kern County boundary until the intersection with Tulare County, at that point which is the SW corner of the SE quarter of Section 32, T24S, R37E, MDM. Continue W along the Kern and Tulare County boundary, until that point which is the NW corner of T25S, R32E, MDM. Continue S following R32E lines to the NW corner of T31S, R32E, MDM. Continue W to the NW corner of T31S, R31E, MDM. Continue S to the SW corner of T32S, R31E, MDM. Continue W to SW corner of SE quarter of Section 34, T32S, R30E, MDM. Continue S to SW corner of T11N, R17W, SBM. Continue E along south boundary of T11N, SBM to SW corner of T11N, R7W, SBM. Continue S to SW corner of T9N, R7W, SBM. Continue E along south boundary of T9N, SBM to SW corner of T9N, R1E, SBM. Continue S along west boundary of R1E, SMB to Riverside County line at the SW corner of T1S, R1E, SBM. Continue E along south boundary of T1s, SBM (Riverside County Line) to SW corner of T1S, R10E, SBM. Continue S along west boundary of R10E, SBM to Imperial County line at the SW corner of T8S, R10E, SBM. Continue W along Imperial and Riverside county line to NW corner of T9S, R9E, SBM. Continue S along the boundary between Imperial and San Diego Counties, along the west edge of R9E, SBM to the south boundary of Imperial County/California state line. Follow the California state line west to Arizona state line, then north to Nevada state line, then continuing NW back to start at the point which is the NW corner of Section 1, T17N, R14E, SBM

\$1.00 additional per hour for portions of SAN LUIS OBISPO, KERN, SANTA BARBARA & VENTURA as defined below:

That area within the following Boundary: Begin approximately 5 miles north of the community of Cholame, on the Monterey County and San Luis Obispo County boundary at the NW corner of T25S, R16E, Mt. Diablo Meridian. Continue south along the west side of R16E to the SW corner of T30S, R16E, MDM. Continue E to SW corner of T30S, R17E, MDM. Continue S to SW corner of T31S, R17E, MDM. Continue E to SW corner of T31S, R18E, MDM. Continue S along West side of R18E, MDM as it crosses into San Bernardino Meridian numbering area and becomes R30W. Follow the west side of R30W, SBM to the SW corner of T9N, R30W, SBM. Continue E along the south edge of T9N, SBM to the Santa Barbara County and Ventura County boundary at that point which is the SW corner of Section 34.T9N, R24W, SBM, continue S along the Ventura County line to that point which is the SW corner of the SE quarter of Section 32, T7N, R24W, SBM. Continue E along the south edge of T7N, SBM to the SE corner to T7N, R21W,

SBM. Continue N along East side of R21W, SBM to Ventura County and Kern County boundary at the NE corner of T8N, R21W. Continue W along the Ventura County and Kern County boundary to the SE corner of T9N, R21W. Continue North along the East edge of R21W, SBM to the NE corner of T12N, R21W, SBM. Continue West along the north edge of T12N, SBM to the SE corner of T32S, R21E, MDM. [T12N SBM is a think strip between T11N SBM and T32S MDM]. Continue North along the East side of R21E, MDM to the Kings County and Kern County border at the NE corner of T25S, R21E, MDM, continue West along the Kings County and Kern County Boundary until the intersection of San Luis Obispo County. Continue west along the Kings County and San Luis Obispo County boundary until the intersection with Monterey County. Continue West along the Monterey County and San Luis Obispo County boundary to the beginning point at the NW corner of T25S, R16E, MDM.

\$2.00 additional per hour for INYO and MONO Counties and the Northern portion of SAN BERNARDINO County as defined below:

That area within the following Boundary: Begin at the intersection of the northern boundary of Mono County and the California state line at the point which is the center of Section 17, T10N, R22E, Mt. Diablo Meridian. Continue S then SE along the entire western boundary of Mono County, until it reaches Inyo County at the point which is the NE corner of the Western half of the NW quarter of Section 2, T8S, R29E, MDM. Continue SSE along the entire western boundary of Inyo County, until the intersection with Kern County at the point which is the SW corner of the SE 1/4 of Section 32, T24S, R37E, MDM. Continue E along the Inyo and Kern County boundary until the intersection with San Bernardino County at that point which is the SE corner of section 34, T24S, R40E, MDM. Continue E along the Inyo and San Bernardino County boundary until the point which is the NE corner of the Western half of the NW quarter of Section 6, T25S, R42E, MDM. Continue S to that point which is the SW corner of the NW quarter of Section 6, T27S, R42E, MDM. Continue E in a straight line to the California and Nevada state border at the point which is the NW corner of Section 1, T17N, R14E, San Bernardino Meridian. Then continue NW along the state line to the starting point, which is the center of Section 18, T10N, R22E, MDM.

REMAINING AREA NOT DEFINED ABOVE RECIEVES BASE RATE

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ENGI0012-004 08/01/2020

|                                                             | Rates    | Fringes |
|-------------------------------------------------------------|----------|---------|
| OPERATOR: Power Equipment                                   |          |         |
| (DREDGING)                                                  |          |         |
| (1) Leverman.....                                           | \$ 56.40 | 30.00   |
| (2) Dredge dozer.....                                       | \$ 50.43 | 30.00   |
| (3) Deckmate.....                                           | \$ 50.32 | 30.00   |
| (4) Winch operator (stern<br>winch on dredge).....          | \$ 49.77 | 30.00   |
| (5) Fireman-Oiler,<br>Deckhand, Bargeman,<br>Leveehand..... | \$ 49.23 | 30.00   |
| (6) Barge Mate.....                                         | \$ 49.84 | 30.00   |

-----  
IRON0433-006 07/01/2020

Rates                      Fringes

IRONWORKER

|                                                |          |       |
|------------------------------------------------|----------|-------|
| Fence Erector.....                             | \$ 34.58 | 24.81 |
| Ornamental, Reinforcing<br>and Structural..... | \$ 41.00 | 33.45 |

PREMIUM PAY:

\$6.00 additional per hour at the following locations:

China Lake Naval Test Station, Chocolate Mountains Naval Reserve-Niland, Edwards AFB, Fort Irwin Military Station, Fort Irwin Training Center-Goldstone, San Clemente Island, San Nicholas Island, Susanville Federal Prison, 29 Palms - Marine Corps, U.S. Marine Base - Barstow, U.S. Naval Air Facility - Sealey, Vandenberg AFB

\$4.00 additional per hour at the following locations:

Army Defense Language Institute - Monterey, Fallon Air Base, Naval Post Graduate School - Monterey, Yermo Marine Corps Logistics Center

\$2.00 additional per hour at the following locations:

Port Hueneme, Port Mugu, U.S. Coast Guard Station - Two Rock

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LAB00300-005 03/01/2021

|                               | Rates    | Fringes |
|-------------------------------|----------|---------|
| Asbestos Removal Laborer..... | \$ 37.49 | 21.88   |

SCOPE OF WORK: Includes site mobilization, initial site cleanup, site preparation, removal of asbestos-containing material and toxic waste, encapsulation, enclosure and disposal of asbestos- containing materials and toxic waste by hand or with equipment or machinery; scaffolding, fabrication of temporary wooden barriers and assembly of decontamination stations.

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LAB00345-001 07/01/2021

|                  | Rates    | Fringes |
|------------------|----------|---------|
| LABORER (GUNITE) |          |         |
| GROUP 1.....     | \$ 46.50 | 20.42   |
| GROUP 2.....     | \$ 45.55 | 20.42   |
| GROUP 3.....     | \$ 42.01 | 20.42   |

FOOTNOTE: GUNITE PREMIUM PAY: Workers working from a Bosn'n's Chair or suspended from a rope or cable shall receive 40 cents per hour above the foregoing applicable classification rates. Workers doing gunite and/or shotcrete work in a tunnel shall receive 35 cents per hour above the foregoing applicable classification rates, paid on a portal-to-portal basis. Any work performed on, in or above any smoke stack, silo, storage elevator or similar type of structure, when such structure is in excess of 75'-0"" above base level and which work must be performed in whole or in part more than 75'-0"" above base level, that work performed above the 75'-0"" level shall be compensated for at 35 cents per hour above the applicable classification wage rate.

GUNITE LABORER CLASSIFICATIONS

GROUP 1: Rodmen, Nozzlemen

GROUP 2: Gunmen

GROUP 3: Reboundmen

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LAB00783-002 07/01/2020

|                  | Rates    | Fringes |
|------------------|----------|---------|
| LABORER (TUNNEL) |          |         |
| GROUP 1.....     | \$ 42.54 | 21.04   |
| GROUP 2.....     | \$ 42.86 | 21.04   |
| GROUP 3.....     | \$ 43.32 | 21.04   |
| GROUP 4.....     | \$ 44.01 | 21.04   |
| LABORER          |          |         |
| GROUP 1.....     | \$ 36.39 | 21.04   |
| GROUP 2.....     | \$ 36.94 | 21.04   |
| GROUP 3.....     | \$ 37.49 | 21.04   |
| GROUP 4.....     | \$ 39.04 | 21.04   |
| GROUP 5.....     | \$ 39.39 | 21.04   |

LABORER CLASSIFICATIONS

GROUP 1: Cleaning and handling of panel forms; Concrete screeding for rough strike-off; Concrete, water curing; Demolition laborer, the cleaning of brick if performed by a worker performing any other phase of demolition work, and the cleaning of lumber; Fire watcher, limber, brush loader, piler and debris handler; Flag person; Gas, oil and/or water pipeline laborer; Laborer, asphalt-rubber material loader; Laborer, general or construction; Laborer, general clean-up; Laborer, landscaping; Laborer, jetting; Laborer, temporary water and air lines; Material hose operator (walls, slabs, floors and decks); Plugging, filling of shee bolt holes; Dry packing of concrete; Railroad maintenance, repair track person and road beds; Streetcar and railroad construction track laborers; Rigging and signaling; Scaler; Slip form raiser; Tar and mortar; Tool crib or tool house laborer; Traffic control by any method; Window cleaner; Wire mesh pulling - all concrete pouring operations

GROUP 2: Asphalt shoveler; Cement dumper (on 1 yd. or larger mixer and handling bulk cement); Cesspool digger and installer; Chucktender; Chute handler, pouring concrete, the handling of the chute from readymix trucks, such as walls, slabs, decks, floors, foundation, footings, curbs, gutters and sidewalks; Concrete curer, impervious membrane and form oiler; Cutting torch operator (demolition); Fine grader, highways and street paving, airport, runways and similar type heavy construction; Gas, oil and/or water pipeline wrapper - pot tender and form person; Guinea chaser; Headerboard person - asphalt; Laborer, packing rod steel and pans; Membrane vapor barrier installer; Power broom sweeper (small); Riprap stonepaver, placing stone or wet sacked concrete; Roto scraper and tiller; Sandblaster (pot tender); Septic tank digger and installer(lead); Tank scaler and cleaner; Tree climber, faller, chain saw operator, Pittsburgh chipper and similar type brush shredder; Underground laborer, including caisson bellower

GROUP 3: Buggymobile person; Concrete cutting torch; Concrete pile cutter; Driller, jackhammer, 2-1/2 ft. drill steel or longer; Dri-pak-it machine; Gas, oil and/or water pipeline wrapper, 6-in. pipe and over, by any method, inside and out; High scaler (including drilling of same); Hydro seeder



and similar type; Impact wrench multi-plate; Kettle person, pot person and workers applying asphalt, lay-kold, creosote, lime caustic and similar type materials ("applying" means applying, dipping, brushing or handling of such materials for pipe wrapping and waterproofing); Operator of pneumatic, gas, electric tools, vibrating machine, pavement breaker, air blasting, come-alongs, and similar mechanical tools not separately classified herein; Pipelayer's backup person, coating, grouting, making of joints, sealing, caulking, diapering and including rubber gasket joints, pointing and any and all other services; Rock slinger; Rotary scarifier or multiple head concrete chipping scarifier; Steel headerboard and guideline setter; Tamper, Barko, Wacker and similar type; Trenching machine, hand-propelled

GROUP 4: Asphalt raker, lute person, ironer, asphalt dump person, and asphalt spreader boxes (all types); Concrete core cutter (walls, floors or ceilings), grinder or sander; Concrete saw person, cutting walls or flat work, scoring old or new concrete; Cribber, shorer, lagging, sheeting and trench bracing, hand-guided lagging hammer; Head rock slinger; Laborer, asphalt- rubber distributor boot person; Laser beam in connection with laborers' work; Oversize concrete vibrator operator, 70 lbs. and over; Pipelayer performing all services in the laying and installation of pipe from the point of receiving pipe in the ditch until completion of operation, including any and all forms of tubular material, whether pipe, metallic or non-metallic, conduit and any other stationary type of tubular device used for the conveying of any substance or element, whether water, sewage, solid gas, air, or other product whatsoever and without regard to the nature of material from which the tubular material is fabricated; No-joint pipe and stripping of same; Prefabricated manhole installer; Sandblaster (nozzle person), water blasting, Porta Shot-Blast

GROUP 5: Blaster powder, all work of loading holes, placing and blasting of all powder and explosives of whatever type, regardless of method used for such loading and placing; Driller: All power drills, excluding jackhammer, whether core, diamond, wagon, track, multiple unit, and any and all other types of mechanical drills without regard to the form of motive power; Toxic waste removal

#### TUNNEL LABORER CLASSIFICATIONS

GROUP 1: Batch plant laborer; Changehouse person; Dump person; Dump person (outside); Swamper (brake person and switch person on tunnel work); Tunnel materials handling person; Nipper; Pot tender, using mastic or other materials (for example, but not by way of limitation, shotcrete, etc.)

GROUP 2: Chucktender, cabetender; Loading and unloading agitator cars; Vibrator person, jack hammer, pneumatic tools (except driller); Bull gang mucker, track person; Concrete crew, including rodder and spreader

GROUP 3: Blaster, driller, powder person; Chemical grout jet person; Cherry picker person; Grout gun person; Grout mixer person; Grout pump person; Jackleg miner; Jumbo person; Kemper and other pneumatic concrete placer operator; Miner, tunnel (hand or machine); Nozzle person; Operating of troweling and/or grouting machines; Powder person (primer house); Primer person; Sandblaster; Shotcrete person; Steel form raiser and setter; Timber person, retimber person, wood or steel; Tunnel Concrete finisher

GROUP 4: Diamond driller; Sandblaster; Shaft and raise work

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LAB00783-005 07/01/2021

|                   | Rates    | Fringes |
|-------------------|----------|---------|
| Brick Tender..... | \$ 35.82 | 20.45   |

-----  
LAB01184-001 07/01/2021

|                                                | Rates    | Fringes |
|------------------------------------------------|----------|---------|
| Laborers: (HORIZONTAL DIRECTIONAL DRILLING)    |          |         |
| (1) Drilling Crew Laborer...                   | \$ 38.89 | 17.10   |
| (2) Vehicle Operator/Hauler.                   | \$ 39.06 | 17.10   |
| (3) Horizontal Directional Drill Operator..... | \$ 40.91 | 17.10   |
| (4) Electronic Tracking Locator.....           | \$ 42.91 | 17.10   |
| Laborers: (STRIPING/SLURRY SEAL)               |          |         |
| GROUP 1.....                                   | \$ 40.10 | 20.12   |
| GROUP 2.....                                   | \$ 41.40 | 20.12   |
| GROUP 3.....                                   | \$ 43.41 | 20.12   |
| GROUP 4.....                                   | \$ 45.15 | 20.12   |

LABORERS - STRIPING CLASSIFICATIONS

GROUP 1: Protective coating, pavement sealing, including repair and filling of cracks by any method on any surface in parking lots, game courts and playgrounds; carstops; operation of all related machinery and equipment; equipment repair technician

GROUP 2: Traffic surface abrasive blaster; pot tender - removal of all traffic lines and markings by any method (sandblasting, waterblasting, grinding, etc.) and preparation of surface for coatings. Traffic control person: controlling and directing traffic through both conventional and moving lane closures; operation of all related machinery and equipment

GROUP 3: Traffic delineating device applicator: Layout and application of pavement markers, delineating signs, rumble and traffic bars, adhesives, guide markers, other traffic delineating devices including traffic control. This category includes all traffic related surface preparation (sandblasting, waterblasting, grinding) as part of the application process. Traffic protective delineating system installer: removes, relocates, installs, permanently affixed roadside and parking delineation barricades, fencing, cable anchor, guard rail, reference signs, monument markers; operation of all related machinery and equipment; power broom sweeper

GROUP 4: Striper: layout and application of traffic stripes and markings; hot thermo plastic; tape traffic stripes and markings, including traffic control; operation of all related machinery and equipment

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LAB01414-003 08/05/2020

|         | Rates | Fringes |
|---------|-------|---------|
| LABORER |       |         |

|                                      |       |
|--------------------------------------|-------|
| PLASTER CLEAN-UP LABORER....\$ 36.03 | 21.01 |
| PLASTER TENDER.....\$ 38.58          | 21.01 |

Work on a swing stage scaffold: \$1.00 per hour additional.

Work at Military Bases - \$3.00 additional per hour:  
Coronado Naval Amphibious Base, Fort Irwin, Marine Corps Air Station-29 Palms, Imperial Beach Naval Air Station, Marine Corps Logistics Supply Base, Marine Corps Pickle Meadows, Mountain Warfare Training Center, Naval Air Facility-Seeley, North Island Naval Air Station, Vandenberg AFB.

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PAIN0036-001 07/01/2020

Rates Fringes

Painters: (Including Lead Abatement)

|                                                      |       |
|------------------------------------------------------|-------|
| (1) Repaint (excludes San Diego County).....\$ 29.59 | 17.12 |
| (2) All Other Work.....\$ 33.12                      | 17.24 |

REPAINT of any previously painted structure. Exceptions: work involving the aerospace industry, breweries, commercial recreational facilities, hotels which operate commercial establishments as part of hotel service, and sports facilities.

-----  
PAIN0036-008 10/01/2021

Rates Fringes

|                                     |       |
|-------------------------------------|-------|
| DRYWALL FINISHER/TAPER.....\$ 43.63 | 22.92 |
|-------------------------------------|-------|

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PAIN0036-015 01/01/2020

Rates Fringes

|                      |       |
|----------------------|-------|
| GLAZIER.....\$ 43.45 | 23.39 |
|----------------------|-------|

FOOTNOTE: Additional \$1.25 per hour for work in a condor, from the third (3rd) floor and up Additional \$1.25 per hour for work on the outside of the building from a swing stage or any suspended contrivance, from the ground up

-----  
PAIN1247-002 01/01/2021

Rates Fringes

|                               |       |
|-------------------------------|-------|
| SOFT FLOOR LAYER.....\$ 38.75 | 14.03 |
|-------------------------------|-------|

-----  
PLAS0200-008 08/04/2021

Rates Fringes

|                        |       |
|------------------------|-------|
| PLASTERER.....\$ 45.77 | 18.39 |
|------------------------|-------|

FORT IRWIN; MARINE CORPS AIR STATION 29 PALMS, AND MARINE CORPS LOGISTICS SUPPLY BASE: \$3.00 additional per hour.

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PLAS0500-002 07/01/2020

Rates Fringes

CEMENT MASON/CONCRETE FINISHER...\$ 38.50 25.91

-----  
PLUM0016-002 09/01/2021

Rates Fringes

PLUMBER, PIPEFITTER,  
STEAMFITTER

Work at Edwards AFB.....\$ 60.83 25.36

Work at Fort Irwin Army  
Base.....\$ 64.33 25.36

Work at Marine Corps  
Logistic Base at Nebo,  
Marine Corps Logistic Base  
at Yermo and Twenty-Nine  
Palms Marine Base.....\$ 60.83 25.36

Work ONLY on new additions  
and remodeling of bars,  
restaurants, stores and  
commercial buildings, not  
to exceed 5,000 sq. ft. of  
floor space.....\$ 52.20 24.38

Work ONLY on strip malls,  
light commercial, tenant  
improvement and remodel  
work.....\$ 39.91 22.71

All other work except work  
on new additions and  
remodeling of bars,  
restaurant, stores and  
commercial buildings not  
to exceed 5,000 sq. ft. of  
floor space and work on  
strip malls, light  
commercial, tenant  
improvement and remodel  
work.....\$ 53.83 25.36

-----  
PLUM0345-001 09/01/2021

Rates Fringes

PLUMBER

Landscape/Irrigation Fitter.\$ 36.85 24.75

Sewer & Storm Drain Work....\$ 40.94 22.13

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ROOF0036-002 08/01/2021

Rates Fringes

ROOFER.....\$ 42.07 18.92

FOOTNOTE: Pitch premium: Work on which employees are exposed  
to pitch fumes or required to handle pitch, pitch base or  
pitch impregnated products, or any material containing coal  
tar pitch, the entire roofing crew shall receive \$1.75 per  
hour "pitch premium" pay.

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SFCA0669-009 01/01/2021

Does not include the northern part of the City of Chino, or the  
Cities of Montclair and Ontario

Rates Fringes

SPRINKLER FITTER.....\$ 39.83 26.23

-----  
SFCA0709-004 01/01/2021

THE NORTHERN PART OF THE CITY OF CHINO, AND THE CITIES OF  
MONTCLAIR AND ONTARIO:

Rates Fringes

SPRINKLER FITTER (Fire).....\$ 48.71 29.15

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SHEE0105-003 01/01/2022

LOS ANGELES (South of a straight line drawn between Gorman and  
Big Pines)and Catalina Island, INYO, KERN (Northeast part, East  
of Hwy 395), MONO ORANGE, RIVERSIDE, AND SAN BERNARDINO COUNTIES

Rates Fringes

SHEET METAL WORKER

(1) Commercial - New  
Construction and Remodel  
work.....\$ 50.23 29.60

(2) Industrial work  
including air pollution  
control systems, noise  
abatement, hand rails,  
guard rails, excluding  
aritechtrual sheet metal  
work, excluding A-C,  
heating, ventilating  
systems for human comfort...\$ 48.28 29.46

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TEAM0011-002 07/01/2020

Rates Fringes

TRUCK DRIVER

GROUP 1.....\$ 32.59 30.59  
GROUP 2.....\$ 32.74 30.59  
GROUP 3.....\$ 32.87 30.59  
GROUP 4.....\$ 33.06 30.59  
GROUP 5.....\$ 33.09 30.59  
GROUP 6.....\$ 33.12 30.59  
GROUP 7.....\$ 33.37 30.59  
GROUP 8.....\$ 33.62 30.59  
GROUP 9.....\$ 33.82 30.59  
GROUP 10.....\$ 34.12 30.59  
GROUP 11.....\$ 34.62 30.59  
GROUP 12.....\$ 35.05 30.59

WORK ON ALL MILITARY BASES:

PREMIUM PAY: \$3.00 per hour additional.

[29 palms Marine Base, Camp Roberts, China Lake, Edwards AFB,  
El Centro Naval Facility, Fort Irwin, Marine Corps  
Logistics Base at Nebo & Yermo, Mountain Warfare Training  
Center, Bridgeport, Point Arguello, Point Conception,  
Vandenberg AFB]

TRUCK DRIVERS CLASSIFICATIONS

GROUP 1: Truck driver

GROUP 2: Driver of vehicle or combination of vehicles - 2

axles; Traffic control pilot car excluding moving heavy equipment permit load; Truck mounted broom

GROUP 3: Driver of vehicle or combination of vehicles - 3 axles; Boot person; Cement mason distribution truck; Fuel truck driver; Water truck - 2 axle; Dump truck, less than 16 yds. water level; Erosion control driver

GROUP 4: Driver of transit mix truck, under 3 yds.; Dumpcrete truck, less than 6-1/2 yds. water level

GROUP 5: Water truck, 3 or more axles; Truck greaser and tire person (\$0.50 additional for tire person); Pipeline and utility working truck driver, including winch truck and plastic fusion, limited to pipeline and utility work; Slurry truck driver

GROUP 6: Transit mix truck, 3 yds. or more; Dumpcrete truck, 6-1/2 yds. water level and over; Vehicle or combination of vehicles - 4 or more axles; Oil spreader truck; Dump truck, 16 yds. to 25 yds. water level

GROUP 7: A Frame, Swedish crane or similar; Forklift driver; Ross carrier driver

GROUP 8: Dump truck, 25 yds. to 49 yds. water level; Truck repair person; Water pull - single engine; Welder

GROUP 9: Truck repair person/welder; Low bed driver, 9 axles or over

GROUP 10: Dump truck - 50 yds. or more water level; Water pull - single engine with attachment

GROUP 11: Water pull - twin engine; Water pull - twin engine with attachments; Winch truck driver - \$1.25 additional when operating winch or similar special attachments

GROUP 12: Boom Truck 17K and above

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WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

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Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at [www.dol.gov/whd/govcontracts](http://www.dol.gov/whd/govcontracts).

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses

(29CFR 5.5 (a) (1) (ii)).

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The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of "identifiers" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

#### Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than "SU" or "UAVG" denotes that the union classification and rate were prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union, which prevailed in the survey for this classification, which in this example would be Plumbers 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

#### Survey Rate Identifiers

Classifications listed under the "SU" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

#### Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of

each year, to reflect a weighted average of the current negotiated/CBA rate of the union locals from which the rate is based.

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WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- \* an existing published wage determination
- \* a survey underlying a wage determination
- \* a Wage and Hour Division letter setting forth a position on a wage determination matter
- \* a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Division National Office Branch of Wage Surveys. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations  
 Wage and Hour Division  
 U.S. Department of Labor  
 200 Constitution Avenue, N.W.  
 Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator  
 U.S. Department of Labor  
 200 Constitution Avenue, N.W.  
 Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board  
 U.S. Department of Labor  
 200 Constitution Avenue, N.W.  
 Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

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END OF GENERAL DECISION"



"General Decision Number: CA20210003 01/01/2021

Superseded General Decision Number: CA20200003

State: California

Construction Type: Heavy Water Well Drilling

Counties: California Statewide.

WATER WELL DRILLING

Note: Under Executive Order (EO) 13658, an hourly minimum wage of \$10.95 for calendar year 2021 applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2015. If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.95 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in calendar year 2021. If this contract is covered by the EO and a classification considered necessary for performance of work on the contract does not appear on this wage determination, the contractor must pay workers in that classification at least the wage rate determined through the conformance process set forth in 29 CFR 5.5(a)(1)(ii) (or the EO minimum wage rate, if it is higher than the conformed wage rate). The EO minimum wage rate will be adjusted annually. Please note that this EO applies to the above-mentioned types of contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but it does not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(2)-(60). Additional information on contractor requirements and worker protections under the EO is available at [www.dol.gov/whd/govcontracts](http://www.dol.gov/whd/govcontracts).

|                     |                  |
|---------------------|------------------|
| Modification Number | Publication Date |
| 0                   | 01/01/2021       |

SUCA1989-001 01/01/1989

|  |       |         |
|--|-------|---------|
|  | Rates | Fringes |
|--|-------|---------|

PUMPS

|                   |          |      |
|-------------------|----------|------|
| Installer         |          |      |
| Alameda.....      | \$ 7.50  |      |
| Alpine.....       | \$ 8.00  |      |
| Amador.....       | \$ 8.00  |      |
| Colusa.....       | \$ 10.57 | 2.03 |
| Contra Costa..... | \$ 7.50  |      |
| El Dorado.....    | \$ 8.00  |      |
| Fresno.....       | \$ 7.25  | 1.04 |
| Imperial.....     | \$ 8.50  |      |
| Kern.....         | \$ 7.25  | .43  |
| Lake.....         | \$ 10.57 | 2.03 |

|                      |          |      |
|----------------------|----------|------|
| Los Angeles.....     | \$ 9.76  | .57  |
| Madera.....          | \$ 7.50  | .72  |
| Marin.....           | \$ 10.57 | 2.03 |
| Mariposa.....        | \$ 7.50  | .72  |
| Mendocino.....       | \$ 10.57 | 2.03 |
| Monterey.....        | \$ 12.50 |      |
| Napa.....            | \$ 13.00 | .81  |
| Placer.....          | \$ 8.00  |      |
| Plumas.....          | \$ 10.36 | 1.65 |
| Riverside.....       | \$ 7.25  | .34  |
| Sacramento.....      | \$ 9.43  | .83  |
| San Benito.....      | \$ 8.39  | 2.65 |
| San Bernardino.....  | \$ 10.30 | .77  |
| San Diego.....       | \$ 7.85  |      |
| San Joaquin.....     | \$ 11.39 | 3.82 |
| San Luis Obispo..... | \$ 7.25  |      |
| San Mateo.....       | \$ 10.36 | 1.65 |
| Santa Barbara.....   | \$ 7.57  |      |
| Santa Clara.....     | \$ 8.39  | 2.65 |
| Santa Cruz.....      | \$ 8.39  | 2.65 |
| Shasta.....          | \$ 9.63  | 1.36 |
| Sonoma.....          | \$ 10.57 | 2.03 |
| Tehama.....          | \$ 10.36 | 1.65 |
| Trinity.....         | \$ 9.63  | 1.36 |
| Tuolumne.....        | \$ 7.50  | .72  |
| Ventura.....         | \$ 11.00 | 1.48 |

## Water Well Driller

|                     |          |      |
|---------------------|----------|------|
| Alameda.....        | \$ 10.00 | .36  |
| Alpine.....         | \$ 9.60  |      |
| Amador.....         | \$ 9.60  |      |
| Butte.....          | \$ 7.25  |      |
| Calaveras.....      | \$ 7.50  |      |
| Colusa.....         | \$ 11.07 | 2.03 |
| Contra Costa.....   | \$ 9.50  |      |
| Del Norte.....      | \$ 8.00  | .31  |
| El Dorado.....      | \$ 9.60  |      |
| Fresno.....         | \$ 13.37 | 1.45 |
| Glenn.....          | \$ 7.25  |      |
| Humboldt.....       | \$ 8.00  | .31  |
| Imperial.....       | \$ 8.70  | .36  |
| Inyo.....           | \$ 7.29  | 1.13 |
| Kern.....           | \$ 7.25  | .06  |
| Kings.....          | \$ 7.25  | 1.21 |
| Lake.....           | \$ 11.07 | 2.03 |
| Lassen.....         | \$ 7.25  | .43  |
| Los Angeles.....    | \$ 9.65  |      |
| Madera.....         | \$ 7.50  | .72  |
| Marin.....          | \$ 11.07 | 2.03 |
| Mariposa.....       | \$ 7.50  | .72  |
| Mendocino.....      | \$ 11.07 | 2.03 |
| Merced.....         | \$ 7.25  | .13  |
| Modoc.....          | \$ 10.50 |      |
| Mono.....           | \$ 10.00 |      |
| Monterey.....       | \$ 12.50 |      |
| Napa.....           | \$ 8.00  | .81  |
| Nevada.....         | \$ 7.25  | .13  |
| Orange.....         | \$ 11.00 | 1.48 |
| Placer.....         | \$ 9.60  |      |
| Plumas.....         | \$ 10.00 |      |
| Riverside.....      | \$ 7.25  | .36  |
| Sacramento.....     | \$ 10.00 |      |
| San Benito.....     | \$ 8.39  | 2.65 |
| San Bernardino..... | \$ 10.20 | .37  |
| San Diego.....      | \$ 8.18  |      |

|                      |          |      |
|----------------------|----------|------|
| San Francisco.....   | \$ 10.00 |      |
| San Joaquin.....     | \$ 7.25  | .13  |
| San Luis Obispo..... | \$ 7.25  | 1.02 |
| San Mateo.....       | \$ 10.00 | .81  |
| Santa Barbara.....   | \$ 7.98  |      |
| Santa Clara.....     | \$ 8.39  | 2.65 |
| Santa Cruz.....      | \$ 8.39  | 2.65 |
| Shasta.....          | \$ 7.25  |      |
| Sierra.....          | \$ 7.25  | .13  |
| Siskiyou.....        | \$ 8.00  | .31  |
| Solano.....          | \$ 9.15  |      |
| Sonoma.....          | \$ 10.07 | 1.70 |
| Stanislaus.....      | \$ 7.25  | .13  |
| Sutter.....          | \$ 7.25  |      |
| Tehama.....          | \$ 10.00 |      |
| Trinity.....         | \$ 7.25  |      |
| Tulare.....          | \$ 7.29  | 1.13 |
| Tuolumne.....        | \$ 7.50  | .72  |
| Ventura.....         | \$ 11.00 | 1.48 |
| Yolo.....            | \$ 10.36 | 1.65 |
| Yuba.....            | \$ 7.25  | .13  |

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WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

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Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at [www.dol.gov/whd/govcontracts](http://www.dol.gov/whd/govcontracts).

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

-----  
The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of "identifiers" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than ""SU"" or ""UAVG"" denotes that the union classification and rate were prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

Survey Rate Identifiers

Classifications listed under the ""SU"" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current negotiated/CBA rate of the union locals from which the rate is based.

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WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- \* an existing published wage determination
- \* a survey underlying a wage determination
- \* a Wage and Hour Division letter setting forth a position on a wage determination matter
- \* a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations  
Wage and Hour Division  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

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END OF GENERAL DECISION

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"General Decision Number: CA20210006 01/01/2021

Superseded General Decision Number: CA20200006

State: California

Construction Type: Heavy Hopper Dredge Work

Counties: California Statewide.

HOPPER DREDGE CONSTRUCTION PROJECTS

Note: Under Executive Order (EO) 13658, an hourly minimum wage of \$10.95 for calendar year 2021 applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2015. If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.95 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in calendar year 2021. If this contract is covered by the EO and a classification considered necessary for performance of work on the contract does not appear on this wage determination, the contractor must pay workers in that classification at least the wage rate determined through the conformance process set forth in 29 CFR 5.5(a)(1)(ii) (or the EO minimum wage rate, if it is higher than the conformed wage rate). The EO minimum wage rate will be adjusted annually. Please note that this EO applies to the above-mentioned types of contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but it does not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(2)-(60). Additional information on contractor requirements and worker protections under the EO is available at [www.dol.gov/whd/govcontracts](http://www.dol.gov/whd/govcontracts).

|                     |                  |
|---------------------|------------------|
| Modification Number | Publication Date |
| 0                   | 01/01/2021       |

SUCA1985-002 01/01/1985

|  |       |         |
|--|-------|---------|
|  | Rates | Fringes |
|--|-------|---------|

|                              |      |      |
|------------------------------|------|------|
| Self-Propelled Hopper Dredge |      |      |
| Drag tender.....\$           | 8.78 | 4.23 |

FOOTNOTE: Nine paid holidays: New Year's Day, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Paul Hall's Birthday (Aug. 20th), Veterans Day, Thanksgiving Day and Christmas Day.

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WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

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Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at [www.dol.gov/whd/govcontracts](http://www.dol.gov/whd/govcontracts).

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

-----

The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of ""identifiers"" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

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Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

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classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

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#### Union Average Rate Identifiers

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A UAVG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current negotiated/CBA rate of the union locals from which the rate is based.

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#### WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- \* an existing published wage determination
- \* a survey underlying a wage determination
- \* a Wage and Hour Division letter setting forth a position on a wage determination matter
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Branch of Construction Wage Determinations  
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200 Constitution Avenue, N.W.  
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an



interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator  
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Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

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END OF GENERAL DECISION

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## Did you Meet the DBE Requirements?

IEUA has developed the following DBE requirements that expand upon requirements from the State Water Resources Control Board (SWRCB). Full compliance with these requirements must be achieved to secure project financing. Therefore, your due diligence is needed to meet the Good Faith Efforts (GFE) requirement of this solicitation.

### FORMS

The forms listed in the table below and attached to these guidelines must be completed and submitted with the GFE, as applicable:

| FORM NUMBER                      | FORM NAME                                | REQUIREMENT                                                               | PROVIDED BY         | COMPLETED BY        |
|----------------------------------|------------------------------------------|---------------------------------------------------------------------------|---------------------|---------------------|
| SWRCB Form 4500-2<br>or EPA Form | DBE Sub-Contractor<br>Participation Form | As Needed during the<br>Project Period                                    | Recipient           | Sub-contractor      |
| SWRCB Form 4500-3<br>or EPA Form | DBE Sub-Contractor<br>Performance Form   | Include with Bid or<br>Proposal Package, if Hiring<br>a DBE Subcontractor | Prime<br>Contractor | Sub-Contractor      |
| SWRCB Form 4500-4<br>or EPA Form | DBE Sub-Contractor<br>Utilization Form   | Include with Bid or<br>Proposal Package                                   | Recipient           | Prime<br>Contractor |

IEUA’s Grants Department will review the forms submitted with the bid or proposal package to determine if your GFE was performed ***prior to the bid or proposal opening date***. Failure to complete the GFE before the opening date would jeopardize the project financing and will result in your bid or proposal being deemed non-responsive.

**Please note that the forms must be completed and submitted with the bid, but all backup documentation may be submitted up to three business days after the bid closing.**

Further details on each of the forms and their applicability are below:

#### **4500-4**

Fill out form 4500-4 thoroughly and include a completed, signed copy with the bid or proposal package regardless of whether or not you use a DBE.

If you have not identified potential DBE-certified subcontractors, you must mark, “No,” and provide an explanation on this form.

If you have identified potential DBE-certified subcontractors and will be using them on the project, you must provide the requested information on the form and complete Form 4500-3 with the bid or proposal package. If you identified potential subcontractors but chose not to use them, please indicate as such, and no Form 4500-3 will be needed.

If you are submitting a proposal for design efforts that requires a separate, sealed cost proposal, you may submit two copies of this form: one copy with blank pricing information and a second copy, with pricing information included, in the separate, sealed envelope.

*If this form is not included with the bid or proposal package, you will be deemed non-responsive.*

**4500-3**

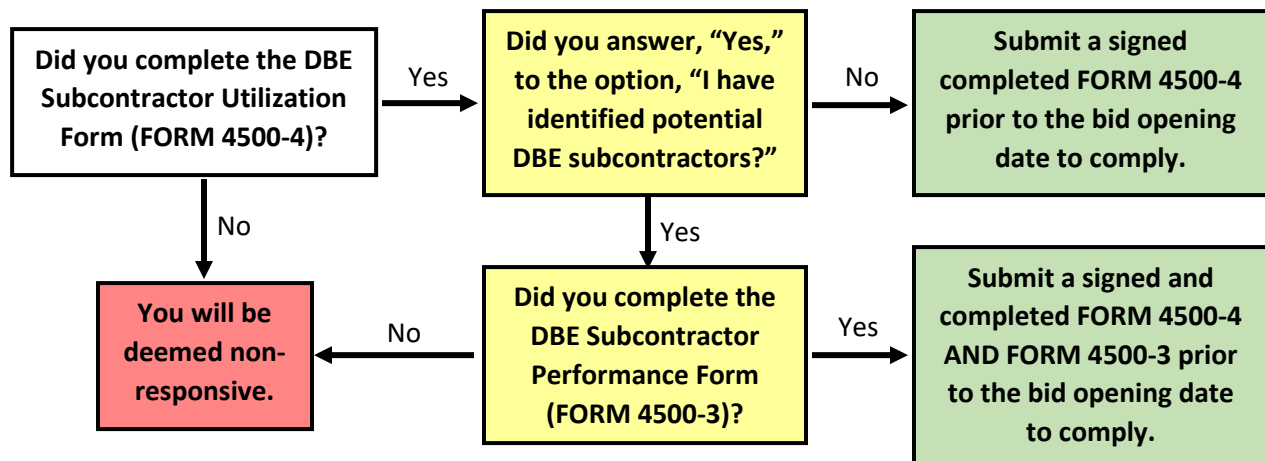
If you are using a DBE/DBEs, you must fill out form 4500-3 thoroughly for each DBE and include a completed, signed copy with the bid or proposal package. *If you are utilizing a DBE and this form is not included with the bid or proposal package, you will be deemed non-responsive.*

If you are not using a DBE/DBEs, this form is not required to be submitted with the bid or proposal package.

**4500-2**

Form 4500-2 can be filled out as needed and submitted at any time during the project period of performance. This form *does not* need to be included with the bid or proposal package.

**DBE FORM COMPLIANCE FLOW CHART**



**SIX GOOD FAITH EFFORTS (GFEs)**

1. Ensure DBEs are made aware of contracting opportunities to the fullest extent practical through outreach and recruitment activities. For Tribal, State and Local Government Recipients, this will include placing DBEs on solicitation lists and soliciting them whenever they are potential sources.

Correspondence with DBEs, such as emails or call logs, provide proof of compliance with this effort. Compliance with Items 2 and 5 below will also ensure that this GFE is satisfied.

2. Make information on forthcoming opportunities available to DBEs. Post solicitations for bids or proposals for a minimum of 30 consecutive calendar days in a publication, such as a newspaper or online service, before the bid opening date. If the solicitation is posted online, it must be accompanied by a newspaper posting, in print, for a minimum of one day prior to the bid opening date. Posting a solicitation in print for one day without also posting in an online service for 30 days will not satisfy this requirement.

The solicitation shall include the project name, location, type of contracting opportunities that exist, bid opening date, and project contact information.

Proof that the ad was posted for 30 consecutive calendar days before the bid opening date must be included in the bid or proposal package. If the bid or proposal package does not include proof that the ad was posted for 30 consecutive days, *you will be deemed non-responsive*. An example of proof of compliance for this requirement is a screenshot of an online solicitation indicating the number of days it was posted.

3. Consider in the contracting process whether firms competing for large contracts could subcontract with DBEs.

No documentation is required to be submitted with the bid or proposal package for this GFE.

4. Encourage contracting with a group of DBEs when a contract is too large for one firm to handle individually.

No documentation is required to be submitted with the bid or proposal package for this GFE.

5. Use the services of the Small Business Administration (SBA) **and/or** Minority Business Development Agency (MBDA) of the US Department of Commerce.

Please note that if the MBDA is not operational, you must use SBA. Otherwise, you can use one, the other or both. You must submit proof that SBA/MBDA was utilized with the bid or proposal package. *If this proof is not included with the bid or proposal package, you will be deemed non-responsive*. An example of proof of compliance for this requirement is a screenshot of the SBA website with an indication of dates posted. To post to the SBA website, you may use the following steps:

**Step 1:** Visit [www.sba.gov](http://www.sba.gov)

**Step 2:** Under the FEDERAL CONTRACTING tab, click on PRIME AND SUBCONTRACTING

**Step 3:** Under the PRIME AND SUBCONTRACTING page, in the second paragraph of Prime Contracting, click on link to the Subcontracting Network Database.

**Step 4:** Once in the Database, at the top, click Post-Modify

**Step 5:** Click "I Agree"

**Step 6:** Login. If you do not have a login account, simply click on “Create a New SBA GLS Account” located on the left side of the screen.

**Step 7:** Post. Use Riverside or Los Angeles as the project area.

6. If the prime contractor awards subcontracts, require the prime contractor to take the above steps.

The following online services are examples of those that may be utilized to satisfy the GFE requirements. While these resources, and others that provide similar services, are helpful in satisfying the GFE requirements, the CONTRACTOR is responsible for ensuring that compliance with these requirements has been met.

- <http://www.compliancenews.com/>
- <https://www.dbegoodfaith.com/>
- <http://goodfaitheffort.com/>

Any questions regarding these DBE requirements should be directed to the Project Manager.

### GOOD FAITH EFFORT COMPLIANCE CHECKLIST

Below is a checklist for the contractors' use to confirm that all GFE requirements were met. This checklist is not required to be submitted and is only included for convenience.

| GFE No.                                     | Good Faith Efforts (GFE)                                                                                                                                                                                         | GFE Met (Yes/No) | Backup Documentation Included? (Yes/No) |
|---------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-----------------------------------------|
| 1                                           | Ensure DBEs are made aware of contracting opportunities to the fullest extent practical through outreach and recruitment activities.                                                                             |                  |                                         |
| 2                                           | Make information on forthcoming opportunities available to DBEs. Posting solicitations for bids or proposals for a <b>minimum of 30 calendar days</b> in a local newspaper, <b>before the bid opening date</b> . |                  |                                         |
| 3                                           | Consider in the contracting process whether firms competing for large contracts could subcontract with DBEs.                                                                                                     |                  | Not Applicable                          |
| 4                                           | Encourage contracting with a group of DBEs when a contract is too large for one firm to handle individually.                                                                                                     |                  | Not Applicable                          |
| 5                                           | Use the services of the SBA and/or Minority Business Development Agency (MBDA) of the US Department of Commerce.                                                                                                 |                  |                                         |
| 6                                           | If the prime contractor awards subcontracts, require the prime contractor to take the steps above.                                                                                                               |                  | Not Applicable                          |
| <b>Required w/ bid package</b>              | Completed and signed SWRCB Form 4500-4                                                                                                                                                                           |                  |                                         |
| <b>Required if DBE hired w/ bid package</b> | Completed and signed SWRCB Form 4500-3                                                                                                                                                                           |                  |                                         |



**Disadvantaged Business Enterprise (DBE) Program  
DBE Subcontractor Participation Form**

A Financial Assistance Agreement Recipient must require its prime contractors to provide this form to its DBE subcontractors. This form gives a DBE<sup>1</sup> subcontractor<sup>2</sup> the opportunity to describe work received and/or report any concerns regarding the funded project (e.g., in areas such as termination by prime contractor, late payments, etc.). The DBE subcontractor can, as an option, complete and submit this form to the DBE Coordinator at any time during the project period of performance.

|                       |                                        |                        |  |
|-----------------------|----------------------------------------|------------------------|--|
| Subcontractor Name    |                                        | Project Name           |  |
| Bid / Proposal No.    | Assistance Agreement ID No. (if known) | Point of Contact       |  |
| Address               |                                        |                        |  |
| Telephone No.         |                                        | Email Address          |  |
| Prime Contractor Name |                                        | Issuing/Funding Entity |  |

| Contract Item Number | Description of Work Received from the Prime Contractor Involving Construction, Services, Equipment or Supplies | Amount Received by Prime Contractor |
|----------------------|----------------------------------------------------------------------------------------------------------------|-------------------------------------|
|                      |                                                                                                                |                                     |

<sup>1</sup> A DBE is a Disadvantaged, Minority, or Woman Business Enterprise that has been certified by an entity from which EPA accepts certifications as described in 40 CFR 33.204-33.2015 or certified by EPA. EPA accepts certifications from entities that meet or exceed EPA certification standards as described in 40 CFR 33.202.

<sup>2</sup> Subcontractor is defined as a company, firm, joint venture, or individual who enters into an agreement with a contractor to provide services pursuant to an award of financial assistance.

Please use the space below to report any concerns regarding the above funded project:

|                         |            |
|-------------------------|------------|
| Subcontractor Signature | Print Name |
|                         |            |
| Title                   | Date       |
|                         |            |

The public reporting and record keeping burden for this collection of information is estimated to average three (3) hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques to the Director, Collection Strategies Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Do not send the completed form to this address.

**Send completed Form 4500-2 to:**  
 Mr. Joe Ochab, DBE Coordinator  
 US EPA, Region 9  
 75 Hawthorne Street  
 San Francisco, CA 94105

**FORM 4500-2 (DBE Subcontractor Participation Form)**





**Disadvantaged Business Enterprise (DBE) Program**  
**DBE Subcontractor Performance Form**

This form is intended to capture the DBE<sup>1</sup> subcontractor's<sup>2</sup> description of work to be performed and the price of the work submitted to the prime contractor. A Financial Assistance Agreement Recipient must require its prime contractor to have its DBE subcontractors complete this form and include all completed forms in the prime contractor's bid or proposal package.

|                       |                                        |                        |  |
|-----------------------|----------------------------------------|------------------------|--|
| Subcontractor Name    |                                        | Project Name           |  |
| Bid / Proposal No.    | Assistance Agreement ID No. (if known) | Point of Contact       |  |
| Address               |                                        |                        |  |
| Telephone No.         |                                        | Email Address          |  |
| Prime Contractor Name |                                        | Issuing/Funding Entity |  |

| Contract Item Number                                                                                                 | Description of Work Submitted from the Prime Contractor Involving Construction, Services, Equipment or Supplies | Price of Work Submitted to the Prime Contractor                                                                                         |
|----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                      |                                                                                                                 |                                                                                                                                         |
| DBE Certified By: <input type="checkbox"/> DOT <input type="checkbox"/> SBA<br><input type="checkbox"/> Other: _____ |                                                                                                                 | Meets/exceeds EPA certification standards?<br><input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> Unknown |

<sup>1</sup> A DBE is a Disadvantaged, Minority, or Woman Business Enterprise that has been certified by an entity from which EPA accepts certifications as described in 40 CFR 33.204-33.2015 or certified by EPA. EPA accepts certifications from entities that meet or exceed EPA certification standards as described in 40 CFR 33.202.

<sup>2</sup> Subcontractor is defined as a company, firm, joint venture, or individual who enters into an agreement with a contractor to provide services pursuant to an award of financial assistance.

I certify under penalty of perjury that the forgoing statements are true and correct. Signing this form does not signify a commitment to utilize the subcontractors above. I am aware that in the event of a replacement of a subcontractor, I will adhere to the replacement requirements set forth in 40 CFR Part 33 Section 33.302 (c).

| Prime Contractor Signature | Print Name |
|----------------------------|------------|
|                            |            |
| Title                      | Date       |
|                            |            |

| Subcontractor Signature | Print Name |
|-------------------------|------------|
|                         |            |
| Title                   | Date       |
|                         |            |

The public reporting and record keeping burden for this collection of information is estimated to average three (3) hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques to the Director, Collection Strategies Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Do not send the completed form to this address.



## Disadvantaged Business Enterprise (DBE) Program DBE Subcontractor Utilization Form

This form is intended to capture the prime contractor's actual and/or anticipated use of identified certified DBE<sup>1</sup> subcontractor's<sup>2</sup> and the estimated dollar amount of each subcontract. A Financial Assistance Agreement Recipient must require its prime contractors to complete this form and include it in the bid or proposal package. Prime contractors should also maintain a copy of this form on file.

|                        |                                        |                  |  |
|------------------------|----------------------------------------|------------------|--|
| Prime Contractor Name  |                                        | Project Name     |  |
| Bid / Proposal No.     | Assistance Agreement ID No. (if known) | Point of Contact |  |
| Address                |                                        |                  |  |
| Telephone No.          |                                        | Email Address    |  |
| Issuing/Funding Entity |                                        |                  |  |

| I have identified potential DBE certified subcontractors. ___ YES ___ NO<br>If yes, please complete the table below. If no, please explain: |                                 |                            |                                |
|---------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|----------------------------|--------------------------------|
|                                                                                                                                             |                                 |                            |                                |
| Subcontractor Name/<br>Company Name                                                                                                         | Company Address / Phone / Email | Estimated<br>Dollar Amount | Currently<br>DBE<br>Certified? |
|                                                                                                                                             |                                 |                            |                                |
|                                                                                                                                             |                                 |                            |                                |
|                                                                                                                                             |                                 |                            |                                |

--Continue on back if needed--

<sup>1</sup> A DBE is a Disadvantaged, Minority, or Woman Business Enterprise that has been certified by an entity from which EPA accepts certifications as described in 40 CFR 33.204-33.2015 or certified by EPA. EPA accepts certifications from entities that meet or exceed EPA certification standards as described in 40 CFR 33.202.

<sup>2</sup> Subcontractor is defined as a company, firm, joint venture, or individual who enters into an agreement with a contractor to provide services pursuant to an award of financial assistance.

I certify under penalty of perjury that the forgoing statements are true and correct. Signing this form does not signify a commitment to utilize the subcontractors above. I am aware that in the event of a replacement of a subcontractor, I will adhere to the replacement requirements set forth in 40 CFR Part 33 Section 33.302 (c).

| Prime Contractor Signature | Print Name |
|----------------------------|------------|
|                            |            |
| Title                      | Date       |
|                            |            |

The public reporting and record keeping burden for this collection of information is estimated to average three (3) hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques to the Director, Collection Strategies Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Do not send the completed form to this address.

The RP-1 Disinfection Improvements Project No. EN11039 is subject to the attached provisions, which will be required for all projects receiving State Revolving Fund (SRF) funding agreements after May 15, 2022. The funding agreement for EN11039 is anticipated to be received in 2023. When further guidance becomes available, it will be provided to the contractor.

### **Build America, Buy America Act**

On November 15, 2021, President Biden signed into law the Infrastructure Investment and Jobs Act (IIJA), which includes the “Build America, Buy America Act” (the Act). This Act ensures that Federal infrastructure programs require the use of materials produced in the United States, increases the requirement for American-made content, and strengthens the waiver process associated with Buy American provisions.

Buy America requirements previously applied to iron, steel, and certain manufactured goods. The IIJA broadens coverage to include nonferrous metals, such as copper used in electric wiring; plastic- and polymer-based products; glass, including optical fiber; and certain other construction materials, such as lumber and drywall.

To be considered “produced in the United States” under the IIJA, manufactured goods must contain greater than 55% domestic content and be manufactured in the United States. In the case of construction materials all manufacturing processes must occur in the United States.

Please read carefully all of the information provided. The full provisions from the IIJA legislation are provided below. Please direct any questions to the Project Manager.

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Director of the Office of Management and Budget, may, after public notice and opportunity for comment, issue regulations establishing a fee structure for sponsors of covered projects to reimburse the United States for reasonable costs incurred in conducting environmental reviews and authorizations for covered projects.”;

(2) in subsection (b), by striking “and 41003” and inserting “through 41008”; and

(3) in subsection (d)—

(A) in the subsection heading, by striking “AND PERMITTING”; and

(B) by striking paragraphs (2) and (3) and inserting the following:

“(2) AVAILABILITY.—Amounts in the Fund shall be available to the Executive Director, without fiscal year limitation, solely for the purposes of administering, implementing, and enforcing this title, including the expenses of the Council, staffing of the Office of the Executive Director, and support of the role of the Council as a Federal center for permitting excellence, which may include supporting interagency detailee and rotation opportunities, advanced training, enhanced support for agency project managers, and fora for sharing information and lessons learned.

“(3) TRANSFER.—For the purpose of carrying out this title, the Executive Director, with the approval of the Director of the Office of Management and Budget, may transfer amounts in the Fund to other Federal agencies and State, Tribal, and local governments to facilitate timely and efficient environmental reviews and authorizations for covered projects and other projects under this title, including direct reimbursement agreements with agency CERPOs, reimbursable agreements, and approval and consultation processes and staff for covered projects.”.

(h) SUNSET.—Section 41013 of the FAST Act (42 U.S.C. 4370m–12) is repealed.

(i) TECHNICAL CORRECTION.—Section 41002(b)(2)(A)(ii) of the FAST Act (42 U.S.C. 4370m–1(b)(2)(A)(ii)) is amended by striking “councilmem-ber” and inserting “councilmember”.

(j) CLERICAL AMENDMENT.—The table of contents in section 1(b) of the FAST Act (Public Law 114–94; 129 Stat. 1319) is amended by striking the item relating to section 41002 and inserting the following:

“Sec. 41002. Federal Permitting Improvement Steering Council.”.

## **TITLE IX—BUILD AMERICA, BUY AMERICA**

### **Subtitle A—Build America, Buy America**

#### **SEC. 70901. SHORT TITLE.**

This subtitle may be cited as the “Build America, Buy America Act”.

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**PART I—BUY AMERICA SOURCING  
REQUIREMENTS**

**SEC. 70911. FINDINGS.**

Congress finds that—

(1) the United States must make significant investments to install, upgrade, or replace the public works infrastructure of the United States;

(2) with respect to investments in the infrastructure of the United States, taxpayers expect that their public works infrastructure will be produced in the United States by American workers;

(3) United States taxpayer dollars invested in public infrastructure should not be used to reward companies that have moved their operations, investment dollars, and jobs to foreign countries or foreign factories, particularly those that do not share or openly flout the commitments of the United States to environmental, worker, and workplace safety protections;

(4) in procuring materials for public works projects, entities using taxpayer-financed Federal assistance should give a commonsense procurement preference for the materials and products produced by companies and workers in the United States in accordance with the high ideals embodied in the environmental, worker, workplace safety, and other regulatory requirements of the United States;

(5) common construction materials used in public works infrastructure projects, including steel, iron, manufactured products, non-ferrous metals, plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables), glass (including optic glass), lumber, and drywall are not adequately covered by a domestic content procurement preference, thus limiting the impact of taxpayer purchases to enhance supply chains in the United States;

(6) the benefits of domestic content procurement preferences extend beyond economics;

(7) by incentivizing domestic manufacturing, domestic content procurement preferences reinvest tax dollars in companies and processes using the highest labor and environmental standards in the world;

(8) strong domestic content procurement preference policies act to prevent shifts in production to countries that rely on production practices that are significantly less energy efficient and far more polluting than those in the United States;

(9) for over 75 years, Buy America and other domestic content procurement preference laws have been part of the United States procurement policy, ensuring that the United States can build and rebuild the infrastructure of the United States with high-quality American-made materials;

(10) before the date of enactment of this Act, a domestic content procurement preference requirement may not apply, may apply only to a narrow scope of products and materials, or may be limited by waiver with respect to many infrastructure programs, which necessitates a review of such programs, including programs for roads, highways, and bridges, public

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transportation, dams, ports, harbors, and other maritime facilities, intercity passenger and freight railroads, freight and intermodal facilities, airports, water systems, including drinking water and wastewater systems, electrical transmission facilities and systems, utilities, broadband infrastructure, and buildings and real property;

(11) Buy America laws create demand for domestically produced goods, helping to sustain and grow domestic manufacturing and the millions of jobs domestic manufacturing supports throughout product supply chains;

(12) as of the date of enactment of this Act, domestic content procurement preference policies apply to all Federal Government procurement and to various Federal-aid infrastructure programs;

(13) a robust domestic manufacturing sector is a vital component of the national security of the United States;

(14) as more manufacturing operations of the United States have moved offshore, the strength and readiness of the defense industrial base of the United States has been diminished; and

(15) domestic content procurement preference laws—

(A) are fully consistent with the international obligations of the United States; and

(B) together with the government procurements to which the laws apply, are important levers for ensuring that United States manufacturers can access the government procurement markets of the trading partners of the United States.

**SEC. 70912. DEFINITIONS.**

In this part:

(1) **DEFICIENT PROGRAM.**—The term “deficient program” means a program identified by the head of a Federal agency under section 70913(c).

(2) **DOMESTIC CONTENT PROCUREMENT PREFERENCE.**—The term “domestic content procurement preference” means a requirement that no amounts made available through a program for Federal financial assistance may be obligated for a project unless—

(A) all iron and steel used in the project are produced in the United States;

(B) the manufactured products used in the project are produced in the United States; or

(C) the construction materials used in the project are produced in the United States.

(3) **FEDERAL AGENCY.**—The term “Federal agency” means any authority of the United States that is an “agency” (as defined in section 3502 of title 44, United States Code), other than an independent regulatory agency (as defined in that section).

(4) **FEDERAL FINANCIAL ASSISTANCE.**—

(A) **IN GENERAL.**—The term “Federal financial assistance” has the meaning given the term in section 200.1 of title 2, Code of Federal Regulations (or successor regulations).

(B) **INCLUSION.**—The term “Federal financial assistance” includes all expenditures by a Federal agency to a non-Federal entity for an infrastructure project, except



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that it does not include expenditures for assistance authorized under section 402, 403, 404, 406, 408, or 502 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170a, 5170b, 5170c, 5172, 5174, or 5192) relating to a major disaster or emergency declared by the President under section 401 or 501, respectively, of such Act (42 U.S.C. 5170, 5191) or pre and post disaster or emergency response expenditures.

(5) **INFRASTRUCTURE.**—The term “infrastructure” includes, at a minimum, the structures, facilities, and equipment for, in the United States—

- (A) roads, highways, and bridges;
- (B) public transportation;
- (C) dams, ports, harbors, and other maritime facilities;
- (D) intercity passenger and freight railroads;
- (E) freight and intermodal facilities;
- (F) airports;
- (G) water systems, including drinking water and wastewater systems;
- (H) electrical transmission facilities and systems;
- (I) utilities;
- (J) broadband infrastructure; and
- (K) buildings and real property.

(6) **PRODUCED IN THE UNITED STATES.**—The term “produced in the United States” means—

(A) in the case of iron or steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;

(B) in the case of manufactured products, that—

(i) the manufactured product was manufactured in the United States; and

(ii) the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and

(C) in the case of construction materials, that all manufacturing processes for the construction material occurred in the United States.

(7) **PROJECT.**—The term “project” means the construction, alteration, maintenance, or repair of infrastructure in the United States.

**SEC. 70913. IDENTIFICATION OF DEFICIENT PROGRAMS.**

(a) **IN GENERAL.**—Not later than 60 days after the date of enactment of this Act, the head of each Federal agency shall—

(1) submit to the Office of Management and Budget and to Congress, including a separate notice to each appropriate congressional committee, a report that identifies each Federal financial assistance program for infrastructure administered by the Federal agency; and

(2) publish in the Federal Register the report under paragraph (1).

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(b) REQUIREMENTS.—In the report under subsection (a), the head of each Federal agency shall, for each Federal financial assistance program—

(1) identify all domestic content procurement preferences applicable to the Federal financial assistance;

(2) assess the applicability of the domestic content procurement preference requirements, including—

(A) section 313 of title 23, United States Code;

(B) section 5323(j) of title 49, United States Code;

(C) section 22905(a) of title 49, United States Code;

(D) section 50101 of title 49, United States Code;

(E) section 603 of the Federal Water Pollution Control Act (33 U.S.C. 1388);

(F) section 1452(a)(4) of the Safe Drinking Water Act (42 U.S.C. 300j–12(a)(4));

(G) section 5035 of the Water Infrastructure Finance and Innovation Act of 2014 (33 U.S.C. 3914);

(H) any domestic content procurement preference included in an appropriations Act; and

(I) any other domestic content procurement preference in Federal law (including regulations);

(3) provide details on any applicable domestic content procurement preference requirement, including the purpose, scope, applicability, and any exceptions and waivers issued under the requirement; and

(4) include a description of the type of infrastructure projects that receive funding under the program, including information relating to—

(A) the number of entities that are participating in the program;

(B) the amount of Federal funds that are made available for the program for each fiscal year; and

(C) any other information the head of the Federal agency determines to be relevant.

(c) LIST OF DEFICIENT PROGRAMS.—In the report under subsection (a), the head of each Federal agency shall include a list of Federal financial assistance programs for infrastructure identified under that subsection for which a domestic content procurement preference requirement—

(1) does not apply in a manner consistent with section 70914; or

(2) is subject to a waiver of general applicability not limited to the use of specific products for use in a specific project.

**SEC. 70914. APPLICATION OF BUY AMERICA PREFERENCE.**

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the head of each Federal agency shall ensure that none of the funds made available for a Federal financial assistance program for infrastructure, including each deficient program, may be obligated for a project unless all of the iron, steel, manufactured products, and construction materials used in the project are produced in the United States.

(b) WAIVER.—The head of a Federal agency that applies a domestic content procurement preference under this section may waive the application of that preference in any case in which the head of the Federal agency finds that—

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(1) applying the domestic content procurement preference would be inconsistent with the public interest;

(2) types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or

(3) the inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25 percent.

(c) WRITTEN JUSTIFICATION.—Before issuing a waiver under subsection (b), the head of the Federal agency shall—

(1) make publicly available in an easily accessible location on a website designated by the Office of Management and Budget and on the website of the Federal agency a detailed written explanation for the proposed determination to issue the waiver; and

(2) provide a period of not less than 15 days for public comment on the proposed waiver.

(d) REVIEW OF WAIVERS OF GENERAL APPLICABILITY.—

(1) IN GENERAL.—An existing general applicability waiver or a general applicability waiver issued under subsection (b) shall be reviewed every 5 years after the date on which the waiver is issued.

(2) REVIEW.—In conducting a review of a general applicability waiver, the head of a Federal agency shall—

(A) publish in the Federal Register a notice that—

(i) describes the justification for a general applicability waiver; and

(ii) requests public comments for a period of not less than 30 days on the continued need for a general applicability waiver; and

(B) publish in the Federal Register a determination on whether to continue or discontinue the general applicability waiver, taking into account the comments received in response to the notice published under subparagraph (A).

(3) LIMITATION ON THE REVIEW OF EXISTING WAIVERS OF GENERAL APPLICABILITY.—For a period of 5 years beginning on the date of enactment of this Act, paragraphs (1) and (2) shall not apply to any product-specific general applicability waiver that was issued more than 180 days before the date of enactment of this Act.

(e) CONSISTENCY WITH INTERNATIONAL AGREEMENTS.—This section shall be applied in a manner consistent with United States obligations under international agreements.

**SEC. 70915. OMB GUIDANCE AND STANDARDS.**

(a) GUIDANCE.—The Director of the Office of Management and Budget shall—

(1) issue guidance to the head of each Federal agency—

(A) to assist in identifying deficient programs under section 70913(c); and

(B) to assist in applying new domestic content procurement preferences under section 70914; and

(2) if necessary, amend subtitle A of title 2, Code of Federal Regulations (or successor regulations), to ensure that domestic content procurement preference requirements required by this

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part or other Federal law are imposed through the terms and conditions of awards of Federal financial assistance.

(b) STANDARDS FOR CONSTRUCTION MATERIALS.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Director of the Office of Management and Budget shall issue standards that define the term “all manufacturing processes” in the case of construction materials.

(2) CONSIDERATIONS.—In issuing standards under paragraph (1), the Director shall—

(A) ensure that the standards require that each manufacturing process required for the manufacture of the construction material and the inputs of the construction material occurs in the United States; and

(B) take into consideration and seek to maximize the direct and indirect jobs benefited or created in the production of the construction material.

**SEC. 70916. TECHNICAL ASSISTANCE PARTNERSHIP AND CONSULTATION SUPPORTING DEPARTMENT OF TRANSPORTATION BUY AMERICA REQUIREMENTS.**

(a) DEFINITIONS.—In this section:

(1) BUY AMERICA LAW.—The term “Buy America law” means—

(A) section 313 of title 23, United States Code;

(B) section 5323(j) of title 49, United States Code;

(C) section 22905(a) of title 49, United States Code;

(D) section 50101 of title 49, United States Code; and

(E) any other domestic content procurement preference for an infrastructure project under the jurisdiction of the Secretary.

(2) SECRETARY.—The term “Secretary” means the Secretary of Transportation.

(b) TECHNICAL ASSISTANCE PARTNERSHIP.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall enter into a technical assistance partnership with the Secretary of Commerce, acting through the Director of the National Institute of Standards and Technology—

(1) to ensure the development of a domestic supply base to support intermodal transportation in the United States, such as intercity high speed rail transportation, public transportation systems, highway construction or reconstruction, airport improvement projects, and other infrastructure projects under the jurisdiction of the Secretary;

(2) to ensure compliance with Buy America laws that apply to a project that receives assistance from the Federal Highway Administration, the Federal Transit Administration, the Federal Railroad Administration, the Federal Aviation Administration, or another office or modal administration of the Secretary of Transportation;

(3) to encourage technologies developed with the support of and resources from the Secretary to be transitioned into commercial market and applications; and

(4) to establish procedures for consultation under subsection (c).

(c) CONSULTATION.—Before granting a written waiver under a Buy America law, the Secretary shall consult with the Director

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of the Hollings Manufacturing Extension Partnership regarding whether there is a domestic entity that could provide the iron, steel, manufactured product, or construction material that is the subject of the proposed waiver.

(d) ANNUAL REPORT.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Secretary shall submit to the Committee on Commerce, Science, and Transportation, the Committee on Banking, Housing, and Urban Affairs, the Committee on Environment and Public Works, and the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Transportation and Infrastructure and the Committee on Oversight and Reform of the House of Representatives a report that includes—

(1) a detailed description of the consultation procedures developed under subsection (b)(4);

(2) a detailed description of each waiver requested under a Buy America law in the preceding year that was subject to consultation under subsection (c), and the results of the consultation;

(3) a detailed description of each waiver granted under a Buy America law in the preceding year, including the type of waiver and the reasoning for granting the waiver; and

(4) an update on challenges and gaps in the domestic supply base identified in carrying out subsection (b)(1), including a list of actions and policy changes the Secretary recommends be taken to address those challenges and gaps.

**SEC. 70917. APPLICATION.**

(a) IN GENERAL.—This part shall apply to a Federal financial assistance program for infrastructure only to the extent that a domestic content procurement preference as described in section 70914 does not already apply to iron, steel, manufactured products, and construction materials.

(b) SAVINGS PROVISION.—Nothing in this part affects a domestic content procurement preference for a Federal financial assistance program for infrastructure that is in effect and that meets the requirements of section 70914.

(c) LIMITATION WITH RESPECT TO AGGREGATES.—In this part—

(1) the term “construction materials” shall not include cement and cementitious materials, aggregates such as stone, sand, or gravel, or aggregate binding agents or additives; and

(2) the standards developed under section 70915(b)(1) shall not include cement and cementitious materials, aggregates such as stone, sand, or gravel, or aggregate binding agents or additives as inputs of the construction material.

**PART II—MAKE IT IN AMERICA**

**SEC. 70921. REGULATIONS RELATING TO BUY AMERICAN ACT.**

(a) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, the Director of the Office of Management and Budget (“Director”), acting through the Administrator for Federal Procurement Policy and, in consultation with the Federal Acquisition Regulatory Council, shall promulgate final regulations or other policy or management guidance, as appropriate, to standardize and simplify how Federal agencies comply with, report on,

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and enforce the Buy American Act. The regulations or other policy or management guidance shall include, at a minimum, the following:

(1) Guidelines for Federal agencies to determine, for the purposes of applying sections 8302(a) and 8303(b)(3) of title 41, United States Code, the circumstances under which the acquisition of articles, materials, or supplies mined, produced, or manufactured in the United States is inconsistent with the public interest.

(2) Guidelines to ensure Federal agencies base determinations of non-availability on appropriate considerations, including anticipated project delays and lack of substitutable articles, materials, and supplies mined, produced, or manufactured in the United States, when making determinations of non-availability under section 8302(a)(1) of title 41, United States Code.

(3)(A) Uniform procedures for each Federal agency to make publicly available, in an easily identifiable location on the website of the agency, and within the following time periods, the following information:

(i) A written description of the circumstances in which the head of the agency may waive the requirements of the Buy American Act.

(ii) Each waiver made by the head of the agency within 30 days after making such waiver, including a justification with sufficient detail to explain the basis for the waiver.

(B) The procedures established under this paragraph shall ensure that the head of an agency, in consultation with the head of the Made in America Office established under section 70923(a), may limit the publication of classified information, trade secrets, or other information that could damage the United States.

(4) Guidelines for Federal agencies to ensure that a project is not disaggregated for purposes of avoiding the applicability of the requirements under the Buy American Act.

(5) An increase to the price preferences for domestic end products and domestic construction materials.

(6) Amending the definitions of “domestic end product” and “domestic construction material” to ensure that iron and steel products are, to the greatest extent possible, made with domestic components.

(b) GUIDELINES RELATING TO WAIVERS.—

(1) INCONSISTENCY WITH PUBLIC INTEREST.—

(A) IN GENERAL.—With respect to the guidelines developed under subsection (a)(1), the Administrator shall seek to minimize waivers related to contract awards that—

(i) result in a decrease in employment in the United States, including employment among entities that manufacture the articles, materials, or supplies; or

(ii) result in awarding a contract that would decrease domestic employment.

(B) COVERED EMPLOYMENT.—For purposes of subparagraph (A), employment refers to positions directly involved in the manufacture of articles, materials, or supplies, and does not include positions related to management, research and development, or engineering and design.

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(2) ASSESSMENT ON USE OF DUMPED OR SUBSIDIZED FOREIGN PRODUCTS.—

(A) IN GENERAL.—To the extent otherwise permitted by law, before granting a waiver in the public interest to the guidelines developed under subsection (a)(1) with respect to a product sourced from a foreign country, a Federal agency shall assess whether a significant portion of the cost advantage of the product is the result of the use of dumped steel, iron, or manufactured goods or the use of injuriously subsidized steel, iron, or manufactured goods.

(B) CONSULTATION.—The Federal agency conducting the assessment under subparagraph (A) shall consult with the International Trade Administration in making the assessment if the agency considers such consultation to be helpful.

(C) USE OF FINDINGS.—The Federal agency conducting the assessment under subparagraph (A) shall integrate any findings from the assessment into its waiver determination.

(c) SENSE OF CONGRESS ON INCREASING DOMESTIC CONTENT REQUIREMENTS.—It is the sense of Congress that the Federal Acquisition Regulatory Council should amend the Federal Acquisition Regulation to increase the domestic content requirements for domestic end products and domestic construction material to 75 percent, or, in the event of no qualifying offers, 60 percent.

(d) DEFINITION OF END PRODUCT MANUFACTURED IN THE UNITED STATES.—Not later than 1 year after the date of the enactment of this Act, the Federal Acquisition Regulatory Council shall amend part 25 of the Federal Acquisition Regulation to provide a definition for “end product manufactured in the United States,” including guidelines to ensure that manufacturing processes involved in production of the end product occur domestically.

**SEC. 70922. AMENDMENTS RELATING TO BUY AMERICAN ACT.**

(a) SPECIAL RULES RELATING TO AMERICAN MATERIALS REQUIRED FOR PUBLIC USE.—Section 8302 of title 41, United States Code, is amended by adding at the end the following new subsection:

“(c) SPECIAL RULES.—The following rules apply in carrying out the provisions of subsection (a):

“(1) IRON AND STEEL MANUFACTURED IN THE UNITED STATES.—For purposes of this section, manufactured articles, materials, and supplies of iron and steel are deemed manufactured in the United States only if all manufacturing processes involved in the production of such iron and steel, from the initial melting stage through the application of coatings, occurs in the United States.

“(2) LIMITATION ON EXCEPTION FOR COMMERCIALLY AVAILABLE OFF-THE-SHELF ITEMS.—Notwithstanding any law or regulation to the contrary, including section 1907 of this title and the Federal Acquisition Regulation, the requirements of this section apply to all iron and steel articles, materials, and supplies.”

(b) PRODUCTION OF IRON AND STEEL FOR PURPOSES OF CONTRACTS FOR PUBLIC WORKS.—Section 8303 of title 41, United States Code, is amended—

(1) by redesignating subsection (c) as subsection (d); and

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(2) by inserting after subsection (b) the following new subsection:

“(c) SPECIAL RULES.—

“(1) PRODUCTION OF IRON AND STEEL.—For purposes of this section, manufactured articles, materials, and supplies of iron and steel are deemed manufactured in the United States only if all manufacturing processes involved in the production of such iron and steel, from the initial melting stage through the application of coatings, occurs in the United States.

“(2) LIMITATION ON EXCEPTION FOR COMMERCIALY AVAILABLE OFF-THE-SHELF ITEMS.—Notwithstanding any law or regulation to the contrary, including section 1907 of this title and the Federal Acquisition Regulation, the requirements of this section apply to all iron and steel articles, materials, and supplies used in contracts described in subsection (a).”.

(c) ANNUAL REPORT.—Subsection (b) of section 8302 of title 41, United States Code, is amended to read as follows:

“(b) REPORTS.—

“(1) IN GENERAL.—Not later than 180 days after the end of the fiscal year during which the Build America, Buy America Act is enacted, and annually thereafter for 4 years, the Director of the Office of Management and Budget, in consultation with the Administrator of General Services, shall submit to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Oversight and Reform of the House of Representatives a report on the total amount of acquisitions made by Federal agencies in the relevant fiscal year of articles, materials, or supplies acquired from entities that mine, produce, or manufacture the articles, materials, or supplies outside the United States.

“(2) EXCEPTION FOR INTELLIGENCE COMMUNITY.—This subsection does not apply to acquisitions made by an agency, or component of an agency, that is an element of the intelligence community as specified in, or designated under, section 3 of the National Security Act of 1947 (50 U.S.C. 3003).”.

(d) DEFINITION.—Section 8301 of title 41, United States Code, is amended by adding at the end the following new paragraph:

“(3) FEDERAL AGENCY.—The term ‘Federal agency’ has the meaning given the term ‘executive agency’ in section 133 of this title.”.

(e) CONFORMING AMENDMENTS.—Title 41, United States Code, is amended—

(1) in section 8302(a)—

(A) in paragraph (1)—

(i) by striking “department or independent establishment” and inserting “Federal agency”; and

(ii) by striking “their acquisition to be inconsistent with the public interest or their cost to be unreasonable” and inserting “their acquisition to be inconsistent with the public interest, their cost to be unreasonable, or that the articles, materials, or supplies of the class or kind to be used, or the articles, materials, or supplies from which they are manufactured, are not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality”; and



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(B) in paragraph (2), by amending subparagraph (B) to read as follows:

“(B) to any articles, materials, or supplies procured pursuant to a reciprocal defense procurement memorandum of understanding (as described in section 8304 of this title), or a trade agreement or least developed country designation described in subpart 25.400 of the Federal Acquisition Regulation; and”; and

(2) in section 8303—

(A) in subsection (b)—

(i) by striking “department or independent establishment” each place it appears and inserting “Federal agency”;

(ii) by amending subparagraph (B) of paragraph (1) to read as follows:

“(B) to any articles, materials, or supplies procured pursuant to a reciprocal defense procurement memorandum of understanding (as described in section 8304), or a trade agreement or least developed country designation described in subpart 25.400 of the Federal Acquisition Regulation; and”; and

(iii) in paragraph (3)—

(I) in the heading, by striking “INCONSISTENT WITH PUBLIC INTEREST” and inserting “WAIVER AUTHORITY”; and

(II) by striking “their purchase to be inconsistent with the public interest or their cost to be unreasonable” and inserting “their acquisition to be inconsistent with the public interest, their cost to be unreasonable, or that the articles, materials, or supplies of the class or kind to be used, or the articles, materials, or supplies from which they are manufactured, are not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality”; and

(B) in subsection (d), as redesignated by subsection (b)(1) of this section, by striking “department, bureau, agency, or independent establishment” each place it appears and inserting “Federal agency”.

(f) EXCLUSION FROM INFLATION ADJUSTMENT OF ACQUISITION-RELATED DOLLAR THRESHOLDS.—Subparagraph (A) of section 1908(b)(2) of title 41, United States Code, is amended by striking “chapter 67” and inserting “chapters 67 and 83”.

**SEC. 70923. MADE IN AMERICA OFFICE.**

(a) ESTABLISHMENT.—The Director of the Office of Management and Budget shall establish within the Office of Management and Budget an office to be known as the “Made in America Office”. The head of the office shall be appointed by the Director of the Office of Management and Budget (in this section referred to as the “Made in America Director”).

(b) DUTIES.—The Made in America Director shall have the following duties:

(1) Maximize and enforce compliance with domestic preference statutes.

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(2) Develop and implement procedures to review waiver requests or inapplicability requests related to domestic preference statutes.

(3) Prepare the reports required under subsections (c) and (e).

(4) Ensure that Federal contracting personnel, financial assistance personnel, and non-Federal recipients are regularly trained on obligations under the Buy American Act and other agency-specific domestic preference statutes.

(5) Conduct the review of reciprocal defense agreements required under subsection (d).

(6) Ensure that Federal agencies, Federal financial assistance recipients, and the Hollings Manufacturing Extension Partnership partner with each other to promote compliance with domestic preference statutes.

(7) Support executive branch efforts to develop and sustain a domestic supply base to meet Federal procurement requirements.

(c) OFFICE OF MANAGEMENT AND BUDGET REPORT.—Not later than 1 year after the date of the enactment of this Act, the Director of the Office of Management and Budget, working through the Made in America Director, shall report to the relevant congressional committees on the extent to which, in each of the three fiscal years prior to the date of enactment of this Act, articles, materials, or supplies acquired by the Federal Government were mined, produced, or manufactured outside the United States. Such report shall include for each Federal agency the following:

(1) A summary of total procurement funds expended on articles, materials, and supplies mined, produced, or manufactured—

(A) inside the United States;

(B) outside the United States; and

(C) outside the United States—

(i) under each category of waiver under the Buy American Act;

(ii) under each category of exception under such chapter; and

(iii) for each country that mined, produced, or manufactured such articles, materials, and supplies.

(2) For each fiscal year covered by the report—

(A) the dollar value of any articles, materials, or supplies that were mined, produced, or manufactured outside the United States, in the aggregate and by country;

(B) an itemized list of all waivers made under the Buy American Act with respect to articles, materials, or supplies, where available, and the country where such articles, materials, or supplies were mined, produced, or manufactured;

(C) if any articles, materials, or supplies were acquired from entities that mine, produce, or manufacture such articles, materials, or supplies outside the United States due to an exception (that is not the micro-purchase threshold exception described under section 8302(a)(2)(C) of title 41, United States Code), the specific exception that was used to purchase such articles, materials, or supplies; and

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(D) if any articles, materials, or supplies were acquired from entities that mine, produce, or manufacture such articles, materials, or supplies outside the United States pursuant to a reciprocal defense procurement memorandum of understanding (as described in section 8304 of title 41, United States Code), or a trade agreement or least developed country designation described in subpart 25.400 of the Federal Acquisition Regulation, a citation to such memorandum of understanding, trade agreement, or designation.

(3) A description of the methods used by each Federal agency to calculate the percentage domestic content of articles, materials, and supplies mined, produced, or manufactured in the United States.

(d) REVIEW OF RECIPROCAL DEFENSE AGREEMENTS.—

(1) REVIEW OF PROCESS.—Not later than 180 days after the date of the enactment of this Act, the Made in America Director shall review the Department of Defense’s use of reciprocal defense agreements to determine if domestic entities have equal and proportional access and report the findings of the review to the Director of the Office of Management and Budget, the Secretary of Defense, and the Secretary of State.

(2) REVIEW OF RECIPROCAL PROCUREMENT MEMORANDA OF UNDERSTANDING.—The Made in America Director shall review reciprocal procurement memoranda of understanding entered into after the date of the enactment of this Act between the Department of Defense and its counterparts in foreign governments to assess whether domestic entities will have equal and proportional access under the memoranda of understanding and report the findings of the review to the Director of the Office of Management and Budget, the Secretary of Defense, and the Secretary of State.

(e) REPORT ON USE OF MADE IN AMERICA LAWS.—The Made in America Director shall submit to the relevant congressional committees a summary of each report on the use of Made in America Laws received by the Made in America Director pursuant to section 11 of Executive Order 14005, dated January 25, 2021 (relating to ensuring the future is made in all of America by all of America’s workers) not later than 90 days after the date of the enactment of this Act or receipt of the reports required under section 11 of such Executive Order, whichever is later.

(f) DOMESTIC PREFERENCE STATUTE DEFINED.—In this section, the term “domestic preference statute” means any of the following:

- (1) the Buy American Act;
- (2) a Buy America law (as that term is defined in section 70916(a));
- (3) the Berry Amendment;
- (4) section 604 of the American Recovery and Reinvestment Act of 2009 (6 U.S.C. 453b) (commonly referred to as the “Kissell amendment”);
- (5) section 2533b of title 10 (commonly referred to as the “specialty metals clause”);
- (6) laws requiring domestic preference for maritime transport, including the Merchant Marine Act, 1920 (Public Law 66–261), commonly known as the “Jones Act”; and
- (7) any other law, regulation, rule, or executive order relating to Federal financial assistance awards or Federal

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procurement, that requires, or provides a preference for, the purchase or acquisition of goods, products, or materials produced in the United States, including iron, steel, construction material, and manufactured goods offered in the United States.

**SEC. 70924. HOLLINGS MANUFACTURING EXTENSION PARTNERSHIP ACTIVITIES.**

(a) **USE OF HOLLINGS MANUFACTURING EXTENSION PARTNERSHIP TO REFER NEW BUSINESSES TO CONTRACTING OPPORTUNITIES.**—The head of each Federal agency shall work with the Director of the Hollings Manufacturing Extension Partnership, as necessary, to ensure businesses participating in this Partnership are aware of their contracting opportunities.

(b) **AUTOMATIC ENROLLMENT IN GSA ADVANTAGE!**—The Administrator of the General Services Administration and the Secretary of Commerce, acting through the Under Secretary of Commerce for Standards and Technology, shall jointly ensure that each business that participates in the Hollings Manufacturing Extension Partnership is automatically enrolled in General Services Administration Advantage!.

**SEC. 70925. UNITED STATES OBLIGATIONS UNDER INTERNATIONAL AGREEMENTS.**

This part, and the amendments made by this part, shall be applied in a manner consistent with United States obligations under international agreements.

**SEC. 70926. DEFINITIONS.**

In this part:

(1) **BERRY AMENDMENT.**—The term “Berry Amendment” means section 2533a of title 10, United States Code.

(2) **BUY AMERICAN ACT.**—The term “Buy American Act” means chapter 83 of title 41, United States Code.

(3) **FEDERAL AGENCY.**—The term “Federal agency” has the meaning given the term “executive agency” in section 133 of title 41, United States Code.

(4) **RELEVANT CONGRESSIONAL COMMITTEES.**—The term “relevant congressional committees” means—

(A) the Committee on Homeland Security and Governmental Affairs, the Committee on Commerce, Science, and Transportation, the Committee on Environment and Public Works, the Committee on Banking, Housing, and Urban Affairs, and the Committee on Armed Services of the Senate; and

(B) the Committee on Oversight and Reform, the Committee on Armed Services, and the Committee on Transportation and Infrastructure of the House of Representatives.

(5) **WAIVER.**—The term “waiver”, with respect to the acquisition of an article, material, or supply for public use, means the inapplicability of chapter 83 of title 41, United States Code, to the acquisition by reason of any of the following determinations under section 8302(a)(1) or 8303(b) of such title:

(A) A determination by the head of the Federal agency concerned that the acquisition is inconsistent with the public interest.

(B) A determination by the head of the Federal agency concerned that the cost of the acquisition is unreasonable.

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(C) A determination by the head of the Federal agency concerned that the article, material, or supply is not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities of a satisfactory quality.

**SEC. 70927. PROSPECTIVE AMENDMENTS TO INTERNAL CROSS-REFERENCES.**

(a) SPECIALTY METALS CLAUSE REFERENCE.—Section 70923(f)(5) is amended by striking “section 2533b” and inserting “section 4863”.

(b) BERRY AMENDMENT REFERENCE.—Section 70926(1) is amended by striking “section 2533a” and inserting “section 4862”.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2022.

## **Subtitle B—BuyAmerican.gov**

**SEC. 70931. SHORT TITLE.**

This subtitle may be cited as the “BuyAmerican.gov Act of 2021”.

**SEC. 70932. DEFINITIONS.**

In this subtitle:

(1) BUY AMERICAN LAW.—The term “Buy American law” means any law, regulation, Executive order, or rule relating to Federal contracts, grants, or financial assistance that requires or provides a preference for the purchase or use of goods, products, or materials mined, produced, or manufactured in the United States, including—

(A) chapter 83 of title 41, United States Code (commonly referred to as the “Buy American Act”);

(B) section 5323(j) of title 49, United States Code;

(C) section 313 of title 23, United States Code;

(D) section 50101 of title 49, United States Code;

(E) section 24405 of title 49, United States Code;

(F) section 608 of the Federal Water Pollution Control Act (33 U.S.C. 1388);

(G) section 1452(a)(4) of the Safe Drinking Water Act (42 U.S.C. 300j–12(a)(4));

(H) section 5035 of the Water Resources Reform and Development Act of 2014 (33 U.S.C. 3914);

(I) section 2533a of title 10, United States Code (commonly referred to as the “Berry Amendment”); and

(J) section 2533b of title 10, United States Code.

(2) EXECUTIVE AGENCY.—The term “executive agency” has the meaning given the term “agency” in paragraph (1) of section 3502 of title 44, United States Code, except that it does not include an independent regulatory agency, as that term is defined in paragraph (5) of such section.

(3) BUY AMERICAN WAIVER.—The term “Buy American waiver” refers to an exception to or waiver of any Buy American law, or the terms and conditions used by an agency in granting an exception to or waiver from Buy American laws.

**SEC. 70933. SENSE OF CONGRESS ON BUYING AMERICAN.**

It is the sense of Congress that—

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(1) every executive agency should maximize, through terms and conditions of Federal financial assistance awards and Federal procurements, the use of goods, products, and materials produced in the United States and contracts for outsourced government service contracts to be performed by United States nationals;

(2) every executive agency should scrupulously monitor, enforce, and comply with Buy American laws, to the extent they apply, and minimize the use of waivers; and

(3) every executive agency should use available data to routinely audit its compliance with Buy American laws.

**SEC. 70934. ASSESSMENT OF IMPACT OF FREE TRADE AGREEMENTS.**

Not later than 150 days after the date of the enactment of this Act, the Secretary of Commerce, the United States Trade Representative, and the Director of the Office of Management and Budget shall assess the impacts in a publicly available report of all United States free trade agreements, the World Trade Organization Agreement on Government Procurement, and Federal permitting processes on the operation of Buy American laws, including their impacts on the implementation of domestic procurement preferences.

**SEC. 70935. JUDICIOUS USE OF WAIVERS.**

(a) **IN GENERAL.**—To the extent permitted by law, a Buy American waiver that is determined by an agency head or other relevant official to be in the public interest shall be construed to ensure the maximum utilization of goods, products, and materials produced in the United States.

(b) **PUBLIC INTEREST WAIVER DETERMINATIONS.**—To the extent permitted by law, determination of public interest waivers shall be made by the head of the agency with the authority over the Federal financial assistance award or Federal procurement under consideration.

**SEC. 70936. ESTABLISHMENT OF BUYAMERICAN.GOV WEBSITE.**

(a) **IN GENERAL.**—Not later than one year after the date of the enactment of this Act, the Administrator of General Services shall establish an Internet website with the address BuyAmerican.gov that will be publicly available and free to access. The website shall include information on all waivers of and exceptions to Buy American laws since the date of the enactment of this Act that have been requested, are under consideration, or have been granted by executive agencies and be designed to enable manufacturers and other interested parties to easily identify waivers. The website shall also include the results of routine audits to determine data errors and Buy American law violations after the award of a contract. The website shall provide publicly available contact information for the relevant contracting agencies.

(b) **UTILIZATION OF EXISTING WEBSITE.**—The requirements of subsection (a) may be met by utilizing an existing website, provided that the address of that website is BuyAmerican.gov.

**SEC. 70937. WAIVER TRANSPARENCY AND STREAMLINING FOR CONTRACTS.**

(a) **COLLECTION OF INFORMATION.**—The Administrator of General Services, in consultation with the heads of relevant agencies, shall develop a mechanism to collect information on requests to

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invoke a Buy American waiver for a Federal contract, utilizing existing reporting requirements whenever possible, for purposes of providing early notice of possible waivers via the website established under section 70936.

(b) WAIVER TRANSPARENCY AND STREAMLINING.—

(1) REQUIREMENT.—Prior to granting a request to waive a Buy American law, the head of an executive agency shall submit a request to invoke a Buy American waiver to the Administrator of General Services, and the Administrator of General Services shall make the request available on or through the public website established under section 70936 for public comment for not less than 15 days.

(2) EXCEPTION.—The requirement under paragraph (1) does not apply to a request for a Buy American waiver to satisfy an urgent contracting need in an unforeseen and exigent circumstance.

(c) INFORMATION AVAILABLE TO THE EXECUTIVE AGENCY CONCERNING THE REQUEST.—

(1) REQUIREMENT.—No Buy American waiver for purposes of awarding a contract may be granted if, in contravention of subsection (b)—

(A) information about the waiver was not made available on the website under section 70936; or

(B) no opportunity for public comment concerning the request was granted.

(2) SCOPE.—Information made available to the public concerning the request included on the website described in section 70936 shall properly and adequately document and justify the statutory basis cited for the requested waiver. Such information shall include—

(A) a detailed justification for the use of goods, products, or materials mined, produced, or manufactured outside the United States;

(B) for requests citing unreasonable cost as the statutory basis of the waiver, a comparison of the cost of the domestic product to the cost of the foreign product or a comparison of the overall cost of the project with domestic products to the overall cost of the project with foreign-origin products or services, pursuant to the requirements of the applicable Buy American law, except that publicly available cost comparison data may be provided in lieu of proprietary pricing information;

(C) for requests citing the public interest as the statutory basis for the waiver, a detailed written statement, which shall include all appropriate factors, such as potential obligations under international agreements, justifying why the requested waiver is in the public interest; and

(D) a certification that the procurement official or assistance recipient made a good faith effort to solicit bids for domestic products supported by terms included in requests for proposals, contracts, and nonproprietary communications with the prime contractor.

(d) NONAVAILABILITY WAIVERS.—

(1) IN GENERAL.—Except as provided under paragraph (2), for a request citing nonavailability as the statutory basis for a Buy American waiver, an executive agency shall provide an explanation of the procurement official's efforts to procure

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a product from a domestic source and the reasons why a domestic product was not available from a domestic source. Those explanations shall be made available on BuyAmerican.gov prior to the issuance of the waiver, and the agency shall consider public comments regarding the availability of the product before making a final determination.

(2) EXCEPTION.—An explanation under paragraph (1) is not required for a product the nonavailability of which is established by law or regulation.

**SEC. 70938. COMPTROLLER GENERAL REPORT.**

Not later than two years after the date of the enactment of this Act, the Comptroller General of the United States shall submit to Congress a report describing the implementation of this subtitle, including recommendations for any legislation to improve the collection and reporting of information regarding waivers of and exceptions to Buy American laws.

**SEC. 70939. RULES OF CONSTRUCTION.**

(a) DISCLOSURE REQUIREMENTS.—Nothing in this subtitle shall be construed as preempting, superseding, or otherwise affecting the application of any disclosure requirement or requirements otherwise provided by law or regulation.

(b) ESTABLISHMENT OF SUCCESSOR INFORMATION SYSTEMS.—Nothing in this subtitle shall be construed as preventing or otherwise limiting the ability of the Administrator of General Services to move the data required to be included on the website established under subsection (a) to a successor information system. Any such information system shall include a reference to BuyAmerican.gov.

**SEC. 70940. CONSISTENCY WITH INTERNATIONAL AGREEMENTS.**

This subtitle shall be applied in a manner consistent with United States obligations under international agreements.

**SEC. 70941. PROSPECTIVE AMENDMENTS TO INTERNAL CROSS-REFERENCES.**

(a) IN GENERAL.—Section 70932(1) is amended—

(1) in subparagraph (I), by striking “section 2533a” and inserting “section 4862”; and

(2) in subparagraph (J), by striking “section 2533b” and inserting “section 4863”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on January 1, 2022.

## Subtitle C—Make PPE in America

**SEC. 70951. SHORT TITLE.**

This subtitle may be cited as the “Make PPE in America Act”.

**SEC. 70952. FINDINGS.**

Congress makes the following findings:

(1) The COVID–19 pandemic has exposed the vulnerability of the United States supply chains for, and lack of domestic production of, personal protective equipment (PPE).



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(2) The United States requires a robust, secure, and wholly domestic PPE supply chain to safeguard public health and national security.

(3) Issuing a strategy that provides the government's anticipated needs over the next three years will enable suppliers to assess what changes, if any, are needed in their manufacturing capacity to meet expected demands.

(4) In order to foster a domestic PPE supply chain, United States industry needs a strong and consistent demand signal from the Federal Government providing the necessary certainty to expand production capacity investment in the United States.

(5) In order to effectively incentivize investment in the United States and the re-shoring of manufacturing, long-term contracts must be no shorter than three years in duration.

(6) To accomplish this aim, the United States should seek to ensure compliance with its international obligations, such as its commitments under the World Trade Organization's Agreement on Government Procurement and its free trade agreements, including by invoking any relevant exceptions to those agreements, especially those related to national security and public health.

(7) The United States needs a long-term investment strategy for the domestic production of PPE items critical to the United States national response to a public health crisis, including the COVID-19 pandemic.

**SEC. 70953. REQUIREMENT OF LONG-TERM CONTRACTS FOR DOMESTICALLY MANUFACTURED PERSONAL PROTECTIVE EQUIPMENT.**

(a) DEFINITIONS.—In this section:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term “appropriate congressional committees” means—

(A) the Committee on Homeland Security and Governmental Affairs, the Committee on Health, Education, Labor, and Pensions, the Committee on Finance, and the Committee on Veterans' Affairs of the Senate; and

(B) the Committee on Homeland Security, the Committee on Oversight and Reform, the Committee on Energy and Commerce, the Committee on Ways and Means, and the Committee on Veterans' Affairs of the House of Representatives.

(2) COVERED SECRETARY.—The term “covered Secretary” means the Secretary of Homeland Security, the Secretary of Health and Human Services, and the Secretary of Veterans Affairs.

(3) PERSONAL PROTECTIVE EQUIPMENT.—The term “personal protective equipment” means surgical masks, respirator masks and powered air purifying respirators and required filters, face shields and protective eyewear, gloves, disposable and reusable surgical and isolation gowns, head and foot coverings, and other gear or clothing used to protect an individual from the transmission of disease.

(4) UNITED STATES.—The term “United States” means the 50 States, the District of Columbia, and the possessions of the United States.

(b) CONTRACT REQUIREMENTS FOR DOMESTIC PRODUCTION.—Beginning 90 days after the date of the enactment of this Act,

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in order to ensure the sustainment and expansion of personal protective equipment manufacturing in the United States and meet the needs of the current pandemic response, any contract for the procurement of personal protective equipment entered into by a covered Secretary, or a covered Secretary's designee, shall—

(1) be issued for a duration of at least 2 years, plus all option periods necessary, to incentivize investment in the production of personal protective equipment and the materials and components thereof in the United States; and

(2) be for personal protective equipment, including the materials and components thereof, that is grown, reprocessed, reused, or produced in the United States.

(c) ALTERNATIVES TO DOMESTIC PRODUCTION.—The requirement under subsection (b) shall not apply to an item of personal protective equipment, or component or material thereof if, after maximizing to the extent feasible sources consistent with subsection (b), the covered Secretary—

(1) maximizes sources for personal protective equipment that is assembled outside the United States containing only materials and components that are grown, reprocessed, reused, or produced in the United States; and

(2) certifies every 120 days that it is necessary to procure personal protective equipment under alternative procedures to respond to the immediate needs of a public health emergency.

(d) AVAILABILITY EXCEPTION.—

(1) IN GENERAL.—Subsections (b) and (c) shall not apply to an item of personal protective equipment, or component or material thereof—

(A) that is, or that includes, a material listed in section 25.104 of the Federal Acquisition Regulation as one for which a non-availability determination has been made; or

(B) as to which the covered Secretary determines that a sufficient quantity of a satisfactory quality that is grown, reprocessed, reused, or produced in the United States cannot be procured as, and when, needed at United States market prices.

(2) CERTIFICATION REQUIREMENT.—The covered Secretary shall certify every 120 days that the exception under paragraph (1) is necessary to meet the immediate needs of a public health emergency.

(e) REPORT.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Director of the Office of Management and Budget, in consultation with the covered Secretaries, shall submit to the chairs and ranking members of the appropriate congressional committees a report on the procurement of personal protective equipment.

(2) ELEMENTS.—The report required under paragraph (1) shall include the following elements:

(A) The United States long-term domestic procurement strategy for PPE produced in the United States, including strategies to incentivize investment in and maintain United States supply chains for all PPE sufficient to meet the needs of the United States during a public health emergency.

(B) An estimate of long-term demand quantities for all PPE items procured by the United States.

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(C) Recommendations for congressional action required to implement the United States Government's procurement strategy.

(D) A determination whether all notifications, amendments, and other necessary actions have been completed to bring the United States existing international obligations into conformity with the statutory requirements of this subtitle.

(f) AUTHORIZATION OF TRANSFER OF EQUIPMENT.—

(1) IN GENERAL.—A covered Secretary may transfer to the Strategic National Stockpile established under section 319F–2 of the Public Health Service Act (42 U.S.C. 247d–6b) any excess personal protective equipment acquired under a contract executed pursuant to subsection (b).

(2) TRANSFER OF EQUIPMENT DURING A PUBLIC HEALTH EMERGENCY.—

(A) AMENDMENT.—Title V of the Homeland Security Act of 2002 (6 U.S.C. 311 et seq.) is amended by adding at the end the following:

**“SEC. 529. TRANSFER OF EQUIPMENT DURING A PUBLIC HEALTH EMERGENCY.**

“(a) AUTHORIZATION OF TRANSFER OF EQUIPMENT.—During a public health emergency declared by the Secretary of Health and Human Services under section 319(a) of the Public Health Service Act (42 U.S.C. 247d(a)), the Secretary, at the request of the Secretary of Health and Human Services, may transfer to the Department of Health and Human Services, on a reimbursable basis, excess personal protective equipment or medically necessary equipment in the possession of the Department.

“(b) DETERMINATION BY SECRETARIES.—

“(1) IN GENERAL.—In carrying out this section—

“(A) before requesting a transfer under subsection (a), the Secretary of Health and Human Services shall determine whether the personal protective equipment or medically necessary equipment is otherwise available; and

“(B) before initiating a transfer under subsection (a), the Secretary, in consultation with the heads of each component within the Department, shall—

“(i) determine whether the personal protective equipment or medically necessary equipment requested to be transferred under subsection (a) is excess equipment; and

“(ii) certify that the transfer of the personal protective equipment or medically necessary equipment will not adversely impact the health or safety of officers, employees, or contractors of the Department.

“(2) NOTIFICATION.—The Secretary of Health and Human Services and the Secretary shall each submit to Congress a notification explaining the determination made under subparagraphs (A) and (B), respectively, of paragraph (1).

“(3) REQUIRED INVENTORY.—

“(A) IN GENERAL.—The Secretary shall—

“(i) acting through the Chief Medical Officer of the Department, maintain an inventory of all personal protective equipment and medically necessary equipment in the possession of the Department; and

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“(ii) make the inventory required under clause (i) available, on a continual basis, to—

“(I) the Secretary of Health and Human Services; and

“(II) the Committee on Appropriations and the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Appropriations and the Committee on Homeland Security of the House of Representatives.

“(B) FORM.—Each inventory required to be made available under subparagraph (A) shall be submitted in unclassified form, but may include a classified annex.”.

(B) TABLE OF CONTENTS AMENDMENT.—The table of contents in section 1(b) of the Homeland Security Act of 2002 (Public Law 107–296; 116 Stat. 2135) is amended by inserting after the item relating to section 528 the following:

“Sec. 529. Transfer of equipment during a public health emergency.”.

(3) STRATEGIC NATIONAL STOCKPILE.—Section 319F–2(a) of the Public Health Service Act (42 U.S.C. 247d–6b(a)) is amended by adding at the end the following:

“(6) TRANSFERS OF ITEMS.—The Secretary, in coordination with the Secretary of Homeland Security, may sell drugs, vaccines and other biological products, medical devices, or other supplies maintained in the stockpile under paragraph (1) to a Federal agency or private, nonprofit, State, local, tribal, or territorial entity for immediate use and distribution, provided that any such items being sold are—

“(A) within 1 year of their expiration date; or

“(B) determined by the Secretary to no longer be needed in the stockpile due to advances in medical or technical capabilities.”.

(g) COMPLIANCE WITH INTERNATIONAL AGREEMENTS.—The President or the President’s designee shall take all necessary steps, including invoking the rights of the United States under Article III of the World Trade Organization’s Agreement on Government Procurement and the relevant exceptions of other relevant agreements to which the United States is a party, to ensure that the international obligations of the United States are consistent with the provisions of this subtitle.

## TITLE X—ASSET CONCESSIONS

### SEC. 71001. ASSET CONCESSIONS.

(a) ESTABLISHMENT OF PROGRAM.—

(1) IN GENERAL.—Chapter 6 of title 23, United States Code, is amended by adding at the end the following:

#### “§ 611. Asset concessions and innovative finance assistance

“(a) DEFINITIONS.—In this section:

“(1) APPROVED INFRASTRUCTURE ASSET.—The term ‘approved infrastructure asset’ means—

“(A) a project (as defined in section 601(a)); and

“(B) a group of projects (as defined in section 601(a)) considered together in a single asset concession or long-term lease to a concessionaire by 1 or more eligible entities.

# **Attachment 3**

# RP-1 DISINFECTION IMPROVEMENTS CONTRACT

## 1.0 CONTRACT

THIS CONTRACT, made and entered into this 20 day of April, 2022, by and between Innovative Construction Solutions, 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 "IEUA".

### WITNESSETH:

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

- A. CONTRACTOR agrees to perform and complete in a workmanlike manner, all Work required under these Bid Documents FOR RP-1 Disinfection Improvements Project No. EN11039, in accordance with the Bid Documents, 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 Bid Documents to be furnished by IEUA, and to do everything required by this Contract and the said Bid Documents.
- B. 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 Bid Documents; 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 IEUA, 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 Bid Documents are expressly stipulated to be borne by IEUA; and for completing the Work in accordance with the requirements of said Bid Documents, IEUA will pay and said CONTRACTOR shall receive, in full compensation therefore, the price(s) set forth in this Contract.
- C. That IEUA 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 IEUA, and set forth in this below.

Total Bid Price \$ Eight Million Five Hundred Seventy-Five Thousand Dollars  
and Zero Cents.

If this is not a lump sum bid and the Contract Price is dependent upon the quantities constructed, IEUA 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.

- D. IEUA 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 Bid Documents; 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.
- E. The Notice Inviting Bids, Instructions to Bidders, Bid Forms, Information Required of Bidder, Performance Bond, Payment Bond, Contractor's License Declaration, Specifications, Drawings, all General Conditions Special Conditions and all Project Requirements, and all Addenda issued by IEUA 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.
- F. 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 IEUA five hundred fifty (550) calendar days after award of the Contract. All Work shall be completed before final payment is made.
- G. Time is of the essence on this Contract.
- H. CONTRACTOR agrees that in case the Work is not completed before or upon the expiration of the Contract Time, damage will be sustained by IEUA, and that it is and will be impracticable to determine the actual damage which IEUA will sustain in the event and by reason of such delay, and it is therefore agreed that the CONTRACTOR shall pay to IEUA the amounts as set forth in General Conditions, Section C – Changes to the Contract for each day of delay, which shall be the period between the expiration of the Contract Time and the date of final acceptance by IEUA, 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 IEUA, and the CONTRACTOR agrees to pay such liquidated damages as herein provided. In case the liquidated damages are not paid, the CONTRACTOR agrees that IEUA 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.
- I. In addition to the liquidated damages, which may be imposed if the CONTRACTOR fails to complete the Work within the time agreed upon, IEUA may also deduct from any sums due or to become due to the CONTRACTOR, penalties and fines for violations of applicable local, state, and federal law.

- J. That the CONTRACTOR shall carry Workers' Compensation Insurance and require all subcontractors to carry Workers' Compensation Insurance as required by the California Labor Code.
- K. That the CONTRACTOR shall have furnished, prior to execution of the Contract, two bonds approved by IEUA, 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.
- L. The CONTRACTOR hereby agrees to protect, defend, indemnify and hold IEUA and its employees, Engineer, 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 IEUA 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 to the fullest extent permitted by law.

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.

- M. The CONTRACTOR, by signing the contract does swear under penalty of perjury that no more than one final unappeasable finding of contempt of court by a Federal court has been issued against the CONTRACTOR within the immediately preceding two year period because of the CONTRACTOR's failure to comply with an order of a Federal court which orders the CONTRACTOR to comply with an order of the National Labor Relations Board (Public Contract Code 10296).

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

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

CONTRACTOR

By \_\_\_\_\_  
\_\_\_\_\_  
*Title*

\* *A Municipal Water District*



ACTION  
ITEM  
2B

**Date:** April 20, 2022

*ADD*

**To:** The Honorable Board of Directors                      **From:** Shivaji Deshmukh, General Manager

**Committee:** Engineering, Operations & Water Resources                      04/13/22

Finance & Administration                      04/13/22

**Executive Contact:** Christiana Daisy, Deputy General Manager

**Subject:** RP-5 Solids Handling Facility Future Uses Consultant Contract Amendment

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**Executive Summary:**

The Regional Water Recycling Plant No. 5 (RP-5) Solids Handling Facility (SHF) was operated by the Inland Empire Utilities Agency (IEUA) from 2001 to 2009 for recycling dairy manure and generating biogas. In 2010, IEUA entered into a Lease Agreement with Environ Strategy Consultants (later transferred to Inland BioEnergy), which utilized the facility for digestion of primarily food wastes with minor dairy manure for biogas/power generation. This Lease Agreement expired in April 2019, and the SHF has been idle since then. However, multiple private ventures expressed interest in utilizing the SHF for organic processing and other means. In July 2020, IEUA retained GHD to develop a Business Case Evaluation for future use of the SHF. GHD developed nine alternatives which focused on either organics processing facilities or logistics hubs. Findings were presented to the Board in June 2021. Currently, IEUA is preparing a Request for Proposals (RFP) from private ventures for potential utilization of the SHF. To cover the cost of the RFP work and maintain continuity and cost-effectiveness, IEUA requested a contract amendment proposal from GHD, which came in the amount of \$123,600, increasing the contract from \$148,865 to \$272,465 (83% increase). The scope includes RFP preparation, meetings, and proposal evaluation. Staff also requests a budget transfer from EN17043 to EN20034 in the amount of \$300,000 to cover GHD's contract amendment and staff costs.

---

**Staff's Recommendation:**

1. Approve a consultant contract amendment for the RP-5 Solids Handling Facility Future Uses RFP, Project No. EN20034.03, to GHD Inc. for a not-to-exceed amount of \$123,600, increasing the contract from \$148,865 to \$272,465 (83% increase);
2. Approve a total project budget and FY 2021/22 budget transfer from the RP-4 Primary Clarifier Rehab, Project No. EN17043 (Capital), to the RP-5 Solids Handling Facility Future Uses, Project No. EN20034.03 (O&M), in the amount of \$300,000 in the RO/10800 Fund; and
3. Authorize the General Manager to execute the contract amendment and budget transfer, subject to non-substantive changes.

---

**Budget Impact** Budgeted (Y/N): N Amendment (Y/N): Y Amount for Requested Approval: \$ 300,000

Account/Project Name:

EN17043/RP-4 Primary Clarifier Rehab

EN20034/RP-5 Solid Handling Facility Future Uses Project

*Fiscal Impact (explain if not budgeted):*

If approved, the total project and FY 2021/22 budget in the amount of \$300,000 will transfer from the RP-4 Primary Clarifier Rehab, Project No. EN17043 (Capital), to the RP-5 Solids Handling Facility Future Uses, Project No. EN20034 (O&M), in the Regional Operations and Maintenance (10800/RO) Fund.

**Prior Board Action:**

In December 2021, staff updated the Board of Directors on the progress of the RFP.

In July 2021, the Board of Directors acknowledged the Business Case Evaluation conclusion that the preferred alternative at that time, was idle assets and land, use the SHF site for the RP-5 Expansion Project and continue to reach out to interested parties.

On July 15, 2020, the Board of Directors approved a consultant contract award to GHD Inc. in the amount of \$148,865.

---

**Environmental Determination:**

Statutory Exemption

CEQA exempts a variety of projects from compliance with the statute. This project qualifies for a Statutory Exemption as defined in Section 15262 of the State CEQA Guidelines. When the project will be implemented it will be subject to future environmental evaluation. .

---

**Business Goal:**

The RP-5 Solids Handling Facility Future Uses Evaluation 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 - Amendment

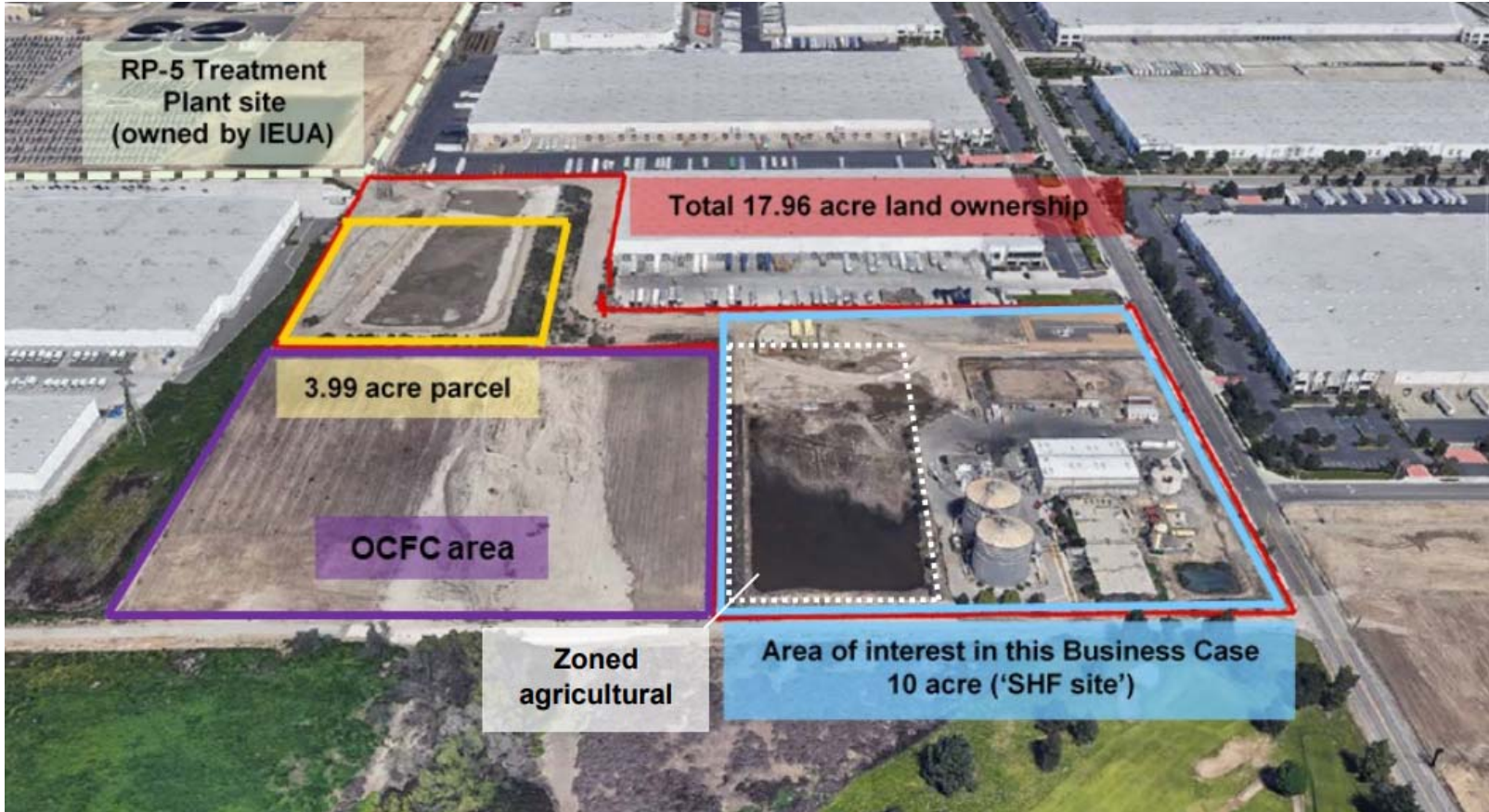
# **Attachment 1**



# **RP-5 Solids Handling Facility Future Uses Consultant Contract Amendment Project No. EN20034.03**

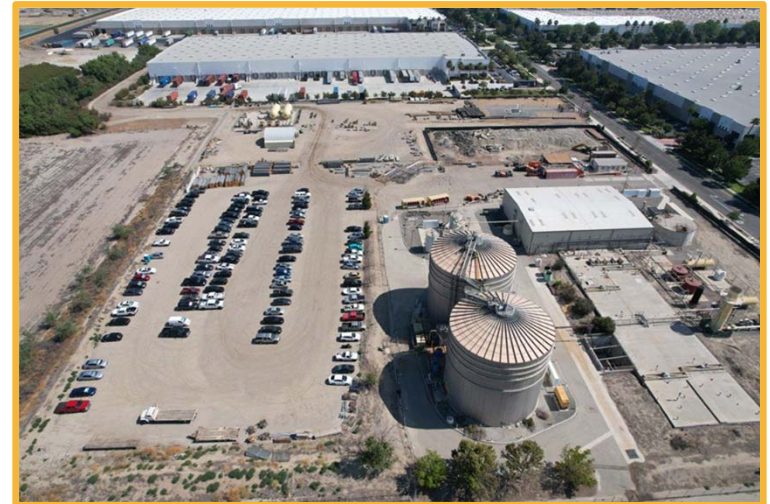
Jamal Zughbi, P.E.  
Senior Engineer  
April 2022

# Project Location and Site Layout



# Project Background

- RP-5 Solids Handling Facility (SHF) idle since April 2019
- Partially utilized for the RP-5 Expansion Contractor Laydown and Parking
- GHD Inc. completed SHF Future Uses Evaluation report in October 2021
- Need to prepare a Request for Proposals (RFP) for private ventures engagement and site utilization
- Potential land use, half site or full site
  - 20-year lease or 50-year lease
  - Organics Processing
  - Logistics Hub



Solids Handling Facility Overview

# RFP Scope of Work

- **For continuity, amend GHD's contract**
- **Most cost effective approach**
- **Consultant Scope:**
  - Evaluate third-party firms' interest
  - Collaboration and strategic framing workshop
  - RFP document development
  - Support with permitting and external stakeholder discussion
  - Receive and evaluate proposals



Solids Handling Facility Partial Views



# Project Budget and Schedule

| Description                                    | Estimated Cost   |
|------------------------------------------------|------------------|
| <b>Consulting Services – Evaluation/RFP</b>    | <b>\$522,465</b> |
| Original Consultant Contract                   | \$148,865        |
| Consultant Contract Amendment (this action)    | \$123,600        |
| IEUA Staff (Actual)                            | \$100,000        |
| IEUA Staff (future)                            | \$150,000        |
| <b>Total Project Cost:</b>                     | <b>\$522,465</b> |
| <b>Total Current Project Budget (parent):</b>  | <b>\$250,000</b> |
| <b>Budget Transfer Request (this action)*:</b> | <b>\$300,000</b> |
| <b>Revised Budget:</b>                         | <b>\$550,000</b> |

| Project Milestone               | Date       |
|---------------------------------|------------|
| <b>Evaluation</b>               |            |
| Consultant Contract Award       | July 2020  |
| Evaluation Report Completion    | Oct 2021   |
| Consultant Contract Amendment   | April 2022 |
| RFP Completion                  | Dec 2022   |
| <b>Private Venture Contract</b> |            |
| Advertise RFP                   | Jan 2023   |
| Private Venture Contract Award  | Aug 2023   |

\*Budget increase from Regional Operations and Maintenance Fund (10800)

## Recommendation

- Approve a consultant contract amendment for the RP-5 Solids Handling Facility Future Uses RFP, Project No. EN20034.03, to GHD Inc. for a not-to-exceed amount of \$123,600, increasing the contract from \$148,865 to \$272,465 (83% increase);
- Approve a total project budget and FY 2021/22 budget transfer from the RP-4 Primary Clarifier Rehab, Project No. EN17043 (Capital), to the RP-5 Solids Handling Facility Future Uses, Project No. EN20034.03 (O&M), in the amount of \$300,000 in the Regional Operations and Maintenance (RO) Fund; and
- Authorize the General Manager to execute the contract amendment and budget transfer, subject to non-substantive changes.

The RP-5 SHF Future Uses 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.

# **Attachment 2**



**CONTRACT AMENDMENT NUMBER: 4600002924-002  
FOR  
ENGINEERING CONSULTING SERVICES FOR  
RP-5 SOLIDS HANDLING FACILITY FUTURE USES EVALUATION**

AMENDMENT NUMBER TWO is made and entered into this \_\_\_ day of \_\_\_\_\_, 2022, 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 GHD, Inc., with offices located in Irvine, 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 shall provide the additional consulting services outlined in Consultant's Proposal, which is attached hereto as **Exhibit A**, referenced herein, attached hereto, 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 4600002924-002, the termination date of this Contract shall be extended to June 30, 2023; unless agreed to by both parties, reduced to writing, and amended in this Contract.

**REVISE SECTION 6, PAYMENT, INVOICING, AND COMPENSATION, TO READ:** As

compensation for the additional work to be performed under this Contract, Agency shall pay Consultant **a not-to-exceed maximum \$272,464.50.00** for all work satisfactorily provided hereunder. This includes an additional \$123,600.00 in accordance with **Exhibit A**, referenced herein, attached hereto, and made a part hereof.

**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*

**GHD, INC.:**

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

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

DocuSigned by:  
*Simon Kaye*  
\_\_\_\_\_  
22747D8EFEFA46F...  
Simon Kaye  
Senior Vice President

3/7/2022

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

# Exhibit A



**320 Goddard Way Suite 200 Irvine CA 92618**  
**USA**  
**www.ghd.com**

**4 February 2022**

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

**Re: IEUA RP-5 SHF RFP Development**

Dear Mr. Sprague and Mr. Zughbi,

We are pleased to provide Inland Empire Utilities Agency (IEUA) with this proposal for leading the development and drafting of the RP-5 SHF Request for Proposal (RFP) document.

GHD's approach will include strategic framing workshops, RFP document drafting, and review meetings with IEUA to ensure the process is a joint effort that captures IEUA's requirements and delivers a document that will result in submittal proposals/meaningful responses from interested bidders and IEUA's selection of the most responsive solution for best use of the site. .

GHD will support the IEUA as it liaises with permitting agencies and local stakeholders on matters related to the SHF site development options. These matters will be evaluated in parallel with development of the RFP, and where applicable, outcomes will be incorporated into the RFP document. GHD will also provide procurement support after the release of the RFP including responding to RFIs and assistance with evaluation of submissions. This proposal also includes an allowance for workshops and presentations with the IEUA's Board of Directors.

This letter proposal provides the scope, schedule, team members and commercial terms for our professional services. We have provided an estimated fee budget on a time & material basis.

## **1. Scope of Services**

GHD's methodology consists of the following Tasks:

1. Project management
2. Collaboration and strategic framing workshops
3. RFP document development
4. Support with permitting and local external stakeholder discussions
5. Procurement support post RFP release including evaluation of proposals
6. Optional – Board workshops and presentations

### **1.1 Task 1 – Project Management**

This task includes all the project management effort required by IEUA to effectively manage the delivery of work under this proposal. It comprises administrative work, invoicing, kick-off meeting, and biweekly progress review meetings.

GHD will organize bi-weekly meetings with IEUA to review the RFP development progress and ensure it is in-line with IEUA's expectations and requirements. This will allow GHD to continuously adjust its efforts to satisfy IEUA's needs and keep project progress.

Nikhil Khurana will lead the project from GHD and coordinate the biweekly meetings, supported by a core team consisting of Kim Domptail, Jamal Awad, and Hector Ruiz and other GHD technical as needed. Attendance of the IEUA Project Manager is required, alongside other IEUA staff as deemed appropriate.

## 1.2 Task 2 – Collaboration Workshops

GHD will facilitate up to six 1-hour workshops with IEUA (with flexibility to amend duration / length of meetings as needed).

The intent of these workshops is to clarify constraints and develop an agreed strategy for several development aspects that will inform what information is presented within the RFP document, and what information is solicited from RFP respondees. In some cases, individual issues may require multiple workshops to resolve, and in some cases uncertainty will be unavoidable and must be appropriately built in to the RFP document. Alignment on these matters is key.

Key items to clarify are:

- Priority goals and objectives for IEUA in launching this RFP
- Number and types of options solicited in RFP e.g. we understand IEUA is considering 2 options: organics processing or logistics hub as a proposed development
- Timing of availability of portions of the SHF site
- IEUA's energy demand at RP-5 and possibility to accept outputs (e.g. energy, digestate)
- Permitting requirements and constraints, addressed by IEUA Planning Department
- Evaluation framework and criteria that IEUA will use to assess RFP responses
- IEUA's legal requirements and constraints in the RFP process to comply with Procurement regulations, as advised by IEUA Legal Counsel

It is intended that these workshops occur within the first 3 to 4 months from project commencement. Attendance of key stakeholders and representatives from IEUA is required for the success of these workshops, including but not limited to, IEUA's Project Manager, Procurement Manager, and Investment Sponsor. GHD will work with IEUA's Project Manager to develop specific agendas and lists of attendees for each workshop.

## 1.3 Task 3 – RFP Development

GHD will develop the RFP document in parallel with Task 2. As workshops are completed, GHD will have a better understanding of the procurement technical requirements and guidelines that will allow us to draft the document in a concise and clear manner. The aim here is to consider all of IEUA's, and their stakeholders', requirements and be able to articulate them clearly to the respondees to avoid potential misunderstanding or uncertainty, and thereby reduce resource burden during the RFP Q&A phase and evaluating the proposals received by IEUA.

It is only with completion of the workshops that GHD will be able to issue a draft RFP document.

### Key Assumptions, Limitations and Exclusions:

- IEUA is responsible for providing legal counsel and review of the document and ensuring the RFP complies with IEUA procurement guidelines and constraints.
- IEUA is responsible for providing language in the RFP that dictates the RFP solicitation process and IEUA requirements
- Final document will be IEUA branded RFP. GHD will provide all technical scope and solicitation sections for this document.
- GHD has allowed for 3 rounds of review with IEUA to finalize the RFP document after completion of all tasks and ensure that the overall flow of the document is logical and unambiguous.

#### 1.4 Task 4 – Permitting and External stakeholder Support

GHD will support IEUA with discussions and negotiations with the City of Chino, SCAQMD, SAWPA and other various permitting agencies and stakeholders. These will occur in parallel with the RFP development and as required.

#### 1.5 Task 5 – Procurement support post RFP release

GHD will support IEUA post RFP release by:

- Addressing and responding to RFIs sent by bidders, with IEUA support. GHD will coordinate responses during this RFI stage.
- Assist IEUA with evaluating and assessing received proposals. As part of proposals evaluation, GHD will engage in collaborative dialogue with bidders as needed and required. GHD will develop and populate an evaluation matrix based on the evaluation criteria determined during Tasks 2 and 3. GHD will collaborate with IEUA to complete the proposal evaluations and make recommendations for consideration by IEUA.

#### 1.6 Task 6 – (Optional) Board workshops and presentations

This is an optional task for GHD support to prepare and join IEUA staff in presentations or workshops with the IEUA Board related to the procurement process and final recommendations, as needed and requested. These services will be on Time & Material basis. Our fee estimate includes an initial allowance for this task, though actual level of support may be higher or lower than the amount nominated.

## 2. Schedule

GHD understands that collaboration with permitting agencies and other stakeholders can encompass a significant amount of time, however it is IEUA's goal to release the RFP and receive proposals by the end of 2022 or early 2023. GHD's proposed level of effort is based on this goal, allows time for internal IEUA reviews, approvals, and processing of the RFP.

Our 12-month schedule to complete the outlined scope, assuming commencement in the first week of February. Required interactions and milestones for completion within the proposed timeline are listed below. Work on the RFP development will commence upon receipt of notice to proceed from IEUA. We are more than happy to further discuss and confirm the proposed timeframe.

- Kick-off: Immediately and at your convenience following acceptance and execution of a task order for this scope.
- Workshop sessions: Expected to be completed by June 2022, however additional meetings, information, and findings from permitting agencies and stakeholders may extend final draft through end of 2022.
- Final RFP deliverable: end of 2022.

## 3. Team and Key Personnel

GHD is pleased to provide IEUA with continuity from the SHF Future Uses Evaluation project. A team that brings the requisite experience, knowledge, and skills to provide these services (bios or resumes are available as requested):

- Hector Ruiz – Project Director, QA/QC
- Nikhil Khurana – Project Manager
- Kim Domptail – Technical Lead
- Jamal Awad – Project Advisor



#### Resources

- Jean Hanna – RFP Support/Commercial Lead
- Patrick Young – Market/Developer Analysis/Commercial Advisor
- Mike Muffels – Technical Advisor
- Michael Cant – Technical Advisor

Nikhil Khurana will be responsible for day-to-day delivery and coordination of the RFP Development. He was lead analyst for the business case evaluation of the SHF site and, along with Kim Domptail and Hector Ruiz, are intimately familiar with the site characteristics, constraints and uncertainties. They will be supported by Jean Hanna who provides a wealth of experience in procurement from his experience developing RFP documents for public agencies. Kim Domptail and Hector Ruiz will be closely involved with the RFP development and provide commercial and technical inputs that will be reflected in the final RFP documentation.

Mike Muffels and Michael Cant will provide insights from their experiences writing and responding to a number of RFPs for similar projects and assets across the US and Canada. Patrick Young will provide insights from the perspective of developers responding to the RFP documentation.

#### 4. Professional Fees

GHD is happy to provide our proposed professional fees for this scope on a time & material basis, based on the schedule of rates agreed on with IEUA.

The budget estimate is provided as follows:

| Task                                                      | Hours | Budget estimate (USD) |
|-----------------------------------------------------------|-------|-----------------------|
| 1. Project Management                                     | 61    | \$12,500              |
| 2. Collaboration Workshops                                | 111   | \$24,500              |
| 3. RFP Development                                        | 220   | \$45,000              |
| 4. Permitting and External Stakeholder Support            | 84    | \$18,000              |
| 5. Procurement Support- Post RFP Release                  | 82    | \$17,600              |
| <b>Total</b>                                              |       | <b>\$117,600</b>      |
| 6. (Optional) Board Workshops & Presentations (Allowance) | 27    | \$6,000               |
| <b>Total Including Optional Item</b>                      |       | <b>\$123,600</b>      |

Our professional fees exclude relevant taxes. They also exclude any expenses which are not anticipated given the desktop nature of this assessment. Should any work outside the scope listed be requested, a scope change will be agreed through mutual discussion.

#### 5. Commercial Terms

GHD is requesting an authorization of **\$123,600** for the above referenced work, including the optional scope, Task 6. GHD suggests that the services will be billed on a Time and Materials basis, as an amendment to the current contract used to execute the Business Case Evaluation for the RP-5 SHF site future uses.

## 6. Closure

Thank you for inviting GHD to provide this proposal for this important undertaking for IEUA. We trust it meets your requirements. Please do not hesitate to contact the undersigned on the details below if you have any questions or clarifications.

Sincerely,



**Nikhil Khurana**  
**Senior Advisor & Investment, Policy & Economics Service Line Leader, Americas**

T 832 380 7677

E [Nikhil.khurana@ghd.com](mailto:Nikhil.khurana@ghd.com)



**Simon Kaye**  
**Senior Vice President, North America Market Leader**

T 949 378 9759

E [Simon.Kaye@ghd.com](mailto:Simon.Kaye@ghd.com)

INFORMATION  
ITEM  
**3A**



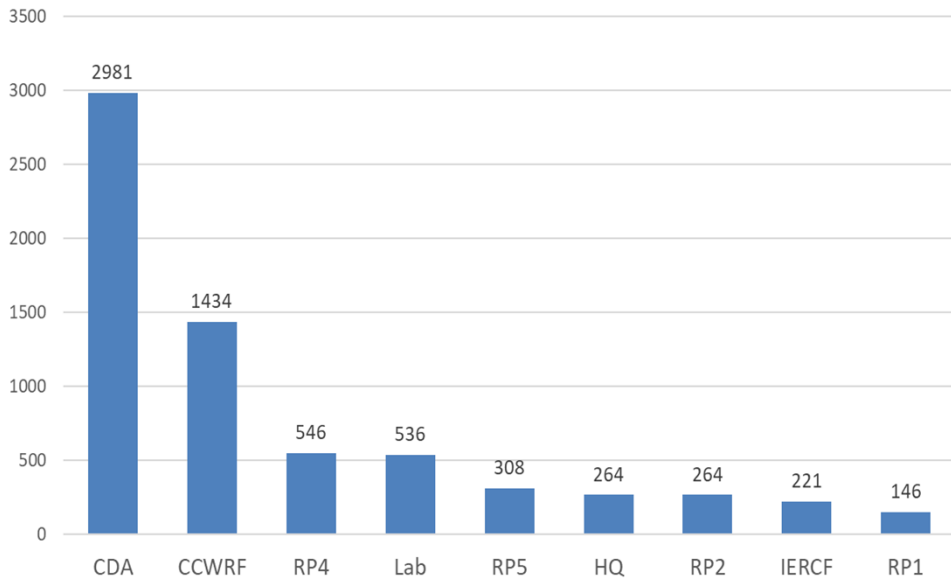
# Operations & Maintenance Department Quarterly Update

Robert Delgado  
Manager of Maintenance  
April 2022

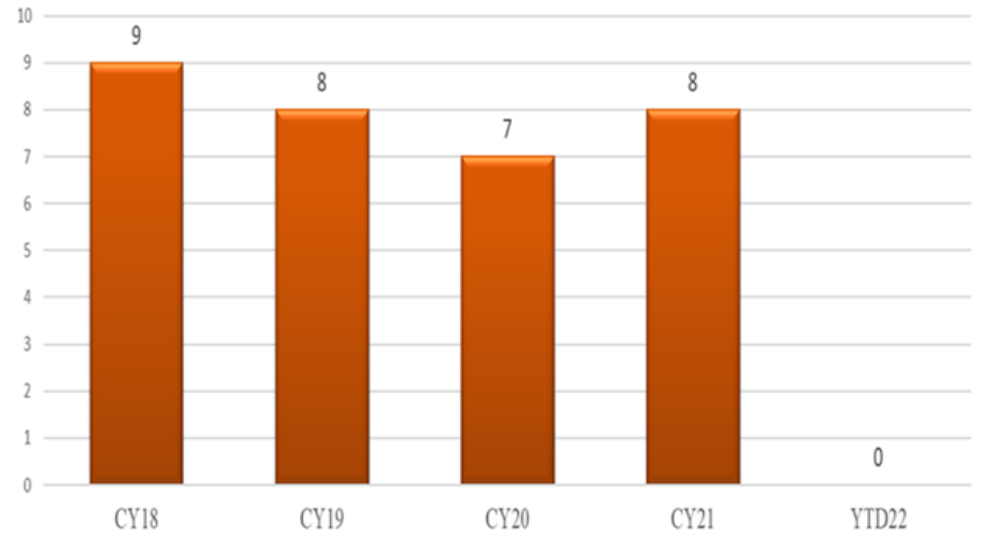
# Safety Statistics



Days Since Last Recordable Injury



Total Recordable Injuries by Calendar Year



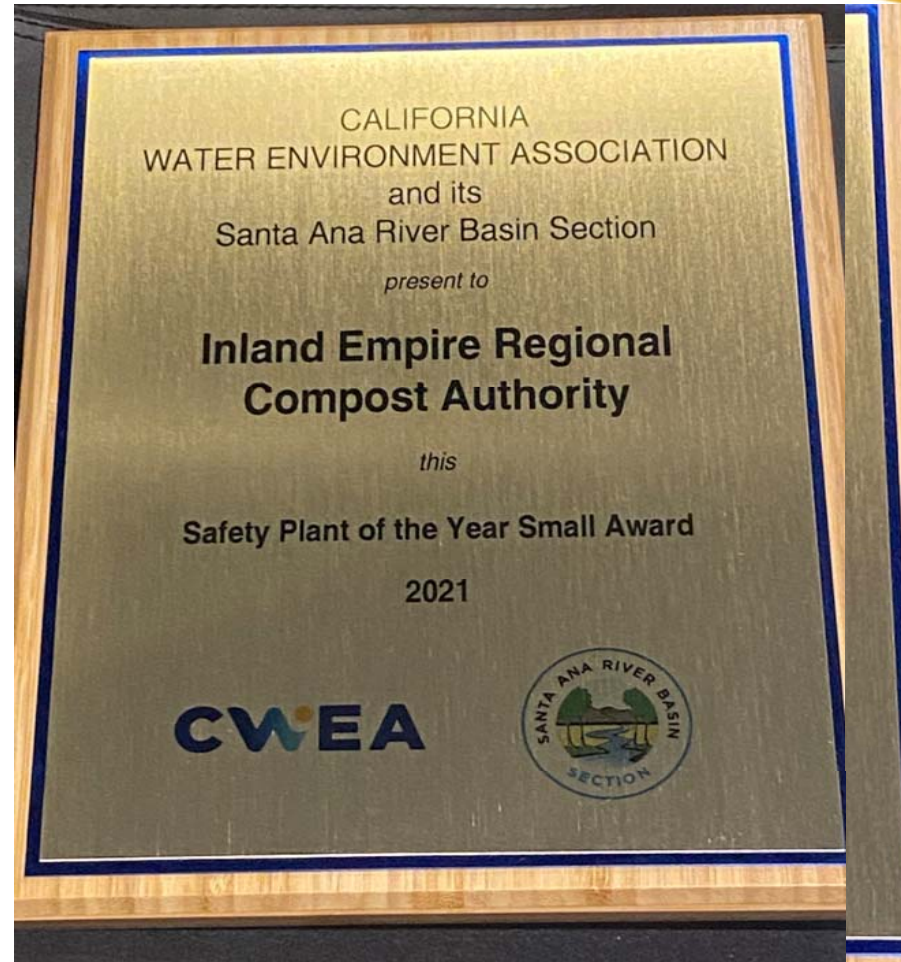
As of 3/14/2022

A recordable injury is an injury that resulted in more than first aid treatment.

# Awards and Recognition



- Community Engagement and Outreach – Project of the Year



# SARBS Innovation Award



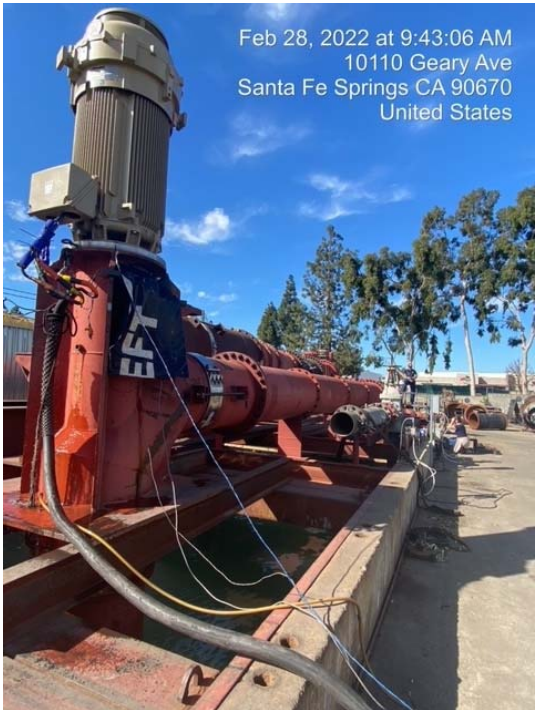
- Spare Motor Automatic Rotator
  - First place at the local level & second place at state level
  - Increases equipment reliability
  - Reduces O&M cost



# Factory Acceptance Testing



- Requirement per project specifications
- Agency staff witnesses and validates performance of equipment
- Opportunity for IEUA to build relationships with suppliers





# Technology, Training, and Volunteers



- Technology:
  - Remote Equipment Monitoring
- Training:
  - Variable Frequency Drives
  - Certified Reliability Leader
  - Machinery Lubrication
  - Planning & Scheduling
- Volunteers:
  - SARBS of CWEA
  - Career Fairs and Outreach Programs



INFORMATION  
ITEM  
**3B**

A photograph of a water treatment facility. In the foreground, there are large concrete basins filled with clear blue water. In the middle ground, there are several large yellow pipes and valves. In the background, there are snow-capped mountains under a clear blue sky. A dark blue semi-transparent banner is overlaid on the middle of the image, containing the title text.

# 3<sup>rd</sup> Quarter Planning & Resources Update

Richard Lao  
Senior Environmental Resources Planner  
April 2022

# Compliance Topics

- Air Quality
- Pretreatment and Source Control
- Wastewater & Recycled Water
- Groundwater Recharge
- Basin Plan Amendment

# Air Quality

- IERCF Notice of Violation (January 2022)
  - Facility Registration with South Coast Air Quality Management District (SCAQMD)
    - IERCF Valid Title V Permit (2005)
- RP-5 Permit
  - Environmental Protection Agency (EPA) Review
  - Public Notification
- SCAQMD Inspections
  - Philadelphia Lift Station Portable Engine (January 2022)
  - IERCF (February 2022)
- Proposed Rules and Regulations
  - California Air Resources Board (CARB) Advanced Clean Fleets
  - California Air Resources Board In-Use Off-Road Diesel-Fueled Fleets
  - SCAQMD Tier 4 Emergency Diesel Generators

# Pretreatment and Source Control

- CCWRF Foaming Incident (2/22/2022)
  - No Impact to Operations
  - On-going Investigation
    - Collaboration with City of Chino
    - Sewer Monitoring



| Sewerage System                                                             | Permits Issued | Inspections Completed | Notice of Violations Issued | Notice of Violations Resolved |
|-----------------------------------------------------------------------------|----------------|-----------------------|-----------------------------|-------------------------------|
| Regional Sewerage System                                                    | 4              | 12                    | 3                           | 2                             |
| Non-Reclaimable Wastewater System North (NRWS and Etiwanda Wastewater Line) | 1              | 14                    | 9                           | 6                             |
| Non-Reclaimable Wastewater System South (Inland Empire Brine Line)          | 3              | 7                     | 0                           | 1                             |

# Wastewater & Recycled Water

- 100% Compliance with National Pollutant Discharge Elimination System (NPDES) Permit
  - Regional Water Quality Control Board (RWQCB) Water Recycling Facilities Inspections (March 2022)
- Toxicity Taskforce
  - Reviewing Standard Operating Procedure
- NPDES Permit Renewal
  - Significant Revisions
    - Asset Management Program
    - Climate Change Action Plan
    - Toxicity Requirements
    - PFAS Monitoring
    - 1,2,3-Trichloropropane (1,2,3-TCP) Monitoring
    - Wastewater Influent and Effluent Monitoring (using no approved wastewater method)

# NPDES Permit Renewal Milestones





# Groundwater Recharge

- 1,2,3-Trichloropropane (1,2,3-TCP) Maximum Contaminant Level (MCL) Exceedance
  - Accelerated Monitoring (from Quarterly to Weekly)
  - Corrective Action Reports (February 2020, August 2021)
    - Investigation and Mitigation Plan
      - Test Method Review
      - Field Investigation
- PFOA Notification Level (NL) Exceedance
  - Accelerated Monitoring (from Quarterly to Weekly)
    - Negotiations with Division of Drinking Water (DDW) and RWQCB
      - Monitoring Reduction Request
  - Corrective Action Reports (February 2020, November 2021, April 2022)
    - Dry Weather Diversion Evaluation
    - Source Control Program Investigation
    - University of California Irvine (UCI) PFAS Research Project

# Basin Plan Amendment

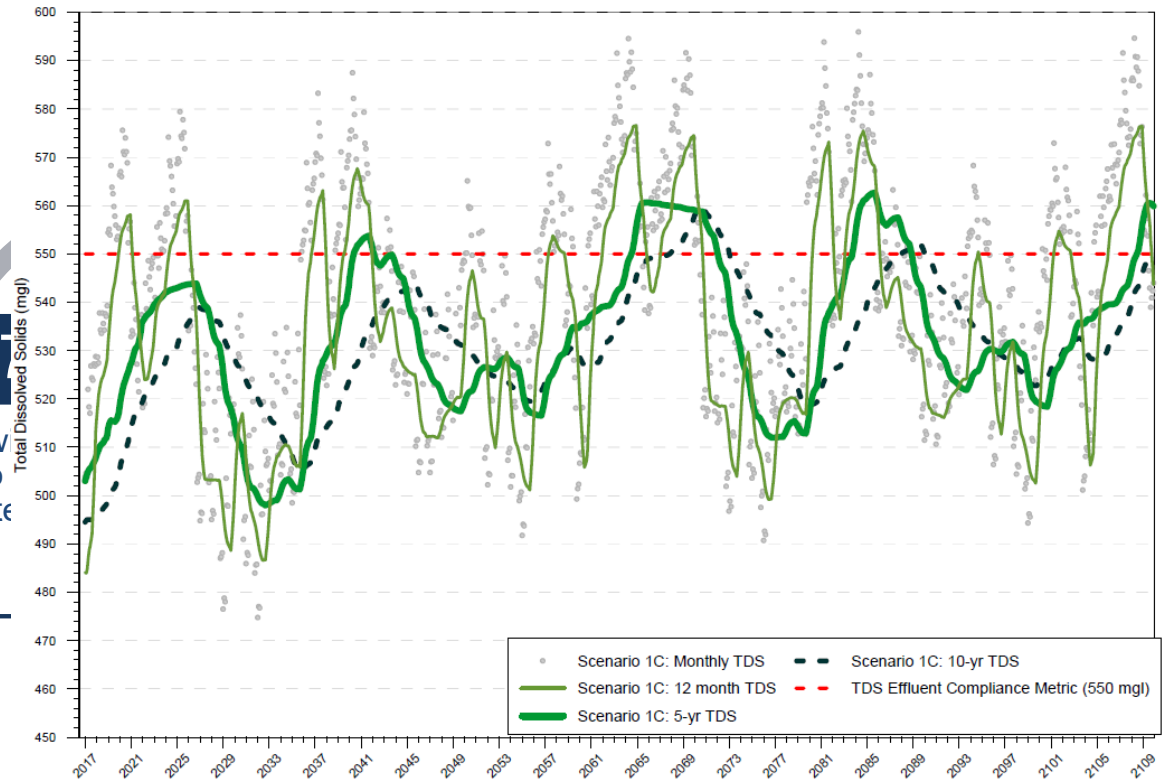
- Revisions to the TDS and Nitrogen Effluent Compliance Averaging Periods
  - From 12 months to 5 or 10 years
    - Evaluate Potential Impact to Chino Groundwater Basin
    - Salinity Management Scenarios

• Discussion with RWQCB


**2015**

**2017**

• Technical Work w/ West Yost, Chino Basin Watermaster IEUA



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3C



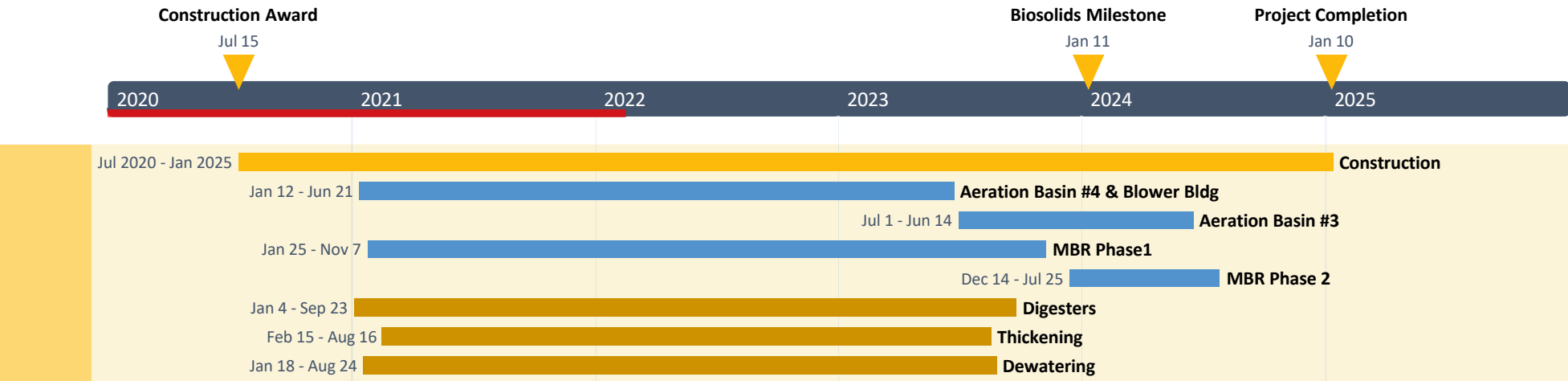
# RP-5 Expansion Project Update:

April 2022  
Project Nos. EN19001 and EN19006

Brian Wilson, P.E., CCM  
Senior Engineer  
April 2022

# RP-5: Project Status

Day 593 of 1640 = 36%



| Role                    | Firm     | Contract      | This Month's Payment | Total Paid    | % Complete |
|-------------------------|----------|---------------|----------------------|---------------|------------|
| Contractor              | WM Lyles | \$331,997,899 | \$7,690,591          | \$125,068,849 | 38%        |
| Designer                | Parsons  | \$33,670,711  | \$344,023            | \$29,934,845  | 89%        |
| Construction Management | Arcadis  | \$21,125,523  | \$364,770            | \$6,915,638   | 33%        |

Data date: 3/31/2022

# RP-5: Major Activity Areas

- Construction Staff**
- WML Craft: 209
  - WML Project: 34
  - IEUA & CM: 15
  - Total: 258



# RP-5: Major Activities



# RP-5: Major Activities



**Emergency Overflow Pond Pump Station**



## RP-5: Major Activities



**Membrane Bioreactor (MBR) Phase 1**

## RP-5: Major Activities



**Acid Phase Digester**

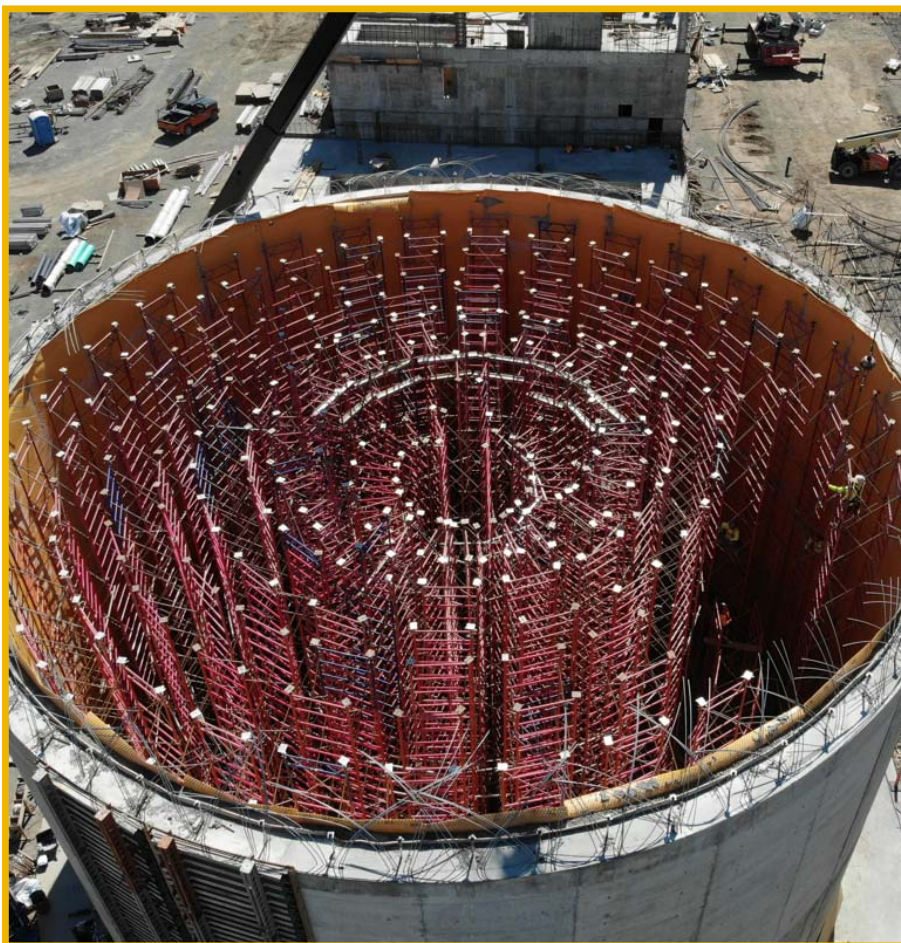
**Thickening Building**

## RP-5: Major Activities



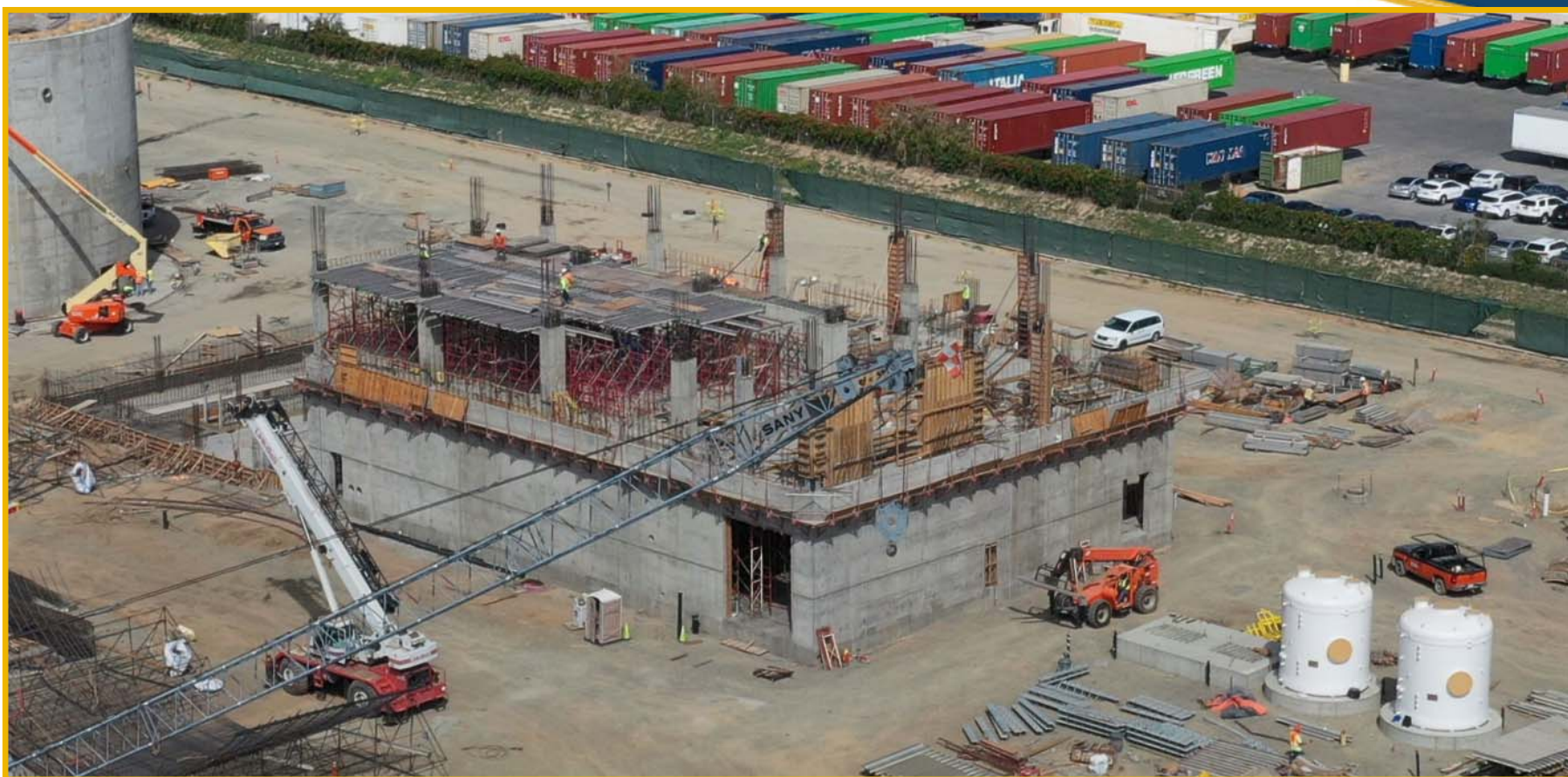
**Gas Phase Digesters**

## RP-5: Major Activities



**Gas Phase Digesters**

# RP-5: Major Activities



**Dewatering Building**

# RP-5: Early March Flyover





**Questions?**

INFORMATION  
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3D



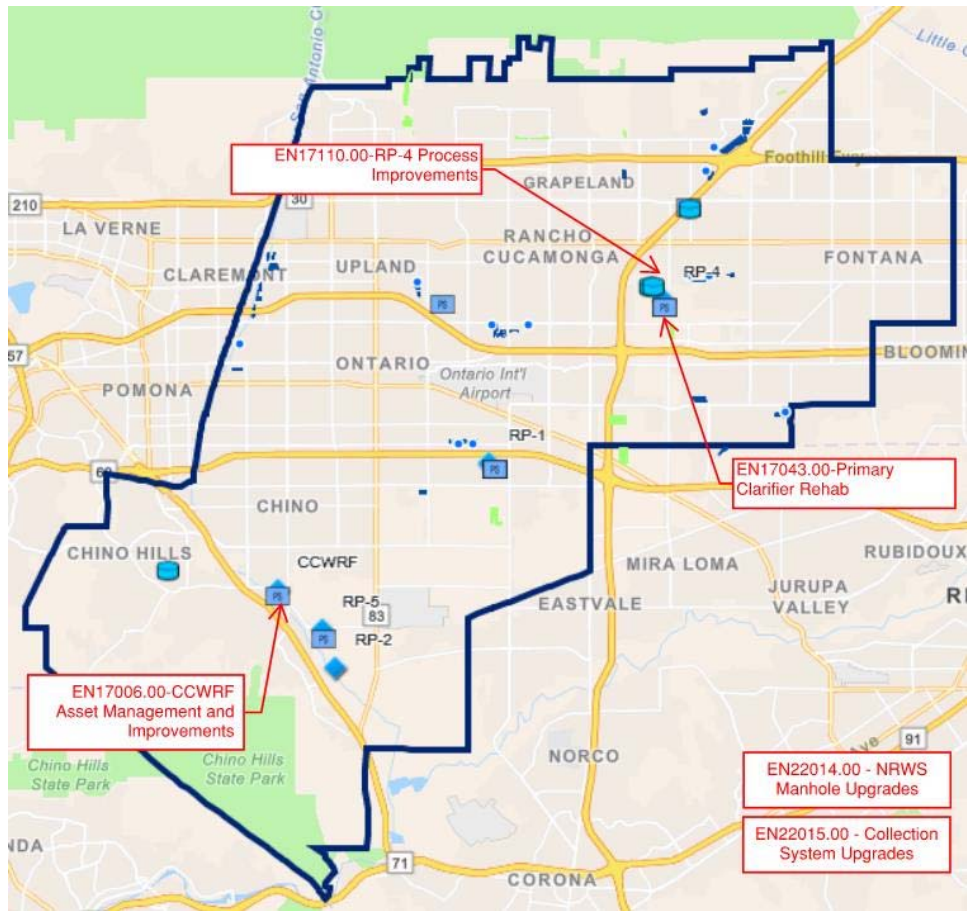


# Engineering and Construction Management Project Updates

Jason Marseilles, P.E.

Manager of Engineering & Construction Management

April 2022



# Project Location Map

# CCWRF Asset Management and Improvements

Project Goal: Extend Asset Life



Horizontal Chemical Odor Scrubber

**Total Project Budget: \$27 M**  
**Project Completion: July 2024**  
**Design Percent Complete: 95%**

| Phase               | Consultant/<br>Contractor | Current<br>Contract | Amendments/<br>Change Orders |
|---------------------|---------------------------|---------------------|------------------------------|
| Design<br>(Current) | CDM Smith                 | \$3.2M              | -9.5%                        |
| Construction        | TBD                       | \$0                 | 0%                           |

| Project Management Team       |                      |
|-------------------------------|----------------------|
| Project Manager:              | Ignacio, Joel        |
| Assistant/Associate Engineer: | Ward, Ryan           |
| Administrative Assistant:     | Wallace & Associates |
| Inspector:                    | TBD                  |

# Primary Clarifier Rehabilitation/ RP-4 Process Improvements

Project Goal: Extend Asset Life & Improve Efficiencies

**Total Project Budget: \$17M**

**Project Completion: May 2022**

**Construction Percent Complete: 95%**

| Phase                         | Consultant/<br>Contractor | Current<br>Contract | Amendments/<br>Change Orders |
|-------------------------------|---------------------------|---------------------|------------------------------|
| Design                        | Carollo<br>Engineering    | \$1.7M              | 25%                          |
| Construction<br>(Current)     | W.M. Lyles                | \$13.5M             | 22%                          |
| Project Management Team       |                           |                     |                              |
| Project Manager:              | Spears, James             |                     |                              |
| Assistant/Associate Engineer: | Salazar, Victoria         |                     |                              |
| Administrative Assistant:     | Wallace & Associates      |                     |                              |
| Inspector:                    | Carollo                   |                     |                              |



Primary Sludge Wasting

# Collection System/Manhole Upgrades

Project Goal: Extend Asset Life

**Collections Systems Total Project Budget: \$500k**

**NRWS Manholes Total Project Budget: \$200k**

**Project Completion: May 2022**

**Construction Percent Complete: 60%**

| Collections Systems       |                           |                     |                              |
|---------------------------|---------------------------|---------------------|------------------------------|
| Phase                     | Consultant/<br>Contractor | Current<br>Contract | Amendments/<br>Change Orders |
| Design                    | GHD                       | \$11k               | 0%                           |
| Construction              | Genesis<br>Construction   | \$243k              | 0%                           |
| NRWS Manholes             |                           |                     |                              |
| Phase                     | Consultant/<br>Contractor | Current<br>Contract | Amendments/<br>Change Orders |
| Construction              | Genesis<br>Construction   | \$124k              | 0%                           |
| Project Management Team   |                           |                     |                              |
| Project Manager:          |                           | Trott, Megan        |                              |
| Assistant/:               |                           | N/A                 |                              |
| Administrative Assistant: |                           | Woods               |                              |
| Inspector:                |                           | MWH                 |                              |



Original Manhole Lid