



Sunnyslope County Water District

BOARD OF DIRECTORS

SPECIAL MEETING

District Office Board Room/Teleconference



3570 Airline Hwy., Hollister, CA

NOTICE & AGENDA

JANUARY 14, 2024

Special Meeting of the Board of Directors – 5:15 PM

IN PERSON PUBLIC ACCESS TO DISTRICT MEETINGS IS AVAILABLE AND REMOTE ACCESS CAN BE OBTAINED THROUGH THE FOLLOWING ACCESS POINTS:

ZOOM MEETING ACCESS LINK

<https://us06web.zoom.us/j/85345002048?pwd=peUg7dXRuasX6a3rN8OX5O42bHrZhd.1>

Passcode: SSCWD

Or Telephone: Dial + 1 (669) 444-9171 and when prompted enter Meeting ID: 853 4500 2048
Dial in Passcode: 837705

HEALTH AND SAFETY GUIDELINES

Public access to this meeting is provided both in person and through electronic viewing. Virtual meeting access will continue to be provided as a public convenience until further notice by the District Board. Remote viewing interruptions due to internet quality, power outages or other factors may occur and will not stop the meeting while a quorum is present in the Board Room; To ensure the health, safety, and welfare of those in attendance, all attendees must comply with any procedures/instructions announced by the Board of Directors or as directed by Staff prior to commencement of the meeting. Face coverings will be provided if health concerns dictate and will be made available upon request. The meeting will be available through Zoom for those who wish to join remotely. Anyone requiring accommodations may contact the Main Office at: (831) 637-4670 a minimum of 24 hrs prior to the start of the meeting.

Mission Statement:

“Our Mission is to provide safe, reliable, and high-quality water and wastewater services to our customers and all future generations in an environmentally and financially responsible manner.”

A. CALL TO ORDER - ROLL CALL

President Alcorn _____, Vice-President Buzzetta _____,

Director Brown _____, Director Mauro _____, and Vacant _____.

SPECIAL SESSION @ 5:15PM

B. PLEDGE OF ALLEGIANCE

C. APPROVAL OF AGENDA – Any requests to postpone consideration of an agenda item or move an item forward on the agenda will be considered at this time.

D. PUBLIC COMMENTS and AUDIENCE INTRODUCTIONS – The public may comment¹ on any District business, not on the agenda, with a time limit of three minutes per speaker. To make a public comment in person please fill out a “Speaker Card” and return to the Minutes Clerk prior to speaking. No virtual meeting access will be available prior to 4:00pm. No action may be taken by the Board during the public comment period.

E. NEW BUSINESS – The Board will review and discuss agenda items and take action or direct staff to return to the Board for action at a following meeting. The public may address the Board² on these items as the Board reviews each item when directed to do so.

1. Interview Perspective Applicants To The Board, Consider And Sustain Appointment By A Majority Vote, And Conduct A Swearing-In Ceremony Of A New Board Member To Fill A Vacancy On The Board Of Directors. (Page 1)
2. Continued Action From December 17th Board Meeting - President To Assign Director Duties To Standing District Committees For 2025. (Not A Project Under CEQA Per Article 20, Section 15378) (Page 4)
3. Greet New SBCWD General Manager, Receive Follow Up ADRoP Presentation, Accept ADRoP Terms of Agreement, Direct GM To Finalize An Ammendment to the Urban Areas Water Supply And Treatment Agreement With SBCWD And Return To The Board For Board Approval To Execute The Ammendment. (Agreement Is Not A Project Under CEQA Per Article 20, Section 15378) (Page 6)

4. Authorize The Board President To Sign The Agreement Between San Benito County Water District And Sunnyslope County Water District For The Export Of Water From Zones 3 & 6 (CEQA Title 14, Article 19 Categorical Exemption 15308, Protection Of The Environment.) (Page 22)
5. Approval Of Resolution #605 Initiating Proceedings For The Best Road Mutual Water Company Annexation To The Sunnyslope County Water District Sphere Of Influence And Service Area. (Page 28)
6. Consider Approval of Resolution No. 606 and Authorize the President to Sign an Agreement for Water System Consolidation Between Best Road Mutual Water Company and the Sunnyslope County Water District. (CEQA Exempt.) (Page 33)
7. Consider Awarding A Contract For The Best Road Mutual Water Company Water System Consolidation Project To Specialty Construction Inc. At A Cost Not To Exceed \$1,750,000 (Project CEQA Exempt Title 22, Section 60101, Class 1: Existing Facilities, Class 2: Replacement Or Reconstruction, Class 3: New Construction Of Small Structures (Pipeline Less Than 1 Mile), and Title 14, Section 15282(K) Statutory Exemption For Right-Of-Way Pipelines less than 1 Mile, and CEQA Common Sense Exemption.) (Page 51)
8. Authorize The General Manager To Execute A Contract Amendment With Wallace Group For Additional Professional Services To Complete The John Smith Road Waterline Project, Amending The Contract To Increase \$43,414 For A New Contract Value Not To Exceed \$246,664. (Not A Project Under CEQA Per Article 20, Section 15378.) (Page 124)

F. ADJOURNMENT

Upon request, Sunnyslope County Water District (SSCWD) will make a reasonable effort to provide written agenda materials in appropriate alternative formats, languages or disability-related modification or accommodation, including auxiliary aids or services, to enable all individuals to participate in public meetings. SSCWD will also make a reasonable effort to provide translation services upon request. Please submit a written request, including your name, mailing address, phone number and brief description of the requested materials and preferred alternative format or auxiliary aid or service as soon as possible in advance of the meeting.

Next Regular Board Meeting – January 28, 2025 @ 5:15 p.m., District Office

AGENDA DEADLINE: January 22, 2025 @ 12:00 p.m.

Future Scheduled Committee Meetings

Water Resources Association of San Benito County – February 6th, 2025 @ 4pm

- ¹ The person speaking is requested to fill out a speaker card stating items on which they wish to comment to be properly recognized during communications from the public and address comments to the Board of Directors. A limit of three (3) minutes per speaker is requested to allow others an opportunity to comment. Board members may ask questions of the speaker, but no action may be taken, and no discussion may be held on non-agenized items raised by the public. The General Manager may refer the matter to the proper personnel for review.
- ² The person speaking is requested to fill out a speaker card stating their name, address, and items on which they wish to comment to be properly recognized during communications from the public and address comments to the Board of Directors. Please limit your comment to three (3) minutes. Please step up to and speak at the podium.

Staff Report

Agenda Item: E – 1

DATE: January 8, 2025 January 14, 2025 Special Meeting)

TO: Board of Directors

FROM: General Manager, Drew Lander P.E.

SUBJECT: Interview Perspective Applicants To The Board, Consider And Sustain Appointment By A Majority Vote, And Conduct A Swearing-In Ceremony Of A New Board Member To Fill A Vacancy On The Board Of Directors.

RECOMMENDATION:

The General Manager/Secretary recommends the board interview all board member applicants, and if a qualified applicant is determined by the board, by a motion to support appointment, followed by a majority vote sustaining the individual, the president may then direct the Secretary to the Board to conduct a Swearing-In Ceremony of the new Board Member to fill a Vacancy on the Board of Directors.

BACKGROUND:

On December 17th, the Board of Directors gave direction to staff to advertise and solicit applications to fill a vacancy on the Board of Directors per California Government Code Section 1780 and Board Policy 7080. Notices were posted at public locations within the district, advertised in a local publication, and applications were received through 5 p.m. on January 10, 2025. All applications received were forwarded to each Board Member for review.

Director Parker concluded his service with the board on December 6th and vacated the seat following the November election where no applicants had filed with the County elections office to pursue joining the Board. The Board of Directors may fill the vacancy by appointment within 60 days of the vacancy, or no later than February 4th, 2025. The Board should conduct interviews of each applicant and consider appointment. If an applicant is appointed, the Secretary will conduct the Swearing-In Ceremony and the appointed Board Member will be seated for the remainder of the meeting.

FINANCIAL IMPACT:

There is no fiscal impact of appointing a Board Member and filling the vacancy on the Board of Directors. All board members are required to file a Form 700 with the County elections office disclosing financial interests.

ENVIRONMENTAL IMPACT:

The proposed action is not a project as defined by the California Environmental Quality Act per Article 20, Section 15378.

ATTACHMENTS

- 1) Oath of office



Certificate of Appointment And Oath of Office

We, the Board of Directors, being the Body Authorized to appoint for the Sunnyslope County Water District, in the County of San Benito, State of California, do hereby certify that at a Special Meeting of the Board held on the 14th day of January, 2025, this body appointed _____ to the office of Director for this District, to hold office for the completion of the term expiring November 30th, 2026, as provided by law.

Michael Alcorn, President



OATH OF OFFICE

I, _____, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.

Director — Sunnyslope County Water District

(CANDIDATE SIGNATURE)

Subscribed and sworn to before me, this 14th day of January 2025.

Drew A. Lander, Secretary

Staff Report

Agenda Item: E – 2

DATE: January 6, 2025 (January 14, 2025 Special Meeting)

TO: Board of Directors

FROM: Drew Lander, General Manager
Michael Alcorn, Board President

SUBJECT: Continued Action From December 17th Board Meeting - President To Assign Director Duties To Standing District Committees For 2025. (Not A Project Under CEQA Per Article 20, Section 15378)

RECOMMENDATION:

Staff recommends the Board President complete the assignment of Directors to standing District committees for 2025, including quarterly check signing duties.

BACKGROUND:

This item was continued from December 17th regular board meeting at the direction of the board president who was elected by vote of the board at that time for 2025. It is customary for assignments to be made during the December board meeting, however the delay occurred to allow the board to solicit applications to fill the vacant board position and regain a full board of five members prior to making assignments. The President of the Board will take recommendations from all board members and then make assignments for Directors to serve on the five standing committees and fulfill rolls representing the Board at the Water Resources Agency meetings, the Association of California Water Agency Joint Powers Insurance Authority, and to perform check signing responsibilities on behalf of the district on a quarterly basis.

District committees and assignments are:

Finance Committee, 2 Directors + 1 Alternate:

The committee reviews all District Finance activities, investment, purchase, policies including Investment Recommendations, Budget, and Audit Review, & the West hills/Lessalt Budget Review.

Water & Wastewater Committee, 2 Directors + 1 Alternate:

The committee reviews and provides direction for new and existing water and wastewater projects and programs including planning and construction phases. Meets with other government representatives and private groups regarding joint project considerations.

Governance Committee, 2 Directors + 1 Alternate:

In 2024 the Board elected to separate the Governance Committee from the Water & Wastewater Committee to serve as a standalone assignment. The committee reviews policies and attends the Governance Committee meetings as defined in the Urban Areas Water/Wastewater Management Planning effort. Committee may also hold meetings separately review water master plan topics and concerns with interagency coordination.

Employee & Personnel Committee, 2 Directors + 1 Alternate:

The committee reviews and advises on employee personnel policies. Actively participates in Employee Negotiations process and assessment of personnel issues as needed.

Policy and Procedures Committee, 2 Directors + 1 Alternate:

This Committee reviews and recommends certain Policy and Procedures not related to other Committee Assignments and responsibilities.

Water Resources Agency, 1 Director + 1 Alternate:

The district's representative appointed to Water Resources Agency of San Benito County (WRA) Board of Directors. The participant WRA agencies are San Benito County Water District, City of Hollister, City of San Juan Bautista, and Sunnyslope County Water District. The WRA is a corroborative group that provides recommendations to respective member boards but cannot make direct decisions. This committee does oversee water conservation programs, salinity issues, and groundwater management practices.

ACWA/JPIA – Board Representative, 1 Director + 1 Alternate:

The district's representative attends the semi-annual JPIA board meetings and votes on behalf of the district.

District Check Signing Responsibility, 1 Director for each quarter:

The Director assigned will come into the District Office and sign checks weekly and on special occasions as needed.

FISCAL IMPACT:

There is no financial impact of appointing Directors to standing District committees.

ENVIRONMENTAL IMPACT:

The proposed action is not a project as defined by the California Environmental Quality Act per Article 20, Section 15378.

Staff Report

Agenda Item: E-3

DATE: January 10, 2025 (January 14, 2025 Special Meeting)

TO: Board of Directors

FROM: General Manager, Drew Lander
Presentation by: SBCWD General Manager, Dana Jacobson

SUBJECT: Greet New SBCWD General Manager, Receive Follow Up ADRoP Presentation, Accept ADRoP Terms of Agreement, Direct GM To Finalize An Ammdement to the Urban Areas Water Supply And Treatment Agreement With SBCWD And Return To The Board For Board Approval To Execute The Ammdement. (Agreement Is Not A Project Under CEQA Per Article 20, Section 15378)

RECOMMENDATION:

Staff recommend the Board make and approve a motion to accept the Accelerated Drought Response Project (ADRoP) as a local drought resiliency measure intended to store surplus CVP water to be used at times of reduced water availability and to direct the GM to finalize an amendment to the Urban Areas Water Supply and Treatment Agreement so that construction of the project may proceed in a timely manner. (Agreement Is Not A Project Under CEQA Per Article 20, Section 15378)

BACKGROUND:

In October 2024 the Board received a presentation from Interim General Manager Jeff Cattaneo to discuss the Urban Areas Water Supply and Treatment Master Plan Update and the Board accepted the master plan update as the outline for developing projects. At that time additional information was provided regarding the ADRoP as a solution to help mitigate future water availability shortfalls associated with prolonged droughts.

Dana Jacobson was hired by SBCWD to take over as the permanent General Manager for the County Water District and in the interest of demonstrating goodwill in partnership with SSCWD he is presenting additional information regarding the need for the ADRoP and is available to answer questions. This meeting is intended to instill confidence in the analysis for developing the project and to clarify any remaining concerns.

Attached to this staff report are the Terms of Agreement developed by SBCWD. These terms were provided to the board in October also for reference.

FISCAL IMPACT:

Accepting the ADRoP project supports the SBCWD plan to continue financing this water storage project through a “water reliability charge” on raw water delivered. This term will be defined in the proposed amendment. SBCWD has already adopted additional water rates and the City and SSCWD have been paying the reliability charge in the absence of this amendment being finalized. SSCWD has been paying the reliability charge since March 2022 and to-date has paid approximately \$1.2M into this fund to support the ADRoP project cost recovery. Grant funding, together with construction bonds are the funding mechanisms for this project. SBCWD will provide a full project cost, with amortization when funding has been secured. In total, subtracting anticipated grant funding, the estimated cost of the ADRoP project is estimated to be \$10M for Sunnyslope over a 30-year cost recovery window.

ENVIRONMENTAL IMPACT:


The proposed action is statutorily exempt from the California Environmental Quality Act as defined by Article 20, Section 15378 of the CEQA Guidelines. Project specific environmental review will be required if projects identified in the Master Plan are pursued and construction is funded in future years.

ATTACHMENTS:

- 1) HDR – Power Point Presentation
- 2) Draft Terms Sheet - Water Supply And Treatment Agreement.

San Benito Urban Areas

Water Supply and Treatment Master Plan Implementation

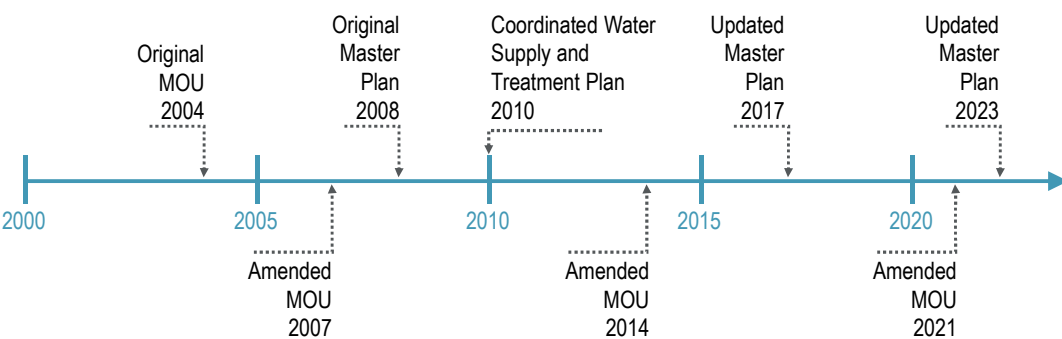


January 14, 2025

1

Background

- Agencies recognized the need to coordinate on water and wastewater planning and implementation
- A coordinated Master Plan was identified as the best method to incorporate all agencies needs and concerns

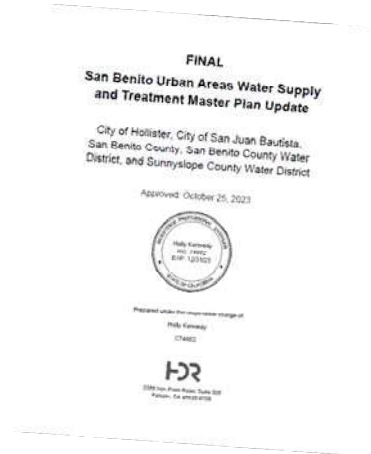


The timeline diagram illustrates the progression of water supply and treatment planning. It features a horizontal axis with vertical tick marks for the years 2000, 2005, 2010, 2015, and 2020. Above the axis, the following milestones are marked: Original MOU 2004, Original Master Plan 2008, Coordinated Water Supply and Treatment Plan 2010, Updated Master Plan 2017, and Updated Master Plan 2023. Below the axis, three amended MOUs are shown: Amended MOU 2007, Amended MOU 2014, and Amended MOU 2021. Dotted lines connect these events to their respective points on the timeline.

2

Objectives of the Master Plan Update

- Continuous improvement toward water quality goals. Hardness is the focus for Municipal and Industrial (M&I) supply.
- Identify and implement water supply options to increase dry year water supply reliability.
- Provide reliable, sustainable water supply for future growth.
- Coordinate with ongoing efforts: Sustainable Groundwater Management Act (SGMA), the Managed Aquifer Recharge (MAR) project, and supply of treated surface water to San Juan Bautista (SJB).
- Continue to address water needs through coordinated regional solutions.

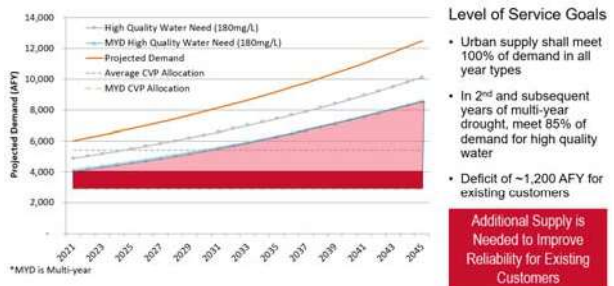


3

Master Plan Key Findings

- Water hardness level of service goals are key driver
 - 180mg/L requires ~80% imported surface water
- Current water supply is sufficient to meet existing water demand in normal hydrologic years
- **Deficit** of high-quality **for existing customers** in dry and critically dry years
 - ~1,200 AFY
- **Additional** supply of high-quality water is needed **for growth** beyond 2025

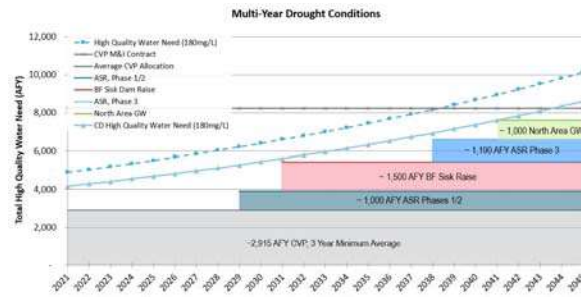
Reliability of CVP Supply



4

Master Plan Key Recommendations

- Implement Phase 1 of Aquifer Storage and Recovery (ASR) Project (ADRoP) to meet water supply needs for existing customers in dry years
- Pursue B.F. Sisk Dam Raise in collaboration with USBR
- Implement treated water transmission pipeline from West Hills WTP to San Juan Bautista



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Accelerated Drought Response Project (ADRoP)

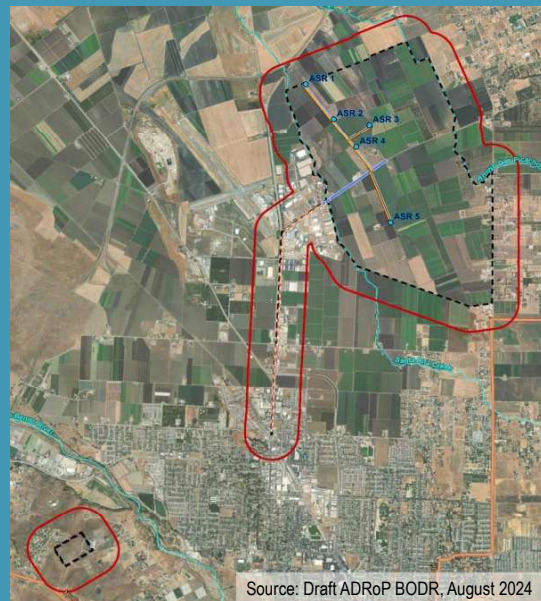
Purpose

- Accelerate ASR Project to provide drought resilient water supply for existing customers on an expedited timeline to qualify for significant grant funding

Project Components

- Expansion of West Hills WTP to 6.75 mgd
- 5 ASR Wells for injection and extraction
- New transmission pipelines and appurtenances

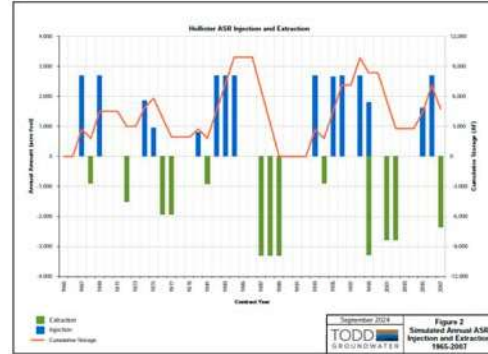
Capital Cost estimated at \$50+/- Million



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ADRoP Conceptual Operational Strategy

- Design criteria is based on 3-year cycle:
 - Year 1 is a fill year, recharge is 500 gpm, over 10 months
 - Years 2, 3 are extraction years
 - Extraction can be recovered on-demand, over a shorter period (e.g., 6 months) or long period (e.g., 2 years) depending on water demands and supplies available from other sources
 - Additional wet years increase the filling period and subsequent extraction
 - Injection and extraction are in 1:1 ratio for long-term management
- Adaptive management will influence actual operations over time
 - Annual collaboration with City of Hollister, SJB, and SSCWD will be needed



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ADRoP Grant Funding toward ~\$50M Capital Expenditure

Grant Funding	Target Grant Request	Grant Award	Match Required
DWR – IRWM	\$1.8M	\$1.8M	50%
DWR – SGMA Round 2	\$20M	\$11.5M	0%
USBR – Small Storage	~\$9.2M	\$6.7M	75%
Total Grant Funding		\$20M	

Approximately 40% of the project will be funded through grants.

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Key Financing Terms for ADRoP Capital Costs

- Grants will fund a significant portion of the project (~40%)
- SBCWD will seek bond sales for the balance of project costs
- If bonds are issued, SBCWD will only charge for the principal portion of the bond payment and SBCWD will pay the interest portion
- Payments will be through a “Reliability Fee” on all M&I water sold, on a per acre-foot basis, until the debt is retired.
 - Reliability Fee is charged to all M&I customers, including those outside the Urban Area

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Key Terms for ADRoP Operational Costs

- Wet year water will be treated and injected into the aquifer for later recovery during dry and critically dry years. Recovery may occur over multiple years depending on conditions and the amount of water previously stored.
- SBCWD will carry the raw water cost and variable cost of treatment for all water injected and stored until water is recovered and delivered.
- Recovered water will be aggregated with all other M&I water supplies for the given year of recovery, such that regardless of which customer received the water all beneficiaries of the increased water supply will pay.
- The City of Hollister’s distribution system will be needed to convey water to the ADRoP wellfield. SBCWD will work with the City of Hollister to develop an equitable solution for the use of its facilities.
- Water delivered to the ADRoP wellfield will be mixed with groundwater as it moves through the City of Hollister’s system. When recovered, it is expected that water delivered will be similar in quality as treated water from Lessalt or West Hills that is similarly mixed with groundwater in the distribution system before delivery to the end user.

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Schedule of Institutional Agreements

1. Agree on Principal Terms for Financing of ADRoP and Addition of San Juan Bautista
 - Buy-in costs for San Juan Bautista for Treatment Capacity (transmission pipeline to be handled separately)
 - Basis of M&I Reliability Fee
 - Basis of ADRoP Operational Costs
2. Then update the Water Supply & Treatment Agreement
3. ADRoP Operational Strategy

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Next Steps

- Finalize Principal Terms of Funding and Financing and Update Institutional Agreements
- Implement ADRoP to Serve Existing Customers
 - Complete Design of ADRoP Pipelines and Wells, Bid, Construct
 - NTP for Construction of West Hills WTP Expansion
- Continued Stakeholder Outreach


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Questions + Discussion

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Water Supply Concepts Evaluated

- Surface Water Storage
 - Expand existing reservoirs (San Luis, San Justo, etc.)
 - New reservoirs (Pacheco, Lone Tree, etc.)
- Groundwater Concepts
 - North Area Groundwater
 - Groundwater Demineralization or Softening
 - Expand Percolation
 - Indirect Potable Reuse
 - Aquifer Storage and Recovery



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West Hills WTP Expansion

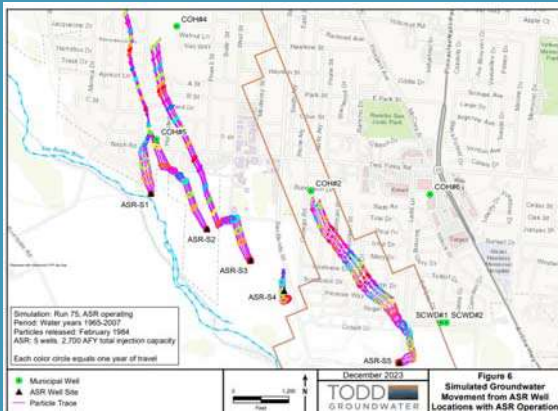
Currently out for Bid

- Raw Water Pump Station:
1 raw water pump
- Pretreatment: 3MGD
strainer
- Treatment: 4.5 MGD
Actiflow Carb train and
2.25 MGD Filter
- Chemicals: 6,650 Gal
Caustic Tank
- Drying Bed: 2.25 MGD
Drying Bed



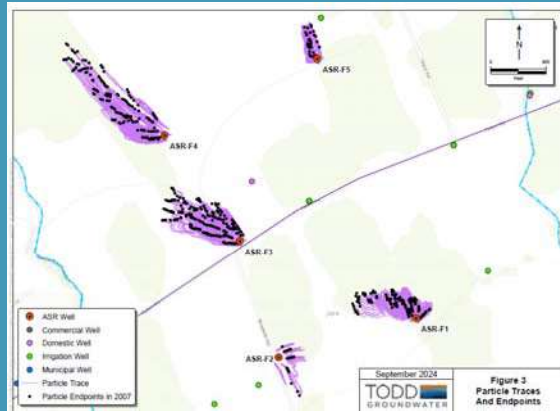
15

Simulated Operation of ADRoP ASR Wells



Wellfield at Southerly Site

- Higher groundwater velocities led to injected water traveling, in most cases, beyond the capture zone (as much as 5,600 ft)
- Injected water may be recovered in municipal wells after 5 to 20 years or may discharge to the San Benito River



Wellfield at Fallon Road Site

- Injected water traveled only 500 - 2,000 ft
- >70% recaptured by the injecting ASR well
- Shorter travel distance leads to less mixing with ambient groundwater, results in better quality of recovered water

Source: Simulation of ADRoP ASR Wells near Fallon Road, Todd Groundwater, Sept 2024

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ADRoP Well Siting near Fallon Road

- 5 wells capacity @ 500gpm injection, 1,000 gpm extraction
- 1,500 ft separation from each other, maximizing horizontal distance from Ag wells
- Each site is ~0.25 acres
 - “Pad” sites with well and pump, piping, and cabinet enclosures for electrical equipment
 - Remaining site paved for access to above grade site features
 - Gravel access roads
- Evaluating screened zones below depths of existing wells to avoid hydraulic connection
- Centralized chlorination, sodium hypochlorite



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Native Groundwater Water Quality near Fallon Road

Key Findings from Exploratory Borehole

- Not detected or detected at concentrations below regulatory limits:
 - Hexavalent Chromium
 - Nitrate
 - Sulfate
 - TDS
- Detected above regulatory thresholds
 - Dissolved arsenic, MCL of 10µg/L, detected at 10µg/L
 - Boron, health advisory at 5,000µg/L, detections ranged from 1,400 – 7,900µg/L
 - Manganese, SMCL at 50µg/L for taste/color/odor, 52 - 200µg/L
 - Iron, SMCL at 300µg/L for aesthetics, detected at 570µg/L

Source: Exploratory Borehole Drilling and Testing for ASR Well Location Evaluation, Fallon Road, Todd Groundwater, Sept 2024

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ADRoP Pipelines

- 20-inch pipeline in Fallon Road
- 12-inch parallel line in San Felipe Road to Fallon Road
- Trenchless crossing at Santa Ana Creek to avoid impacts to riparian habitat
- Ancillary benefit: improved fire flows near the airport



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ADRoP Environmental Permitting

- West Hills WTP Expansion:
 - CEQA and NEPA completed in 2015 for expansion to 9mgd as part of original project
- Wells and Pipelines:
 - CEQA/NEPA completion anticipated in Feb-25
 - Minimal impacts identified



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ADRoP Opinion of Probable Cost → \$50M CapEx

Cost Element	Total	Low End, -15%	High End, +20%
Construction Cost	\$38.4	\$32.6	\$46.0
Non-Construction	~\$12M		
Total Capital	~\$50M	\$44 - \$58M	

San Francisco ENR CCI of 15535 (June 2023). Construction costs are presented with a range of +20% to -15% to reflect remaining uncertainties. Non-construction costs include engineering, permitting, administration, construction management, public outreach, land acquisition, and right of way are estimated at approximately ~\$12M.

TERMS SHEET
FOR FINANCING OF ADROP AND
THE ADDITION OF SAN JUAN BAUTISTA TO THE
HOLLISTER URBAN AREA
WATER SUPPLY AND TREATMENT AGREEMENT
(1/2025)

This Term Sheet summarizes the principal terms and conditions for San Benito County Water District (SBCWD) to add the City of San Juan Bautista (SJB) as a partner to the Hollister Urban Area Water Supply and Treatment Agreement, and to further a project to provide water supply reliability during drought years.

This Term Sheet shall be non-binding and is conditioned on the completion of negotiations for the 2nd amended Water Supply and Treatment Agreement (Agreement), legal review, and associated documentation that is satisfactory to all parties.

San Juan Bautista

- The transmission pipeline to SJB will be treated as a separate project and will be addressed outside of this Agreement.
- SJB will purchase XX percent of the treatment capacity of the combined Lessalt and West Hills treatment plants.
- SJB will pay for XX percent of the capacity for Tranches 1-3 on the same terms and schedule as City of Hollister (COH) and Sunnyslope County Water District (SSCWD).
- SJB's repayment schedule will be accelerated to match the final repayment dates of COH and SSCWD.
- SJB will pay the relative percentage of the treatment capacity purchased into the to date total of the Capital Replacement Reserve.
- COH and SSCWD will receive a credit to their respective repayment balances of Tranches 1-3 based on the amount of treatment capacity SJB purchases.
- SBCWD will recalculate the amortization schedules for Tranches 1-3 for COH and SSCWD such that the final repayment dates remain the same with adjusted annual payments.
- SBCWD will suspend collections for the Capital Replacement Reserve for COH and SSCWD until the amount credited to COH and SSCWD from SJB's purchase of treatment capacity is depleted.

- Fixed costs for operation of Lessalt and West Hills will be allocated to COH, SSCWD, and SJB based on their respective treatment capacity.
- Variable costs of treatment for Lessalt and West Hills will be aggregated and charged to COH, SSCWD, and SJB based on the amount of finished water delivered to each party.
- All other provisions of the Water Supply and Treatment Agreement will remain in place with the addition of SJB as an equal party.
- SBCWD will contribute to SJB a non-reimbursable amount to the purchase of treatment capacity equal to the amount SBCWD contributed to COH and SSCWD based on the amount of treatment capacity purchased.

ADRoP

Financing

- SBCWD has received \$20,000,000 in grant funding for the construction of the ADRoP project.
- At SBCWD's option SBCWD will either seek bond sales or pay from undesignated reserves for the remainder of the construction costs.
- If bonds are issued SBCWD will only charge M&I water for the principal portion of the bond payments for the remaining capital costs of construction. SBCWD will pay the interest portion.
- Payments for the remaining capital costs of construction either through bonds issuance or from District reserves will be through a "reliability fee" for all M&I water sold on a per acre foot basis until the debt is retired. This will include District customers outside of the Urban Area as they will also benefit from the ADRoP project.

Operation

- Wet year water will be treated and injected into the aquifer for later recovery during dry and critically dry years.
- Recovery may occur over multiple years depending on conditions and the amount of water previously stored.
- SBCWD will pay for the raw water cost and hold the variable cost of treatment for all water injected and stored until such water is recovered and delivered to the District customers.

- All water recovered will be aggregated with all other M&I water supplies for the given year of recovery such that regardless of which customer received the water all beneficiaries of the increased water supply will pay.
- SBCWD acknowledges that COH wells and conveyance facilities will be needed to convey water to the ADRoP well field. SBCWD will work with COH to develop an equitable solution to the use of COH facilities.
- SBCWD also acknowledges that water delivered to the ADRoP well field will be mixed with groundwater as it moves through the COH system. However, when recovered, it is expected that water delivered will be similar in quality as treated water from Lessalt or West Hills that is mixed with groundwater before delivery to the ultimate consumer.

Staff Report

Agenda Item: E – 4

DATE: January 9, 2025 January 14, 2025 Special Meeting)

TO: Board of Directors

FROM: General Manager, Drew Lander P.E.

SUBJECT: Authorize The Board President To Sign The Agreement Between San Benito County Water District And Sunnyslope County Water District For The Export Of Water From Zones 3 & 6 (CEQA Title 14, Article 19 Categorical Exemption 15308, Protection Of The Environment)

RECOMMENDATION:

Approve and authorize the Board President to sign the “Agreement Between San Benito County Water District(SBCWD) And Sunnyslope County Water District (SSCWD) For The Export Of Water From Zones 3 & 6” detailing the purchase of offset water, allowing for water service to extend to customers annexed into the SSCWD from the Best Roads Mutual Water Company (BRMWC), Stongate Community Service Area (CSA) #31 and the Tres Pinos Water District (TPWD) who currently reside outside of the Zone 3 and Zone 6 boundaries.

BACKGROUND:

This agreement is required for SBCWD support of a LAFCO annexation application intended to be submitted by the district for consolidation of the three small water systems to the East and South of the existing SSCWD service boundary (Exhibit 1). The district intends to serve groundwater supplied by wells on the South side of the district. The intended wells have strong groundwater stores, and both wells have benefited from the management of Zone 3 improving the groundwater, and from California Valley Project (CVP) imported water (Zone 6) which has reduced demand on the wells. Since much of this proposed service area is not included in the defined boundaries of Zone 3 and 6 the district will compensate SBCWD monetarily so that funds exist to purchase a compensating volume of water equal to what is exported outside of these Zones. At some future time, if or when zone amendments are considered, this agreement may become obsolete but at this time the district will honor this agreement and supply well water to these new customers who do not reside in Zone 3 and 6 through the future Foxhill distribution system.

Zone 3 was created by SBCWD for the management of groundwater by operating the Hernandez and Paicines reservoirs to store and release water keeping groundwater higher. Zone 6 is a boundary defined by the CVP as properties which have access to the San Luis reservoir system water.

FINANCIAL IMPACT:

The financial impact will depend on the volume of water metered to properties outside of the defined zones as well as the rolling average cost of market water. The water sold will equal the current water rates paid by all customers district wide but since only ground water will be supplied the purchase of market water needs to only cost less than if a blend of treated water produced through the Westhills and Lessalt treatment plants was also supplied. This assumption is believed to be the most probable outcome, so therefore the financial impact will not exceed water rates currently in place.

ENVIRONMENTAL IMPACT:

One of the purposes of this agreement is to prevent the construction of a new well within the relative locations of the managed groundwater aquifer used by Sunnyslope. By supplying water from an existing well, which is subject to the county groundwater management plan, the environmental impacts are not increased. The purchase of additional water supply when it is available from the CVP market offering allows additional imported water to offset extracted water further eliminating potential impacts to the environment. This agreement will benefit the local environment by providing water system resilience. The proposed action is exempt from CEQA though Title 14, Article 19 Categorical Exemption 15308, Protection of the environment.

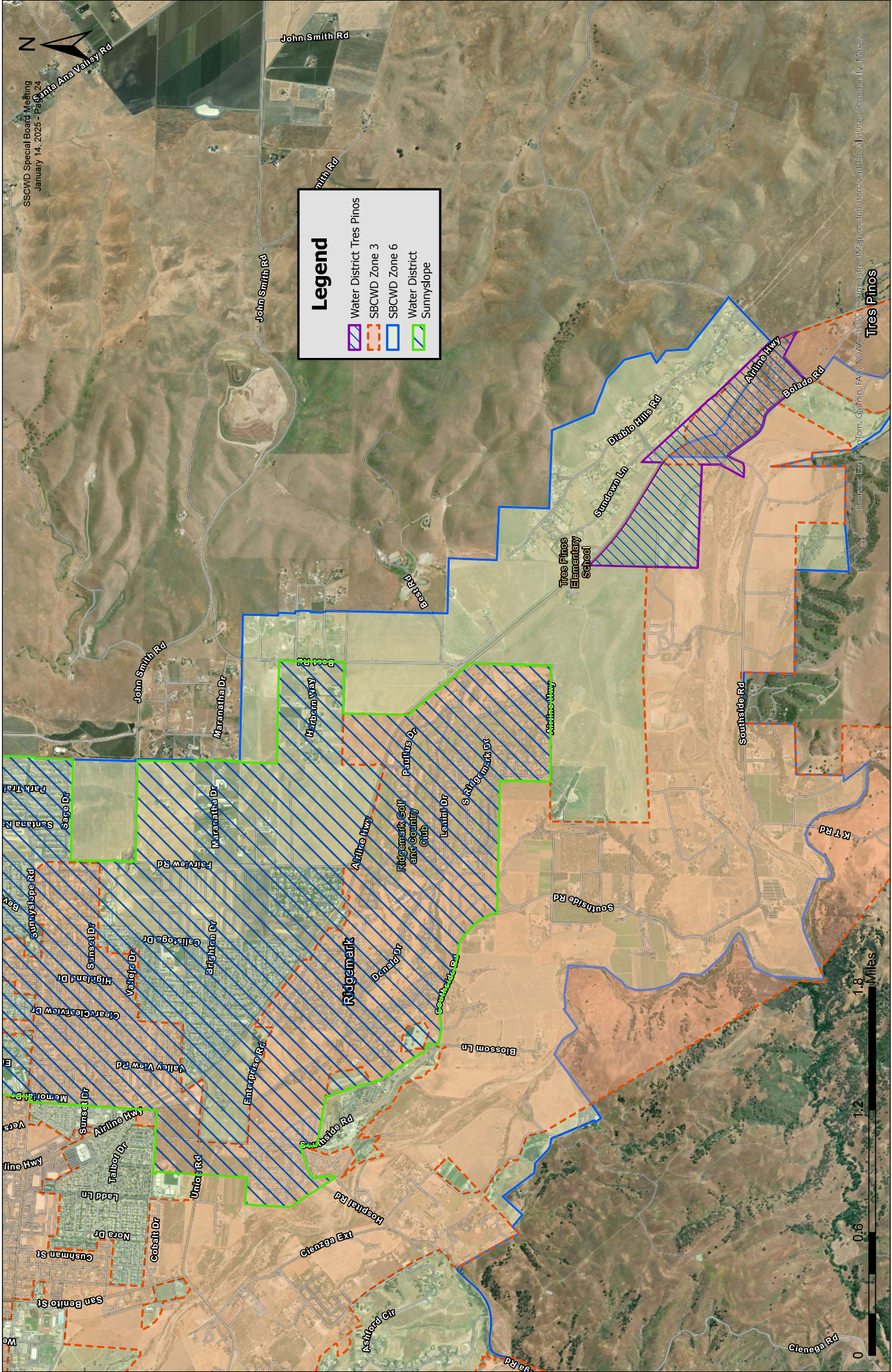
ATTACHMENTS

- 1) Zone Boundary maps
- 2) Agreement between SBCWD and SSCWD



Legend

- Water District Tres Pinos
- SBCWD Zone 3
- SBCWD Zone 6
- Water District
- Sunnyslope



Source: Esri, DeLorme, Garmin, FAO, NOAA, USGS, OpenStreetMap contributors, and the GIS User Community, Mapbox



AGREEMENT BETWEEN
SAN BENITO COUNTY WATER DISTRICT
AND SUNNYSLOPE COUNTY WATER DISTRICT
FOR THE EXPORT OF WATER FROM
ZONES 3 & 6

WHEREAS, California State Department of Water Resources (DWR) and State Division of Drinking Water (DDW) have coordinated with Sunnyslope County Water District (SSCWD) to implement two individual projects for the benefit of consolidating and dissolving three rural local community water systems for the health, safety and welfare of the public; and

WHEREAS, Sunnyslope County Water District will remain as the receiving water system to provide potable water to the existing service areas of the Best Road Mutual Water Company (BRMWC), the Community Service Area (CSA) #31 Stonegate Water System; and the Tres Pinos Water District (TPWD); and

WHEREAS, Two of the proposed systems serve water connections outside of San Benito County Water District's Zones of Benefit 3 and 6; and

WHEREAS, Zones of benefit 3 and 6 were formed for the exclusive benefit of lands within those zones; and

WHEREAS, All three systems intend to abandon their current potable groundwater water wells in favor of receiving potable water through the SSCWD; and

WHEREAS, Groundwater delivered to the newly combined systems by SSCWD will have originated in Zones 3 and 6; and

WHEREAS Groundwater produced for the benefit of zones 3 and 6 is not allowed to leave those zones unless otherwise replaced or compensated for; and

WHEREAS San Benito County Water District seeks to find an equitable remedy to the export of Zones 3 and 6 water through the purchase of spot market water to replace water exported outside of Zones 3 and 6.

THEREFORE, The SBCWD sets forth the following terms as an equitable remedy, by which SSCWD is permitted to export water to those properties outside of Zones 3 and 6.

SSCWD shall comply with the terms of this agreement until some future time when SBCWD deems it appropriate for Zones 3 and 6 to be modified to include all properties served by this agreement.

SBCWD may take all legal remedies necessary to collect monies due to the district if timely payment is not made.

TERMS

1. All water delivered outside of Zones 3 and 6 shall be metered and replaced on a 1:1 basis with imported spot market water delivered through the Central Valley Project (CVP).
2. SSCWD will inform SBCWD of all customers served outside of Zones 3 and 6.
3. By June 1 of each year SBCWD shall inform SSCWD of the 5-year rate for spot market transfer water for the upcoming calendar year.
4. Annually by January 31, SSCWD shall transmit to the SBCWD by individual customer account all water delivered in the previous calendar year.
5. By March 1 of each year, SBCWD shall invoice SSCWD for the total ac-ft of water delivered outside of Zones 3 and 6 in the previous year.
6. The cost of spot market water shall be based on a 5-year rolling average of Exchange Contractor transfer water.
7. Within 45 days of receipt of the invoice for water delivered outside of Zones 3 and 6, SSCWD shall submit payment to SBCWD for the water delivered in the previous calendar year.
8. **IN WITNESS WHEREOF**, this Lease is executed by the parties as of the Lease Date referenced on page 1 of this Lease.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, this Agreement is executed by the parties as of the date of last signature referenced below.

Sunnyslope County Water District

By: _____
Print Name: Michael Alcorn
Title: President of the Board
Date: January 14, 2025

San Benito County Water District

By: _____
Print Name: _____
Title: President of the Board
Date: _____

Staff Report

Agenda Item: E – 5

DATE: January 8, 2025 (January 14, 2025 Special Meeting)

TO: Board of Directors

FROM: General Manager, Drew Lander P.E.

SUBJECT: Approval Of Resolution #605 Initiating Proceedings For The Best Road Mutual Water Company Annexation To The Sunnyslope County Water District Sphere Of Influence And Service Area.

RECOMMENDATION:

Staff recommends the board approve a motion to authorize the Board President to sign Resolution #605 initiating proceedings allowing LAFCO to annex the Best Road Mutual Water Company (BRMWC) into the District so that BRMWC may be fully consolidated and dissolved.

BACKGROUND:

The BRMWC has acquired a Department of Water Resources (DWR) grant for consolidation of that water system with SSCWD. Much work has been accomplished toward this goal and the next step is to initiate an application for annexation with LAFCO to complete this process.

Sunnyslope will act as the lead agency for the LAFCO annexation process. Costs for the Annexation will be paid for by Sunnyslope County Water District and reimbursed by BRMWC. District Code Chapter 2.12 requires applicants to pay annexations fees prior to the district processing their request by the district. However much of the fee expense will be reimbursed by the grant funding. Since the grant will be funding the annexation, a deposit is not required at this time. Fees to be paid would include the following:

- Preparation of the environmental document by outside consultant.
- LAFCO Process/Application Fee
- County Recordation
- SSCWD Annexation Fee
- State of California Board of Equalization Fee

FINANCIAL IMPACT:

There is no fiscal impact to the district as all fees will be paid by the BRMWD. Estimated annexation costs are \$50,000. Future revenues generated by water sales to these properties will cover operating costs for the additional service area.

ENVIRONMENTAL IMPACT:

The proposed action is not a project as defined by the California Environmental Quality Act per Article 20, Section 15378. Additional environmental review will be completed by the Wallace Group to complete the application.

ATTACHMENTS

- 1) Resolution No. 605
- 2) Exhibit A

RESOLUTION NO. 605

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
SUNNYSLOPE COUNTY WATER DISTRICT
INITIATING PROCEEDINGS FOR THE BEST ROAD MUTUAL WATER
COMPANY ANNEXATION TO THE SUNNYSLOPE COUNTY WATER
DISTRICT SPHERE OF INFLUENCE AND SERVICE AREA**

ANNEXATION 2025-1

WHEREAS, the Sunnyslope County Water District desires to initiate a proceeding for the adjustment of boundaries specified herein;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Sunnyslope County Water District hereby makes the following findings and orders as follows:

- 1) This proposal is made, and it is requested that proceedings be taken, pursuant to the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000, commencing with section 56000 of the California Government Code.
- 2) This proposal is an annexation to Sphere of Influence and the Service Area of the Sunnyslope County Water District.
- 3) A map of the affected territory is set forth in Exhibit "A", attached hereto and by reference incorporated herein.
- 4) It is desired that the proposal be subject to the following terms and conditions:
 - a. In the event that pursuant to the rules, regulations, or ordinance of the District as now or hereafter amended, the District shall require any payment of a fixed or determinable amount of money, either as a lump sum or installments, for the acquisition, transfer, provision of water or wastewater service, use or right of use of all or any part of existing property, real or personal, of the District, such payment shall be made to the District in the manner and at the time as provided by the rules, regulations or ordinance of the District.
 - b. Upon and after the effective date of said annexations, the territory, all inhabitants within such territory and all persons entitled to vote by reason of residing or owning land within the territory shall be subject to the jurisdiction of the District; shall have the same rights and duties as if the territory had been a part of the District upon its original formation; shall be liable for the payment of principal, interest and any other amounts which shall become due on account of any outstanding or then authorized but thereafter issued bonds, including revenue bonds, or other contracts or obligations of the District; shall be subject to the levying or fixing and collection of any taxes, assessments, service charges, rentals or rates as may be necessary to provide for such payment; and shall be subject to all the rates, rules, regulations and ordinances of the District as now or hereafter amended.
- 5) The reasons for the proposal are to provide potable water service to an area that is currently underserved, and to provide sufficient pressure, storage, and flow for adequate fire protection.
- 6) The proposal is not consistent with the Sphere of Influence of the Sunnyslope County Water District.
- 7) Consent is hereby given to the waiver of conducting authority proceedings.

THE FOREGOING RESOLUTION on a motion by Director _____ and second by Director _____ is duly adopted this 14th day of JANUARY 2025, by the following votes.

AYES: DIRECTORS
NAYS: DIRECTORS
ABSENT: DIRECTORS

SUNNYSLOPE COUNTY WATER DISTRICT

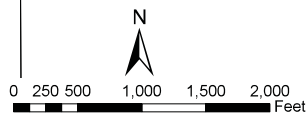
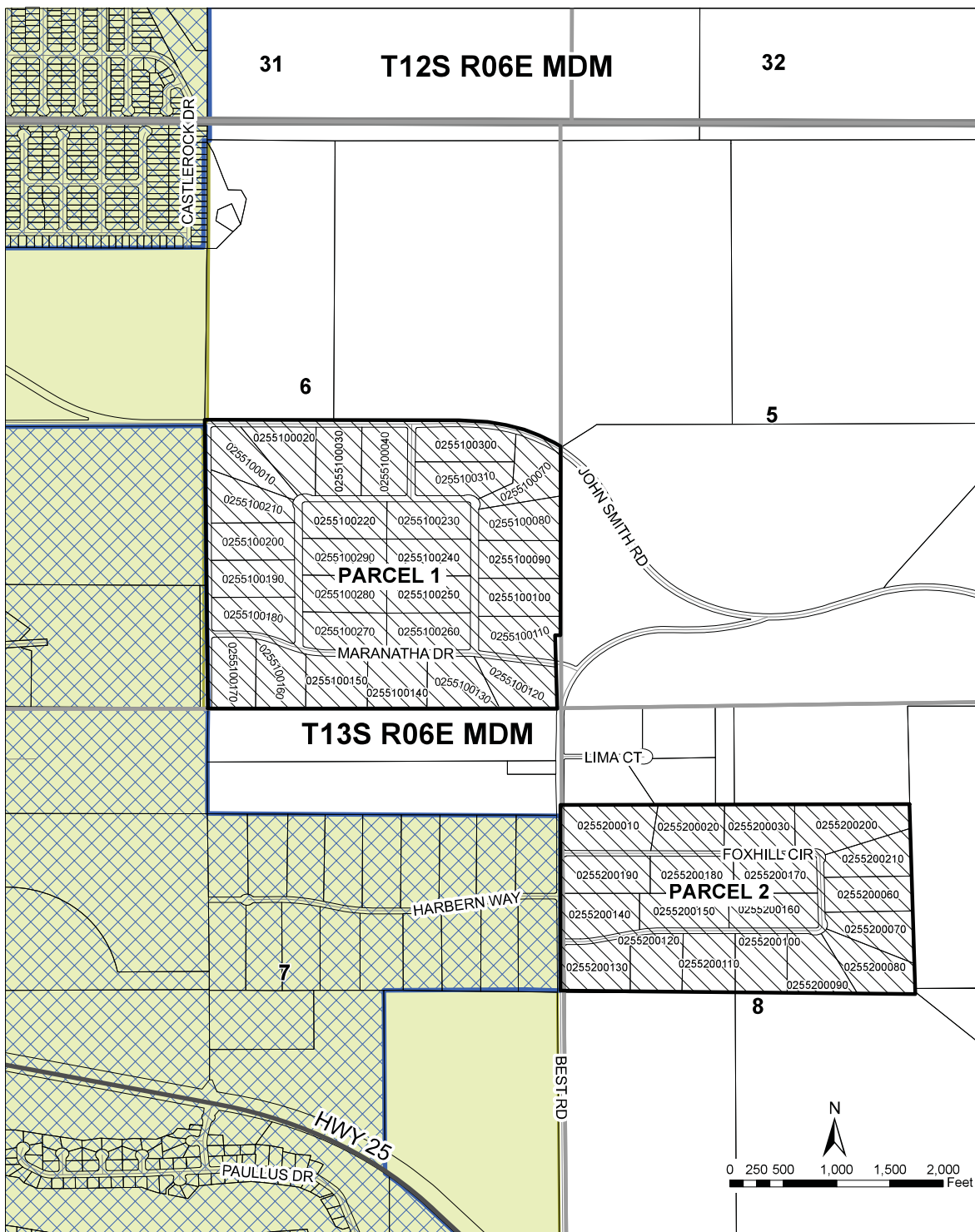
By: _____
Michael Alcorn, President

(SEAL)

ATTEST: _____
Drew A. Lander, Secretary





EXHIBIT A





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OVERALL MAP SUNNYSLOPE WATER DISTRICT PROPOSED ANNEXATION AREA

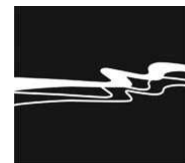
LEGEND

-  PROPOSED ANNEXATION AREA
-  SECTIONS
-  TOWNSHIPS
-  HIGHWAYS

-  ROADS
-  PARCELS
-  SUNNYSLOPE WATER DISTRICT BOUNDARY
-  SUNNYSLOPE WATER DISTRICT SPHERE OF INFLUENCE



SIGNED DATE: **For Review**
10/20/2024 2:53:16 PM



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Staff Report

Agenda Item: E – 6

DATE: January 10, 2025 (January 14, 2025 Special Meeting)

TO: Board of Directors

FROM: General Manager, Drew Lander P.E.

SUBJECT: Consider Approval of Resolution No. 606 and Authorize the President to Sign an Agreement for Water System Consolidation Between Best Road Mutual Water Company and the Sunnyslope County Water District. (CEQA Exempt)

RECOMMENDATION:

Staff recommends the Board approve Resolution No. 606 to authorize the President SSCWD to sign the Consolidation Agreement for Water Facilities and Service and to pursue the dissolution of the Best Road Mutual Water Company (BRMWC).

BACKGROUND:

In October of 2023 the board authorized the pursuit of grant funding at the request of the BRMWC. This small water system has a failing well making the water system constantly respond to water quality violations. Best Road Water has severely impacted water quality that often does not meet Department of Drinking Water standards. Iron Bacteria is present, along with arsenic and elevated water hardness. Sunnyslope staff have taken part in a grant writing process together with BRMWC to obtain funding needed to consolidate water services.

A grant award of \$2.1M plus matching funds is being administered by the Wallace Group. As part of the water consolidation and annexation process the board has considered various items required for consolidation. The Consolidation Agreement is similar to the water system development agreements often considered by this board and is required to detail SSCWD needs for acceptance into the district.

Now that the construction costs for the major construction is known we are ready to move this agreement forward. BRMWC has reviewed and considered the agreement. Appendix C detailing the final grant allocation details has not been received from the Department of Water Resources at this time but this document will be reviewed early next week and if acceptable to the BRMWC board they have agreed to proceed. Pending the final financial outlay that will be included in Appendix C the BRMWC is supportive of all of the assistance Sunnyslope has provided.

FISCAL IMPACT:

\$2.1M dollars of grant funding has been awarded to consolidate the BRMWC system. Presently \$1.7M will be allocated to the construction of the pipeline to tie in both systems. SSCWD will be spending \$1.2M of District funds on improvements needed to supply water to existing customers, but this work will also support the project consolidation. Through these improvements the grant is expected to provide SSCWD an additional \$0.5M in funding to complete joint improvements. This grant funding will offset connection fees for this water system and accomplish needed improvements for existing users.

ENVIRONMENTAL IMPACT:

The construction portion of the project has been determined to be Exempt from CEQA. The Consolidation portion has been determined to be Exempt from CEWA.

ATTACHMENTS:

- 1) Resolution No. 606
- 2) Consolidation Agreement

RESOLUTION NO. 606

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SUNNYSLOPE COUNTY WATER DISTRICT APPROVING AND
AUTHORIZING THE CONSOLIDATION AND DISSOLUTION OF
THE BEST ROADS MUTUAL WATER SYSTEM INTO THE
SUNNYSLOPE COUNTY WATER DISTRICT**

RESOLVED, by the Board of Directors of the Sunnyslope County Water District, San Benito County, California, that a certain Agreement for consolidation of water systems and the dissolution of the Best Road Mutual Water Company (BRMWC) system when approved by LAFCO, by and between this District and BRMWC a Non-profit Mutual Benefit Corporation organized under the non-profit mutual benefit corporation law of the State of California, heretofore presented to this Board, be, and it is hereby, accepted and approved and that the President of said District be, and is hereby, authorized and instructed to sign said agreement, and that the Secretary of said District, be, and is hereby, authorized and instructed to countersign and attest said agreement, in triplicate, and to deliver duly executed copies thereof to the President of BRMWC, on behalf of said District, and is further authorize and instructed to record a copy of said agreement in the office of the County Recorder of the County of San Benito, State of California.

THE BOARD FURTHER RESOLVES, that acceptance of said Facilities by the District shall be considered by the Board only upon satisfactory completion of all specified conditions of the Agreement, to be determined by the District Engineer.

The above Resolution was passed by the following vote of the Board of Directors of the Sunnyslope County Water District, at a special meeting of said Board held on January 14th, 2025.

AYES: Directors -

NOES:

ABSENT:

Signed: _____
Michael Alcorn, President

(Seal)

ATTEST:

By _____
Drew A. Lander, Secretary of Board of Directors

RECORDING REQUESTED BY AND
WHEN RECORDED, RETURN TO:

Sunnyslope County Water District
3570 Airline Highway
Hollister, CA 95023-9702

SMALL WATER SYSTEM CONSOLIDATION AGREEMENT BETWEEN
SUNNYSLOPE WATER DISTRICT TO SUCCEED
THE BEST ROAD MUTUAL WATER COMPANY INC.

The undersigned District declares:

Documentary Transfer Tax exemption Pursuant to Section 11922 of the Revenue and Taxation Code and Exempt from Recording Fees per Government Code Section 27383.

THIS AGREEMENT is made this ___ day of _____ 202__, by and between the SUNNYSLOPE COUNTY WATER DISTRICT (SSCWD), successor agency, a County Water District organized and existing pursuant to Division 12 of the California Water Code, State of California, ("District") and BEST ROAD MUTUAL WATER COMPANY INC. (BRMWC) to be consolidated, a non-profit Mutual Benefit Corporation organized under the non-profit mutual benefit corporation law of the State of California.

W I T N E S S E T H:

WHEREAS, the vicinity map of the BRMWC is attached hereto as Exhibit A, and a map showing the boundaries of lands to be included in this agreement is attached hereto as Exhibit B; and

WHEREAS, BRMWC currently remains under State Compliance Order No. 02_05_16R-005 as a result of Arsenic MCL violations and Compliance Order No. 20_05_18R_002 for suspected influence of surface waters on the water supply; and

WHEREAS, BRMWC has pleaded to abandon the corporation of the mutual water company and desires to transfer all rights, easements, lands and responsibilities of the water system to the District upon completion of all improvements required by the District for consolidation; and

WHEREAS, The District is agreeable to accept the transfer, operation, and maintenance of the BRMWC water system and to provide potable water service to all current customers of the BRMWC on the terms provided herein upon completion of a water system consolidation;

NOW, THEREFORE, in consideration of this agreement, the BRMWC promises to fulfill the conditions in this Agreement, and the District does covenant and agree as follows:

1. INSTALLATION REQUIREMENTS. As a condition precedent to District's acceptance of BRMWC's water system, all water facilities shall be designed, constructed and be operable to District's satisfaction. District requirements shall include, but not be limited to the following:

a. Design. BRMWC shall design the water facilities required for consolidation to District's standards where applicable, and any other applicable regulatory requirements. All plans and specifications shall be prepared by a licensed civil engineer registered in the State of California. All documentation of existing distribution facilities shall be provided to the District and shall become the property of the District.

b. Plans and Specifications. Complete sets of plans and specifications for the new water facilities shall be submitted to the District for review and consideration of approval prior to construction. Construction shall not proceed until all plans and specifications are signed with evidence of District approval and a preconstruction meeting is held between representatives of District, BRMWC and the Contractor approved to construct said improvements. District review of plans and specifications shall be included in the costs to construct.

c. Construction. BRMWC and the District have jointly identified improvements that shall be constructed for adequate operation of the consolidated water system and estimated costs, estimated dates of completion and responsibilities are itemized in EXHIBIT C. All work required for the connection and operation of the existing BRMWC facilities by SSCWD shall be performed in a manner satisfactory to the District Engineer in their reasonable discretion.

d. Underground Obstructions. District does not assume any responsibility or liability whatsoever during the construction of the water systems and facilities. Any location of underground

utility lines, surface or subsurface obstructions obtained by project designers or placed on the project drawing by District representatives are for convenience and must be verified by contractors who are commissioned to construct all in the field improvements. District assumes no responsibility for the sufficiency or accuracy of any BRMWC existing information, lines, or obstructions and expenses to find or determine the location or condition of these items will be at the expense of BRMWC.

e. Licenses; Skill. District shall confirm all contractors who are designated to perform the work, shall be licensed under the provisions of the Business and Professions Code of the State of California to do the type of work called for in the proposed project. District reserves the right to waive this requirement at its discretion as permitted under state statute. BRMWC, or contracted professionals, shall be skilled and regularly engaged in the installation of water and sewer systems.

f. Inspection. District shall have the right at any time and from time to time to inspect work in progress in the construction of the water system facilities. BRMWC shall provide and assure the District and its employees and any person or persons designated by it the right to inspect the development water systems and the plans, materials and work for the systems before, during and after such are installed. BRMWC shall be responsible for all reasonable costs incurred by the District that are associated with interim and final inspection, completion, additional construction, and testing of the systems as needed or required for the approval of the water system by the District and any other regulatory agency having jurisdiction (such as the State Division of Drinking Water).

g. Warranty. The District recognizes that all existing infrastructure will not be provided with a warranty period and all warranty provided by the contractors installing required improvements for consolidation will extend to the District for the duration of the warranty periods specified in the construction documents. Prior to the delivery of the Deed transferring absolute and unencumbered ownership of the completed water and sewer systems to the District described in Section 6 to the District, BRMWC shall remit to the District payment of reimbursable costs incurred for inspection, administration and plan review.

h. Testing. All facilities in the development water system shall be tested to the satisfaction of the General Manager and shall meet District requirements. No system or portion thereof will be accepted without meeting District test requirements.

2. PAYMENT OF FEES, CHARGES AND COSTS. BRMWC shall pay all costs to consolidate water systems including piping and as required to connect the systems with the District's existing water systems, and also will pay all reasonable sums expended by the District for engineering, legal and other services rendered in connection with the construction and connection, and shall pay all fees and charges established by the District or required in contractual agreements between public agencies, as connection charges, rates for service and other comparable charges prior to the District's acceptance of the development water and sewer systems. BRMWC shall be furnished with a statement of the fees and charges by the District upon request.

3. SAN BENITO COUNTY WATER DISTRICT OUT OF AREA AGREEMENT. BRMWC understands that water service provided by the District is predicated on the conditions of an out of area water supply agreement between San Benito County Water District (SBCWD) and Sunnyslope County Water District (District). The conditions of this agreement allow the extension of water service by the District to be provided to legal lots of record which are not included in the Bureau of Reclamation San Felipe Zone 6 water eligibility agreement. Annually the District agrees it will pay SBCWD the value of Zone 6 spot market water for the volume of water delivered to those lots outside of Zone 6 in the prior year. BRMWC customers included in this consolidated as part of this project agree to participate in a future Zone 6 amendment (if and when SBCWD determines it is necessary) when it becomes available to include all legal lots of record into Zone 6.

4. ANNEXATION. The BRMWC service boundaries are required to be annexed into the District service area through an application for annexation with the Local Area Formation Commission of San Benito County (LAFCo). Consolidation and dissolution of BRMWC cannot occur until LAFCo has approved the request for annexation.

5. PERMITS AND EASEMENTS. The project shall obtain all necessary local, county and state permits for the development water system, and shall conform to the requirements of the permits, and shall arrange for applicable inspections and pay any necessary fees and deposits. To the extent District informs BRMWC prior to the execution of this Agreement, BRMWC shall obtain all permanent and temporary easements necessary for ingress and egress to and from the development water system for the purpose of installation, operation, maintenance and removal of system components.

6. CONSOLIDATION FUNDING. BRMWC

a. Construction Funding. BRMWC has obtained State grant funding for this consolidation project as part of the Small Community Drought Relief Program provided by the California Natural Resources Agency Department of Water Resources Agreement #4600015596 and all conditions of that agreement shall apply. The administration of that grant award shall be a condition of this agreement. The District has accepted the responsibility of administering the grant with oversight provided by BRMWC. Total project estimate of \$3,440,000 (Three Million Four Hundred and Forty Thousand dollars) is incumbent on a Non-State fund source cost share of \$1,187,000 (One Million One Hundred and Eighty Seven Thousand dollars). The District has agreed to fund those improvements identified as benefiting existing District customers in Exhibit C and as allowed by the State, these expenses by the District shall be credited towards the cost share requirements. These values are subject to change as construction progresses and only costs incurred by the District performing District improvements shall apply towards the cost share valuation. An additional deposit to begin construction is not required to be paid by BRMWC as the grant funding has been awarded and shall be used by the District to pay for any expenses directly related to the consolidation including but not limited to the District expenses for the creation of plans and checking of specifications and other similar engineering charges, and the costs incidental to the inspection of the consolidation water system. If grant funding is insufficient to pay all consolidation costs, the BRMWC hereby agrees to pay all such reasonable expenses in excess of the funding received from all grant sources that have been obtained (or that may be obtained).

b. Connection Fees. BRMWC shall pay a Connection fee at the conclusion of the consolidation project which has been calculated to be \$7000 per connection and this value will be subtracted from any grant funding contributed to improving District assets planned prior to the consolidation. Any grant funding contributing to District capital assets will be counted as connection fees and if the funding obtained exceeds the connection fee required then no connection fees will be required as a condition of this consolidation project.

7. TRANSFER OF SYSTEMS TO DISTRICT. Full right, title and interest in and to the BRMWC water system, existing and installed pursuant to this Agreement, is hereby granted to the District, subject to the conditions precedent of connection of the development water system with the water system of the District and written Notice of Acceptance thereof by the District. There shall be no obligation upon the District to pay or reimburse BRMWC any part of the cost of the development water system. BRMWC will execute and obtain all

signatures of any other parties having any interest (including any Deed of Trust), and deliver a Deed satisfactory in form and content to District, transferring absolute and unencumbered ownership of the BRMWD assets to the District together with all real property, interest in real property, easements and rights-of-ways and all overlying and other underground water rights that are a part of, appurtenant to, or belonging to any parcels now or hereafter served by the development water system that are necessary or appropriate in the opinion of the District in its reasonable discretion for the ownership and operation of the systems. All costs of construction of the system shall have been paid for by BRMWC, the time for filing mechanics liens shall have expired, and the title to the water system and the interests in real property transferred shall be good, clear and marketable title, free and clear of all encumbrances, liens or charges. BRMWC shall pay costs of title insurance if deemed necessary by the District. All construction, including final inspection punch list items must be completed prior to transfer, and the transfer shall not be completed until all agreements transferring the water system has been formally accepted by the District. After transfer, the District shall own and be free in every respect to operate and manage the water system and to expand, improve, or interconnect with adjacent facilities, as it deems appropriate.

8. AS-BUILT PLANS, SPECIFICATIONS, VALUES, ETC. BRMWC shall, as its obligations under this agreement and as a condition of District's acceptance of the system, provide to the District:

a. A complete and final set of all blueprints and existing AutoCAD digitized files for the entire development water systems, satisfactory to the District General Manager, together with a copy of the specifications and any contract documents used for the construction of the water and sewer systems.

b. A complete list of any other materials and equipment (and their values) being transferred.

9. ACCEPTANCE AND SERVICE BY DISTRICT. Provided that BRMWC complies with the provisions of this Agreement, District will accept the water facilities constituting the development water system, and will provide water services to the existing customers of the BRMWC upon completion and proof supplied to District of the existing connection of each property. Upon satisfaction of such conditions, District shall place the acceptance of the BRMWC water system on the next District agenda that is reasonably practicable if deemed necessary by the General Manager. The District will provide water service to all customers at water rates equivalent to the current District water rates and fee structure in accordance with all rules

and regulations of the District, including the BRMWC payment of applicable connection fees, capacity charges, and service charges as specified above in Paragraph 6.

10. INSURANCE. BRMWC shall maintain all appropriate insurance required to operate as a Mutual Water Company until acceptance by the District and the dissolution of the agency has occurred. All contractors, subcontractors and outside owners or operators of equipment shall maintain the following coverage during the performance of the Agreement:

a. Workers' compensation or self-insurance indicating compliance with any applicable Labor Codes, acts, laws, or statutes, whether federal or state, is required for all contractors, including employers' liability insurance;

b. Comprehensive general liability and comprehensive liability of not less than One Million Dollars (\$1,000,000.00) combined single limit or equivalent for bodily injury, personal injury and property damage as a result of any one occurrence.

This policy shall name the District and BRMWC as additional named insured, and shall be primary and underlying to District's insurance and shall not be excess or contributing with and District insurance. Said policy shall be placed with a carrier or carriers licensed to do business in the State of California, and shall cover BRMWC's contractual liability to District. A certificate of insurance shall be delivered to District verifying such coverage and also showing insurance against liability for workers' compensation, and the certificate shall include a statement that thirty (30) days' written notice shall be given by the carrier to District prior to any cancellation of or material change in the said insurance. The required insurance certificates shall be delivered to the District prior to commencement of the construction.

11. NO SERVICE BEFORE COMPLETION AND TRANSFER. BRMWC shall not allow any occupant or person to connect to the District or use of any part of the connecting water system prior to the transfer and acceptance by District of the water system, excepting for construction purposes, without the express written consent of the District. District may impose conditions or restrictions upon any consent to such prior service, including but not limited to the posting of satisfactory surety to assure the completion and transfer of the water system within a period of time specified by District.

12. WARRANTIES. BRMWC hereby warrants that as of the time of District's acceptance of the water system, such system and all

components thereof will be in satisfactory working order and quality, will have been constructed and installed in compliance with specifications and as-built plans being provided to District and in accordance with applicable requirements of any governmental agency having jurisdiction. Only the warranty of newly constructed improvements shall be included in the construction warranties, and BRMWC shall indemnify District for any costs or expenses (including District's own labor costs, subject to the procedures in Section 1.f) incurred by reason of failure, malfunction, replacements, repairs or any other expenses incurred by the District during the construction and transfer of water system assets to the District.

13. CONTINUING EFFECT. This Agreement shall be binding upon and inure to the benefit of the heirs, administrators, successors and assigns of the parties hereto.

14. TIME OF ESSENCE. Time is of the essence in this Agreement.

15. ENTIRE AGREEMENT. This writing contains the entire agreement of the parties with respect to the matters contained herein.

16. MODIFICATION. This Agreement shall not be modified except by an agreement in writing, signed by the party against whom the enforcement of any change, modification or discharge is sought. No modification shall occur after water system consolidation.

17. ASSIGNMENT. BRMWC may not assign this Agreement or any interest herein or hereunder without the prior written consent of the District.

18. TERMINATION. By written notice to the BRMWC, the District shall inform the President of BRMWC of any failure to perform any of the material terms, covenants or conditions contained herein. If the BRMWC does not commence to cure such failure within thirty (30) days after being notified, the District may terminate this Agreement for water service by written notice.

19. WAIVER. A waiver by either party of any breach of any term, covenant or condition of this Agreement shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition of this Agreement.

20. INDEMNITY. BRMWC shall protect, defend, indemnify and hold harmless the District and its Board of Directors, officers, employees and agents from any and all liability and claim for damages by reason of any injury to any person or persons or property of any kind from

any cause or causes whatsoever to the extent arising from the obligations or performance of BRMWC under the terms of this Agreement.

The District shall protect, defend, indemnify and hold harmless the BRMWC and its Board of Directors and agents from any and all liability and claim for damages by reason of any injury to any person or persons or property of any kind from any cause or causes whatsoever to the extent arising from the obligations or performance of District under the terms of this Agreement.

21. NEGOTIATED AGREEMENT. This Agreement has been reached through negotiation between the parties. Neither party is deemed the party which prepared the Agreement within the meaning of Civil Code section 1654, or case law thereunder.

22. ATTORNEYS' FEES. In the event of a lawsuit or other proceeding to enforce or interpret this Agreement, or the parties' performance hereunder, the prevailing party shall be entitled to reasonable attorneys' fees and costs, including the costs and fees of experts engaged for the proceedings, in addition to any other relief granted. The phrase "prevailing party" shall be construed in accordance with California law.

23. FORCE MAJEURE. In the event performance of this Agreement, or any obligation hereunder, is either directly or indirectly prevented, restricted, or interfered with by reason of fire, flood, earthquake or like acts of God, wars, revolution, civil commotion, explosion, acts of public enemy, embargo, acts of the government in its sovereign capacity, labor difficulties, including without limitation, strikes, slowdowns, picketing, or boycotts, unavailability of equipment from vendor, epidemic or pandemic, or any other circumstances beyond the reasonable control and without the fault or negligence of the party affected, the party affected, upon giving prompt notice to the other party, shall be excused from such performance on a day-to-day basis to the extent of such prevention, restriction, or interference; provided however, that the Party so affected shall use diligent efforts to avoid or remove such causes of non-performance and both Parties shall proceed whenever such causes are removed or cease.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in duplicate on the date and year first above written.

"District"
SUNNYSLOPE COUNTY WATER DISTRICT, a public corporation
By:

Ed Mauro
President, Board of Directors,
Sunnyslope County Water District

ATTEST:

Drew A. Lander
District Secretary

"Best Road Mutual Water Company"
California Mutual Water Company
By:

Julian Rodgers, President

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE

OF

CALIFORNIA

COUNTY OF SAN BENITO

On _____, 20__, before me, _____,
Notary Public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the
person(s) whose name(s) is/are subscribed to the within instrument
and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their
signature(s) on the instrument the person(s), or the entity upon
behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of
California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF SAN BENITO

On _____, 20__, before me, _____,
Notary Public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the
person(s) whose name(s) is/are subscribed to the within instrument
and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their
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behalf of which the person(s) acted, executed the instrument.

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STATE OF CALIFORNIA
COUNTY OF SAN BENITO

On _____, 20____, before me, _____,
Notary Public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the
person(s) whose name(s) is/are subscribed to the within instrument
and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their
signature(s) on the instrument the person(s), or the entity upon
behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of
California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT A
(Vicinity Map of Development)

EXHIBIT B
(Map of Development)

EXHIBIT C
(GRANT DETAILS)

Staff Report

Agenda Item: E-7

DATE: January 9, 2025 (January 14, 2025 Special Meeting)

TO: Board of Directors

FROM: Rob Hillebrecht, Principal Engineer

SUBJECT: Consider Awarding A Contract For The Best Road Mutual Water Company Water System Consolidation Project To Specialty Construction Inc. At A Cost Not To Exceed \$1,750,000 (Project CEQA Exempt Title 22, Section 60101, Class 1: Existing Facilities, Class 2: Replacement Or Reconstruction, Class 3: New Construction Of Small Structures (Pipeline Less Than 1 Mile), and Title 14, Section 15282(K) Statutory Exemption For Right-Of-Way Pipelines less than 1 Mile, and CEQA Common Sense Exemption

RECOMMENDATION:

Approve a motion to enact all the following:

1. Certify and authorize the General Manager to record the Notice of Exemption for the Best Road Mutual Water Company Water System Consolidation Project;
2. Approve the Plans and Specifications for the Best Road Mutual Water Company Water System Consolidation Project which are available at the Sunnyslope County Water District Office, and grant the General Manager or his designee the authority to approve all amendments thereto as necessary for conditions in the field;
3. Accept all responsive and responsible bids;
4. Award a construction contract to the lowest responsive and responsible bidder, namely: Specialty Construction Inc. at a bid price of \$1,587,978;
5. Authorize the General Manager to execute the contract upon receipt and acceptance of all elements identified in the Plans & Specifications as required prior to the contract;
6. Authorize expenditure of an additional \$162,022 as Construction Contingency for Construction Change Orders. This contingency is 11% of the bid price.

BACKGROUND:

For the past two years, Sunnyslope has been working with Best Road Mutual Water Company (BRMWC) and their engineer Wallace Group to consolidate the failing BRMWC water system into Sunnyslope. BRMWC was awarded a \$2.25 Million grant from DDW with a \$1.2 Million matching requirement to enact the consolidation. With significant input from Sunnyslope, Wallace Group designed this project to run a new pipeline connecting BRMWC to Sunnyslope's

system and abandoning their old wells. On January 7, 2025 contractors submitted bids to Sunnyslope to construct the project. The grant funds require that the consolidation be completed by June 30, 2025.

Bids were opened and reviewed for completeness. The following bids were found to be responsive:

RECEIVED BIDS

Specialty Construction Inc (SCI)	\$1,587,978.00
Graniterock	\$1,598,259.00
Monterey Peninsula Engineering (MPE)	\$1,598,890.00
Anderson Pacific	\$1,662,662.00
Golden State Const. and Utility Inc.	\$1,848,450.00
Daleo	\$1,852,831.00
Don Chapin Co.	\$1,860,750.00
Corcus Construction Inc.	\$2,210,925.00
Ranger Pipelines Inc.	\$2,236,600.00

Sunnyslope staff reviewed all elements of the bid submitted by Specialty Construction Inc. and have found the bid and company to be responsive and responsible, meeting all the qualifications and requirements listed in the Specifications.

FISCAL IMPACT:

While the award of this contract will create an initial liability of \$1.75 million, the DDW grant for \$2.25 million will reimburse Sunnyslope for this expense. The remaining grant funds shall reimburse Sunnyslope for the project administration, design, permitting, and construction management services associated with the consolidation.

To receive the full \$2.25 million in grant funds, Sunnyslope must contribute an additional \$1.2 million in associated improvements with the consolidation project. However, these expenses will be to implement planned upgrades at current Sunnyslope facilities which will benefit existing customers along with facilitating the consolidation of BRMWC.

ENVIRONMENTAL IMPACT:

Notice of Exemption is attached.

ATTACHMENTS:

1. Notice of Exemption
2. Prevailing Bid – Specialty Construction Inc.
3. Construction Contract



SUNNYSLOPE COUNTY WATER DISTRICT
WORKSHEET FOR CEQA/NEPA DETERMINATION
PART 1 - CEQA EXEMPTIONS

(Prepared by Lead Agency – Notice of Exemption, findings, and additional sheets attached as needed)

GENERAL INFORMATION

1. Name of Project: BEST ROAD MUTUAL WATER COMPANY (BRMWC) WATER SYSTEM CONSOLIDATION PROJECT
2. Project Number: FUNDING AGREEMENT # 4600015596
3. Name of lead agency/water system: SUNNYSLOPE COUNTY WATER DISTRICT on behalf of BRMWC

PROJECT DESCRIPTION *(fill in blanks or provide attachment, e.g., application description)*

1. Project location *(give description of the precise location and boundaries and attach a location map if available)*: _____
 Work to be performed at three individual locations.
 1) Installation of pipeline extension, 8" PVC pipeline connecting to existing infrastructure, installed under the asphalt of the existing roadway beginning at the intersection of Fairview Rd. and John Smith Rd., Hollister CA 95023 (36°49'57.64"N 121°21'48.81"W) and then Eastward for a distance of approximately 4300' to the intersection of Heatherwood Lane and John Smith Rd., Hollister CA 95023 (36°49'55.51"N 121°20'57.69"W) connecting with existing water system pipeline.
 2) Abandonment of existing well and existing infrastructure, removal of all debris and restoration of area to match adjacent property (36°49'54.54"N 121°21'06.81"W).
 3) SSCWD Wellhead #5 control and improvement connecting existing ACP pipeline to well head. All work to be completed under the existing asphalt at the well location (36°49'01.12"N 121°22'13.36"W)

2. Facilities *(indicate whether they are new, modifications, removals, or replacements)*:
 - a. Treatment facilities *(give size and capacities)*: N/A

- b.** Storage facilities
- (1) Tanks (*physical dimensions and capacity*): N/A

- (2) Open reservoirs (*surface area and capacity*): N/A

- c.** Transmission facilities (*give size of pumps and size and length of mains indicating if they are in rights-of-way*): _____
Minimum Pipe diameter calculated to support existing water demand only, new 8" PVC pipeline connecting to existing infrastructure, installed under the asphalt of the existing roadway beginning at the intersection of Fairview Rd. and John Smith Rd., Hollister CA 95023 (36°49'57.64"N 121°21'48.81"W) and then Eastward for a distance of approximately 4300' to the intersection of Heatherwood Lane and John Smith Rd., Hollister CA 95023 (36°49'55.51"N 121°20'57.69"W) connecting with existing water system pipeline. All new piping will be installed under the existing roadway with new Hydrants installed adjacent to the roadway disturbing less than 200 sqft of roadway shoulder.

- d.** Distribution facilities (*give size of booster pumps and size and length of pipelines*): _____
Existing distribution system of BRMWC to remain.

- e.** Appurtenant structures: _____
Only the removal of BRMWC appurtenant structures which are no longer needed for operation are planned. No construction of new structures is required.

- f.** Parking facilities: N/A

- g.** Access roads: Existing

- h.** Staging areas: At Well head #5 all staging will occur on existing asphalt parking area. On John Smith Rd. staging will occur on BRMWC well access driveway.

3. Describe any grading or excavation work:

No grading will occur except to match existing grades after well abandonment and removal of appurtenant structures.

Excavation will only occur under the existing asphalt roadways to minimum pipeline depths per SSCWD standard details.

REASONS WHY THE PROJECT IS CONSIDERED EXEMPT

Check appropriate boxes

1. CCR, Title 22, Section 60101 Specific Activities Within Categorical Exemption Classes

(a) Class 1: Existing Facilities

(1) Addition, deletion, or modification of:

1. Mechanical controls for:

- a. Water treatment units
- b. Water supply systems
- c. Pump station buildings

2. Electrical controls for:

- a. Water treatment units
- b. Water supply systems
- c. Pump station buildings

3. Hydraulic controls for:

- a. Water treatment units
- b. Water supply systems
- c. Pump station buildings

(2) Maintenance, repair, replacement, or reconstruction to any water treatment process units, including:

- 1. Structures.
- 2. Filters
- 3. Pumps
- 4. Chlorinators

(b) Class 2: Replacement or Reconstruction.

(1) Repair or replacement of:

- 1. Water service connections
- 2. Meters
- 3. Valves for:
 - a. Backflow prevention
 - b. Air release
 - c. Pressure regulation

- d. Shut-off
- e. Blow-off
- f. Flushing

(2) Replacement or reconstruction of:

- 1. Existing water supply distribution lines of substantially the same size. Describe any size increase: Minimum standard pipe diameter is 8" and all piping as designed is 8"

- 2. Storage tanks and reservoirs of substantially the same size. Describe any size increase: N/A

(3) Replacement or reconstruction of:

- 1. Water wells of substantially the same capacity. Describe any capacity increase: Removal of existing well in exchange for use of existing well. No capacity increase is required.

- 2. Pump stations and related appurtenances of substantially the same capacity. Describe any capacity increase: _____

(c) Class 3: New Construction of Small Structures:

- (1) Construction of water supply and distribution lines of less than sixteen inches in diameter and/or less than 1 mile,
- (2) Construction of any water storage tanks and reservoirs of less than 100,000-gallon capacity.
- (3) Installation of water meters

(d) Class 4: Minor Alterations to land.

- (1) Minor alterations to land, water or vegetation on any officially existing designated wildlife management areas or fish production facilities for the purpose of reducing the environmental potential for nuisances or vector production.
- (2) Any minor alterations to highway crossing for water supply and distribution lines.

2. CCR, Title 14 (CEQA Guidelines).

- (a) Section 15262 Planning and Feasibility studies
- (b) 15269 (a) statutory exemption for declared emergencies
- (c) Section 15269 (b) statutory exemption for emergency repairs

- (d) Section 15269 (c) statutory exemption for emergency prevention
 - (e) Section 15282 (k) statutory exemption for right-of-way pipelines <1mile
 - (f) Section 15282 (m) statutory exemption for water fluoridation facilities
 - (g) Other (list specific code reference)_____
-

CEQA EXCEPTIONS

A. Location in an area of Critical Concern (For Categorical Exemption Classes 3, 4, 5, 6, and 11): *Could the project result in impacts to an environmental resource of hazardous or critical concern where designated, precisely mapped and officially adopted pursuant to law by federal, state, or local agencies? Discuss below all items checked yes (attach additional sheets as necessary). Some items are repeated under the Federal Crosscutters Section and may be referenced here if applicable.*

- | | Yes | No | |
|-----|--------------------------|-------------------------------------|---|
| 1. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Special status species. |
| 2. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Critical habitat (for special status species) |
| 3. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Unique habitat (e.g., wildlife refuge, deer wintering range, etc.). |
| 4. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Important farmland |
| 5. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Wetlands |
| 6. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Wild and scenic rivers |
| 7. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Officially designated scenic area |
| 8. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Archeological sites. |
| 9. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Floodplains |
| 10. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Areas of hazardous concern |
| 11. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Other _____ |

Discussion: _____

1) Special status species such as Tiger Salamander have been noted to exist on lands adjacent to this project. For this reason, all work is planned to be under existing roadways where no habitat is affected.

2) No critical habitat is impacted by this project.

3) No unique habitat exists.

4) No farmland involved or impacted by this work.

5) No wetlands involved or impacted by this work.

6) None

7) None

8) None identified. All work to be completed under previously disturbed areas and areas of roadway fill.

9) None

10) None

Unusual Circumstances (For All Categorical Exemptions): Evaluate the following elements to determine if there are any unusual circumstances. For any "Yes" answers discuss the possibility of significant environmental impact resulting from the unusual circumstance. Consider all facilities; conveyance lines; storage, points of diversion; staging areas; and affected service area as applicable. Use attachments if necessary.

- | | Yes | No | |
|-----|--------------------------|-------------------------------------|--|
| 1. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | In an area of undisturbed, unique, or high-quality habitat. |
| 2. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | On or adjacent to wildlife migration routes. |
| 3. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | In an area of unique recreational facilities or resources. |
| 4. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | On or adjacent to a unique stream or water body. |
| 5. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Involves removal of mature, scenic trees (class 4). |
| 6. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Involves grading in a waterway or wetland (class 4). |
| 7. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Involves a substantial alteration of ground contours. |
| 8. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Involves new or increased use of a critically depleted groundwater basin or groundwater basin subject to salinity intrusion. |
| 9. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | In an area with important mineral resources. |
| 10. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Involves production of significant amounts of solid wastes or litter. |
| 11. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Involves substantial new or increased emission of dust, ash, smoke, fumes, odors, or other pollutants. |
| 12. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Involves substantial change in noise or vibration levels in vicinity (beyond the property line). |
| 13. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | In an area of sensitive noise receptors. |
| 14. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | On slopes of 10 percent or more or on highly erodible soil. |
| 15. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | In an officially mapped area of severe geologic hazard |
| 16. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Involves new or increased use or disposal of hazardous materials, flammables, or explosives. |
| 17. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Involves substantial change in demand for municipal services. |
| 18. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Involves traffic impacts in an area with traffic problems. |
| 19. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Involves substantial increase in fuel consumption (electricity, oil, natural gas, etc.). |

Discussion: _____

17) The addition of 48 customers to the SSCWD results in a 0.06% increase in municipal service for the district. This is insignificant to district operations.

B. Cumulative Impacts for All Categorical Exemptions

Yes No

1. Does the project involve cumulative impacts associated with successive projects of the same type in the same place? If yes, discuss the significance of the impacts.

Discussion: _____

C. Scenic Highways (For All Categorical Exemptions): *Will the project result in damage to any of the following scenic resources within a highway officially designated as a state scenic highway (excluding improvements required as mitigation by an adopted Negative Declaration or certified EIR)*

Yes No

1. Trees
2. Historic buildings
3. Rock outcroppings
4. Other similar resources

D. Hazardous Waste Sites (For All Categorical Exemptions)

Yes No

1. Is the project located on a site that is included on any list compiled by Department of Toxic Substances Control pursuant to Section 65962.5 of the Government Code?

E. Historical Resources (For All Categorical Exemptions)

Yes No

1. Is there a potential for the project to cause a substantial adverse change in the significance of a historical resource?
Basis for determination: _____

SUNNYSLOPE COUNTY WATER DISTRICT
WORKSHEET FOR CEQA/NEPA DETERMINATION
PART 2 - WORKSHEET FOR NEPA EXCLUSIONS

Pursuant to the Safe Drinking Water State Revolving Fund Rule, any applicable Categorical Exclusion (CE) from the National Environmental Policy Act (NEPA), can be applied by the State of California, Safe Drinking Water Program pursuant to 40 CFR 35.3580(a).

QUALIFYING CRITERIA FOR A NEPA EXCLUSION

Check all boxes that apply

Minor Rehabilitation of Existing Facilities

This includes, but is not limited to, equipment rehabilitation at existing water treatment plants, pump and storage facilities. It also includes the replacement of existing water lines constructed in already disturbed areas within the existing system service area, intended to serve existing customers. A modest growth of less than 10% expansion is acceptable. *NOTE: This category does not include actions that involve new or relocated discharges to surface or ground water; will likely result in the substantial increase in the volume or the loading of pollutant to the receiving water.*

Minor Upgrades or Expansion of Existing Facilities of Less than 10 Percent

This includes the installation of additional filters, pumps, treatment units, chemical storage areas, additional storage tanks and reservoirs to meet fire flow for contact time. Security fencing, gates, landscaping sound walls or noise barriers and equipment for security and monitoring for existing buildings. *NOTE: This category does not include actions that involve or relate to upgrading or extending infrastructure systems primarily for the purposes of future development. The total project area will disturb no more than one acre of land.*

Functional replacement of equipment

This includes equipment replacement or modification at existing water plant, pumping or storage facilities with no significant change in capacity. It also includes the replacement of new treatment processes or equipment with no generation of hazardous material.

Ancillary facilities adjacent or appurtenant to existing facilities

This includes new water lines and meters to be located in previously disturbed areas within approximately one-half mile of existing distribution system and storage facilities for the purpose of system reliability and serving primarily existing residential or commercial users. This category also includes the installation of booster stations, interties, backflow devices or new water meters within an existing distribution system.

EXTRAORDINARY CIRCUMSTANCES

Check (✓) yes or no for each extraordinary circumstance below. If any receive a "Yes" check (✓), an EA must be prepared

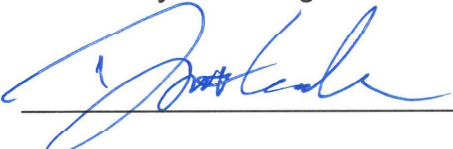
- | YES | NO | Will the project have: |
|--------------------------|-------------------------------------|---|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | 1. Significant environmental impacts on the quality of human environment individually or cumulatively over time. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | 2. Disproportionately high and adverse public health/safety or environmental effects on any community, including minority, low-income, or federally-recognized Indian tribal communities. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | 3. Any adverse effect on species which are federally listed, or proposed for listing, as threatened, endangered, or their designated critical habitat. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | 4. Significant adverse effects on national natural landmarks or any property with nationally significant historic, architectural, prehistoric, archeological, or cultural value, including but not limited to, property listed on or eligible for the National Register of Historic Places; or ceremonial use of Indian sacred sites on Federal lands, access by their religious practitioners, or the physical integrity of such sacred sites. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | 5. Significant adverse effects on environmentally important natural resources such as significant agricultural lands, coastal zones, wild and scenic rivers, wetlands, floodplains, sole source aquifers, aquifer recharge zones, barrier islands, and other ecologically significant areas under Federal jurisdiction. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | 6. Significant adverse effects on air quality. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | 7. Significant effects on land use pattern and type (industrial, commercial, agricultural, recreational, residential), growth and distribution, or population, including altering the character of existing residential areas, inconsistency with local, state, or federally-recognized Indian tribe approved land use plans or federal management plans. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | 8. Possibility to cause significant public controversy about potential environmental impacts of proposed action. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | 9. Precedent for future actions or represent a decision in principle, including providing financial assistance, with potentially significant environmental effects. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | 10. Possibility to conflict with federal, state or local government, or federally-recognized Indian tribe environmental, resource-protection, or land-use laws or regulations. |

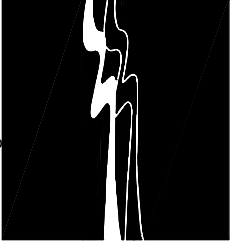
**Sunnyslope County Water District as Lead Agency on behalf of the
Best Road Mutual Company Water System Consolidation Project**

**Project plans prepared by:
Wallace Group, San Luis Obispo – Job #0557-0005
Titled – Best Roads Mutual Water Company Water System Consolidation
Project, Sunnyslope County Water District, John Smith Rd. Hollister, CA.**

CERTIFICATION

I hereby certify that the statements furnished above and in the attached exhibits present the data and information required for this initial evaluation to the best of my ability, and that the facts, statements, and information presented are true and correct to the best of my knowledge and belief.

Signature:  _____
Date: January 10, 2025
Name: Drew A. Lander P.E.
Position: SSCWD General Manager



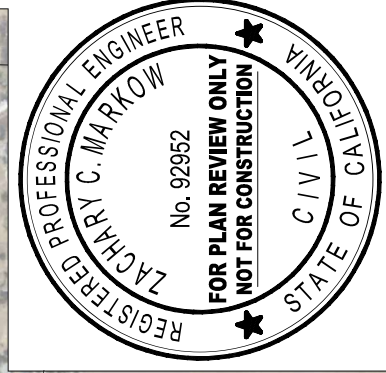
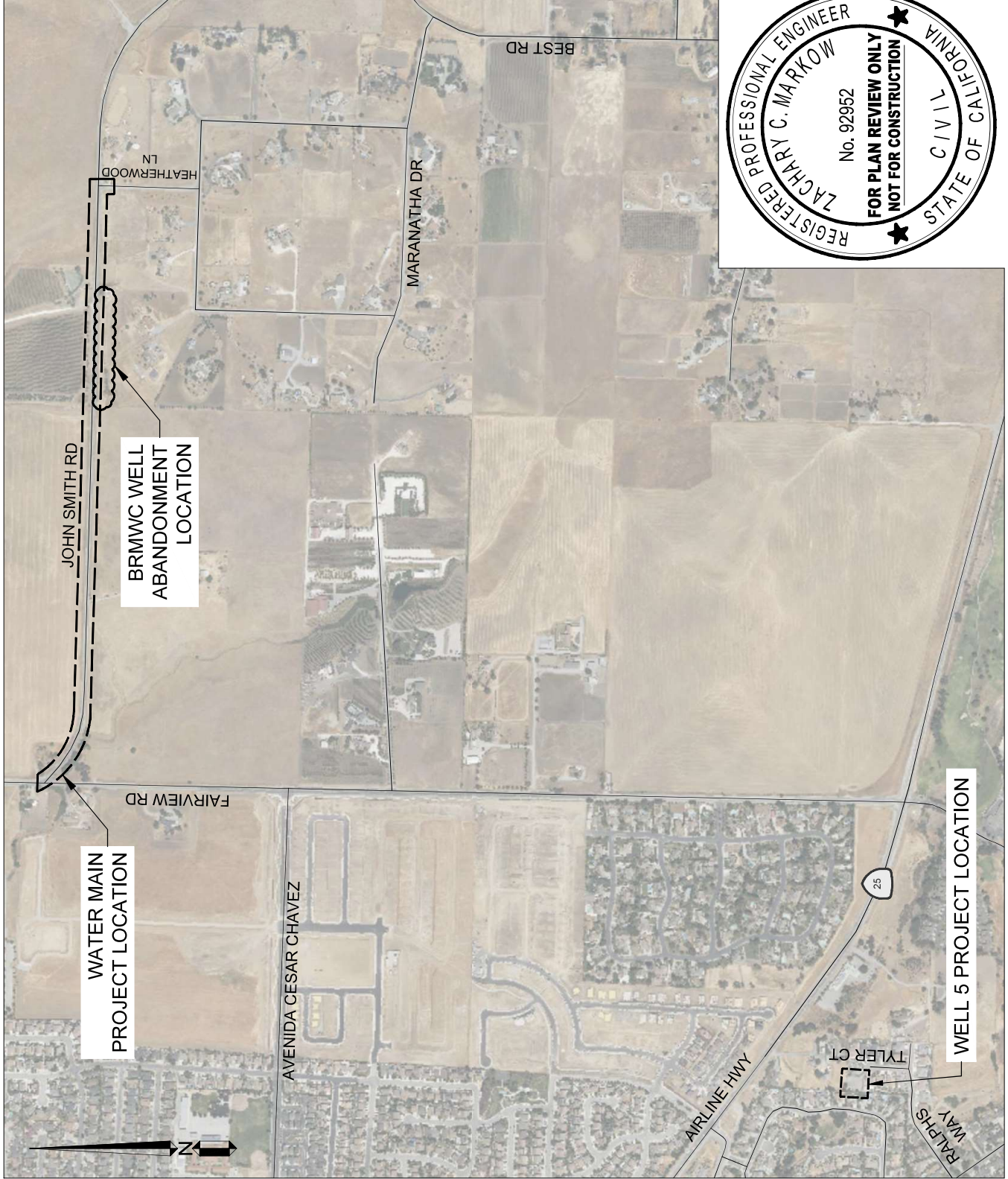
WALLACE GROUP®

CIVIL AND TRANSPORTATION ENGINEERING
CONSTRUCTION MANAGEMENT
LANDSCAPE ARCHITECTURE
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612 CLARION COURT
SAN LUIS OBISPO, CA 93401
T 805 544-4011 F 805 544-4294
www.wallacegroup.us

**SUNNYSLOPE COUNTY WATER DISTRICT
WATER SYSTEM CONSOLIDATION PROJECT
VICINITY MAP
HOLLISTER, CA**

JOB No.: 0557-0005
DRAWING: 0557-0005-CV-AMP
DRAWN BY: ONW
DATE: 01/09/25
SCALE: 1" = 1000'



NOTICE OF EXEMPTION

To: County Clerk
County of San Benito
440 5th St., 2nd Floor, Room 206
Hollister, CA 95023-3843

From: Sunnyslope County Water District
3570 Airline Highway
Hollister, CA 95023

**Project Title: BEST ROAD MUTUAL WATER COMPANY WATER SYSTEM
CONSOLIDATION PROJECT**

Project Location: Pipeline located within the County of San Benito Right of Way and public utility easement, beginning at the intersection of Fairview Rd. and John Smith Rd., (36°49'57.64"N 121°21'48.81"W) and then Eastward for a distance of approximately 4300' to the intersection of Heatherwood Lane and John Smith Rd., (36°49'55.51"N 121°20'57.69"W). BRMWC well abandonment on public utility easement South of John Smith Road (36°49'54.54"N 121°21'06.81"W). SSCWD well #5 improvements located on fee title property of SSCWD, off Tyler Ct. Hollister CA (36°49'01.12"N 121°22'13.36"W).

Assessor's Parcel No.: County of San Benito Parcels – 020-330-0660, 020-900-0220, 025-510-0020 and County right of way within the Unincorporated area near Hollister California.

Project Location – City: Hollister, CA. **Project Location – County:** San Benito

Name of Public Agency Approving Project: Sunnyslope County Water District (SSCWD)

Description of Project: Water system improvements to physically consolidate the Best Road Mutual Water Company (BRMWC) system with the SSCWD distribution system. SSCWD will succeed BRMWC and supply potable water to 48 existing customers of the BRMWC. The BRMWC well will be abandoned and the agency will be dissolved in favor of potable water service provided by SSCWD. No increased water demand on subsurface aquifers will occur as an existing well will be abandoned in favor of an existing well with sufficient production capacity and agency agreements have been secured to ensure supplementary water supplies are provided.

Name of Person or Agency Carrying Out Project: Sunnyslope County Water District

Exempt Status:

CCR, Title 22, Section 60101, Class 1: Existing Facilities, Class 2: Replacement or Reconstruction, Class 3: New Construction of Small Structures (pipeline less than 1 mile)

CCR, Title 14, Section 15282(k) Statutory Exemption for right-of-way pipelines < 1 mile

CEQA Common Sense Exemption

Reasons why project is exempt:

California Code of Regulation, Title 14, Section 15828(k) identifies the installation of new pipeline or maintenance, repair, restoration, removal, or demolition of an existing pipeline as set forth in Section 21080.21 of the Public Resources Code, as long as the project does not exceed one mile in length. All work will occur within the County right of way, beneath previously disturbed areas now maintained as asphalt roadway. Work to be performed at the SSCWD well head #5 also will occur on or below asphalt roadway. No other changes or impacts to the environment have been identified or can be assumed.

The following exemptions also imply a CEQA Common Sense Exemption as considerations of the design clearly and definitively will not have any significant impact on the environment as presented.

Lead Agency Contact Person: Drew A. Lander P.E. General Manager Sunnyslope County Water District 3570 Airline Hwy, Hollister CA 95023	Phone Number: 831-637-4670	
Signature:	Date:	Title: General Manager
Signed by Lead Agency	Date Received for Filing at OPR:	

BID FORM

Project Identification: Best Road Mutual Water Company Water System
Consolidation Project

This Bid is Submitted To:

Sunnyslope County Water District
3570 Airline Highway
Hollister, CA 95023

The Engineer is:

Zach Markow, PE C92952
Wallace Group
(805) 544 – 4011
zachm@wallacegroup.us

Article 1

The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into an agreement with Owner in the form included in the Contract Documents to perform and furnish all Work as specified or indicated in the Contract Documents for the Contract Price and within the Contract Time indicated in this Bid and in accordance with the other terms and conditions of the Contract Documents.

Article 2

Bidder accepts all of the terms and conditions of the Invitation to Bid and Instructions to Bidders, including without limitation those dealing with the disposition of Bid Security. This Bid will remain subject to acceptance for forty-five (45) days after the day of Bid opening. Bidder will sign and submit the Agreement with the Bonds and other documents required by the Bidding Requirements within fifteen (15) days after the date of the Owner's Notice of Award.

Article 3

In submitting this Bid, Bidder represents, as more fully set forth in the Agreement, that:

- (a) Bidder has examined copies of all the Bidding Documents.
- (b) Bidder has examined copies of the following Addenda (receipt of which is hereby acknowledged):

Date	Addenda Number
<u>12/12/24</u>	<u>1</u>
<u>12/23/24</u>	<u>2</u>
<u>12/26/24</u>	<u>3</u>

(c) Bidder has familiarized itself with the nature and extent of the Contract Documents, Work, site locality, and all local conditions and laws and regulations that in any manner may affect cost, progress, performance or furnishing of the Work.

(d) Bidder has studied carefully all reports and drawings of subsurface conditions and drawings of physical conditions which are identified in Document Number 00200, Information Available to Bidders.

(e) Bidder has read and accepts the provisions in General Conditions Article 5 identifying the Contractor's responsibility:

- a) for using care in making excavations and in doing demolition,
- b) for damage to existing utilities and underground facilities and for loss of use
- c) for the protection of workers and others from known and unknown or concealed hazards.

(f) Bidder has read and accepts the provisions in General Conditions Article 5 which identifies the limited conditions under which the Contractor may be entitled to a change in Contract Time or Price due to differing or unknown conditions.

(g) Bidder has visited the site and has reviewed the Bidding Documents and the Information Available to Bidders and it has made any other investigations, explorations or tests and has obtained any other data it considers necessary for preparation of its Bid.

Bidder has correlated the results of all such observations, examinations, investigations, explorations, tests, reports and studies with the Contract Documents and Bidder has read and understands provisions in the General Conditions relevant to differing and unknown conditions.

(h) Bidder has given Engineer written notice of conflicts, errors or discrepancies that it has discovered in the Contract Documents and the written resolution thereof by Engineer is acceptable to Bidder.

(i) Bidder has read, studied and understands the entire set of Bidding Documents including the Construction Drawings, Specifications and General Conditions and finds them fit and sufficient for the purpose of preparing its Bid and constructing the Work required.

(j) Bidder represents that its Bid is based on providing all of the material, labor, equipment and services necessary to complete the Work as specified and shown in the Contract Documents.

Article 4

Requirements for California Public Works Contracts.

(a) **DECLARATION OF LICENSE STATUS.** The Bidder declares that it possesses a valid State of California Class A - General Engineering Contractor's license at the time of

submitting this Bid. Bidder shall state its license number, classification and expiration date on its Bid Form Article 9.

(b) **PREVAILING WAGE RATES.** The undersigned agrees that, if awarded the Contract, the undersigned and all of its subcontractors shall pay all laborers, workers, and mechanics employed in the performance of such Contract, or any subcontract thereunder, not less than the general prevailing rate of per diem wages and rates for overtime and legal holidays in the locality in which the work is to be performed, as ascertained and determined, by the statutes and regulations applicable thereto.

(c) **NONCOLLUSION AFFIDAVIT.** In accordance with Public Contract Code Section 7106, Bidders are required to execute and submit with their Bid Document Number 00480 "Non-collusion Affidavit."

(d) **USE OF BID DEPOSITORIES.** The Bidder declares that it has not used subcontractors' bids from a bid depository that in any way attempts to restrict, control, influence or regulate free open price competition among subcontractors in the submission of their bids to prime Bidders.

(e) **SECURITY FOR COMPENSATION CERTIFICATE.** Bidders are required to execute and submit with their Bid Document Number 00414 "Security for Compensation Certificate."

Article 5

Bidder will complete the Work for the lump sum price(s) included on the following sheet:

ITEM	DESCRIPTION	QTY	UNIT	UNIT COST	TOTAL COST
GENERAL CONSTRUCTION					
1	Mobilization and Demobilization	1	LS	38,200	38,200
2	Construction Survey	1	LS	17,500	17,500
3	Erosion, Sedimentation, and Water Pollution Control	1	LS	16,700	16,700
4	Traffic Control	1	LS	65,000	65,000
5	Sheeting, Shoring, and Bracing	1	LS	19,500	19,500
UTILITIES					
6	Connect to Existing SSCWD and BRWMC Water Mains	1	LS	20,000	20,000
7	Furnish & Install 8" PVC C-900 Water Main	4,280	LF	147	629,160
8	Furnish & Install 8" Gate Valves	5	EA	3,700	18,500
9	Furnish & Install 1" Air Valve Assembly	3	EA	9,800	29,400
10	Furnish & Install Fire Hydrant Assembly	6	EA	17,300	103,800
11	Furnish & Install Shallow Trench Water Main Installation	80	LF	530	42,400
12	Abandon Existing BRWMC Wells	1	LS	109,000	109,000
13	Storm Drain Undercrossing	20	LF	376	7,520
14	Sanitary Sewer Force Main Undercrossing	20	LF	343	6,860
15	SSCWD Well #5 Improvements	1	LS	190,228	190,228
EARTHWORK					
16	Class 2 Aggregate Base	650	CY	130	84,500
17	Hot Mix Asphalt	630	TON	267	168,210
18	Furnish & Install Pavement Marking and Striping	1	LS	21,500	21,500
TOTAL BASE BID:					1,587,978

ONE MILLION FIVE HUNDRED EIGHTY SEVEN
THOUSAND NINE HUNDRED SEVENTY EIGHT

Bid Total \$ _____ **DOLLARS & 2820 CENTS**

(Written Amount)

Signature of Bidder: 
Rudolph C. Bachmann, President/Secretary

Date: 01/07/2025

Article 6

(a) Bidder agrees that the Work will be finally complete and ready for acceptance and final payment on or before the dates or within the number of calendar days indicated in the Agreement.

(b) Bidder accepts the provisions of the Agreement as to liquidated damages in the event of failure to complete the Work on time.

(c) Bidder accepts the Limitation of Liability Clause contained in the Agreement.

Article 7

The following documents are attached to and made a condition of this Bid:

- (a) Required Bid Security in the form of a bid bond
- (b) Designation of Equipment or Material Manufacturers
- (d) Security for Compensation Certificate
- (e) Certificate of Insurance Compliance
- (f) Bidder's References
- (g) Bidder's Qualifications
- (h) Subcontractor List
- (i) Non-collusion Affidavit
- (j) Iran Contracting Act Certification
- (k) Economic Sanctions against Russia Certification

Article 8

Communications concerning this Bid shall be addressed to:

Rob Hillebrecht, Principal Engineer, Sunnyslope County Water District
rob@sunnyslopewater.org

Article 9

The terms used in this Bid which are defined in the General Conditions of the Construction Contract included as part of the Contract Documents have the meanings assigned to them in the General Conditions.

Bidder declares that it does possess a contractor's license of the required classification, valid in the appropriate jurisdiction at the time of submitting this bid.

Contractor's license number: 619361

License classification: A, B

License expiration date: 2/28/2025

If Bidder is:
An Individual N/A.

By: (SEAL)

Individual's Name: _____

Signature: _____

Date: _____

Doing business as: _____

Business Address: _____

Telephone Number: _____

If Bidder is:
A Partnership N/A.

By: (SEAL)

Firm Name: _____

Business Address: _____

Telephone No: _____

General Partner Name: _____

Signature: _____

Title: _____

Date: _____

If Bidder is:
A Corporation

By: (SEAL)

Corporation's Name: Specialty Construction, Inc.


State of Incorporation: California

Business Address: 645 Clarion Ct.
San Luis Obispo, CA 93401

Telephone No: (805) 543-1706

By:

Name of Person Authorized to Sign: Rudolph C. Bachman


Signature: 

Title: President/Secretary

Date: 01/07/2025

Attest:

Secretary Name: Rudolph C. Bachmann

Secretary Signature: 


Thomas A. Seidel,
Vice President/Civil Division Manager

Date: 01/07/2025

BID SECURITY

1. Bid Security, made payable to the Owner, shall accompany each Bid. Bid Security shall be in the form of a cashier's check or certified check in the amount of not less than ten percent (10%) of the Bidder's maximum price, or in the form of a Bid Bond in said amount (in the form attached). Bid Bond shall be executed by such sureties as are named in the current list of "Certified Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds or Certified Reinsurer Companies Holding Certificates Of Authority As Acceptable Reinsuring Companies" published in Circular 570 (most recent amendment) by the Audit Staff Bureau of Accounts, U.S. Treasury Department (www.fms.treas.gov/c570/index.html) and is admitted to issue bonds in the states in which the Project is located and all Work is performed. All bonds signed by an agent shall be accompanied by a certified copy of the authority to act.
2. Bid Security shall remain subject to acceptance for forty-five (45) days after the day of the Bid opening, but the Owner may, at its sole discretion, release any Bid and return the Bid Security prior to that date.
3. The Bid Security of the successful Bidder will be retained until such Bidder has within fifteen (15) days of issuance of written notice of contract award;
 - a. Executed the contract agreement,
 - b. Furnished a performance bond and a payment bond fully executed as described in the Contract Forms section.
 - c. Furnished certificates of insurance as described in the General Conditions, and If the successful Bidder fails to deliver the executed documents described above within fifteen days after Notice of Award, the Owner may annul the Notice of Award and the Bid Security of that Bidder will be forfeited.
4. The Bid Security of other Bidders whom the Owner believes to have a reasonable chance of receiving the award may be retained by the Owner until the earlier of the seventh day after the effective date of the Agreement or the forty-sixth day after the Bid opening, whereupon Bid Security furnished by such Bidders will be returned.
5. Bid Security with Bids which are not competitive will be returned within seven days after the Bid.

END OF BID SECURITY

BID BOND

KNOW ALL PERSONS BY THESE PRESENTS, that we, the undersigned,
Specialty Construction, Inc. as Principal, and Harco National Insurance Company as
Surety, are hereby held and firmly bound unto Sunnyslope County Water District as Owner in
the penal sum of ten percent of bid amount (10%) dollars for the payment of which sum, well
and truly to be made, we hereby bind ourselves, our successors and assigns jointly and
severally firmly by these presents.

Signed and sealed, this 5th day of December, 2024.

The Condition of the above obligation is such that where the Principal has submitted a
certain Bid, attached hereto and hereby made a part hereof to enter into a contract in
writing, for construction of Best Roads Mutual Water Company Water System Project.
Consolidation Project

NOW, THEREFORE;

(a) If said Bid shall be rejected, or

(b) If said Bid shall be accepted and the Principal shall execute and deliver a contract in the
Form of the Agreement attachment hereto (properly completed in accordance with said
Bid) and shall furnish Bonds for Faithful Performance of said contract, and for the Payment
of all persons performing labor and furnishing material in connection therewith, and
provide certificates and policies of insurance as specified in the Bid documents and shall
in all other respects perform the agreement created by the acceptance of said Bid, then
this obligation shall be void, otherwise the same shall remain in force and effect; it being
expressly understood and agreed that the liability of the Surety for any and all claims
hereunder shall, in no event, exceed the penal amount of this obligation as herein stated.

The surety, for value received, hereby stipulates and agrees that the obligations of said
Surety and its Bond shall be in no way impaired or affected by any extension of the time
within which the Owner may accept such Bid; and said Surety does hereby waive notice of
any such extension.

IN WITNESS WHEREOF, the Principal and the Surety have hereunto set their hands and
seals, and such of them as are corporations have caused their corporate seals to be hereto
affixed and these presents to be signed by their duly authorized officers, the day and year
first set forth above.

Specialty Construction, Inc. (Seal) Harco National Insurance (Seal)
(Principal) (Surety)

By: Rudolph C Bachmann
Rudolph C Bachmann
President

END OF BID BOND

Company
By: Charles M. Griswold
Charles M. Griswold, Attorney-In-Fact

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Santa Clara)

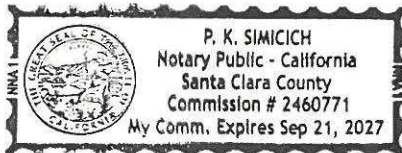
On December 5, 2024 before me, P. K. Simicich, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Charles M. Griswold
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature [Handwritten Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Corporate Officer — Title(s): _____
- Partner — Limited General
- Individual Attorney in Fact
- Trustee Guardian or Conservator
- Other: _____

Signer Is Representing: _____

Signer's Name: _____

- Corporate Officer — Title(s): _____
- Partner — Limited General
- Individual Attorney in Fact
- Trustee Guardian or Conservator
- Other: _____

Signer Is Representing: _____

POWER OF ATTORNEY

HARCO NATIONAL INSURANCE COMPANY

INTERNATIONAL FIDELITY INSURANCE COMPANY

Member companies of IAT Insurance Group, Headquartered: 702 Oberlin Road, Raleigh, North Carolina 27605

KNOW ALL MEN BY THESE PRESENTS: That **HARCO NATIONAL INSURANCE COMPANY**, a corporation organized and existing under the laws of the State of Illinois, and **INTERNATIONAL FIDELITY INSURANCE COMPANY**, a corporation organized and existing under the laws of the State of New Jersey, and having their principal offices located respectively in the cities of Rolling Meadows, Illinois and Newark, New Jersey, do hereby constitute and appoint

VINCENT M. SCOLARI, DAVID J. BACHAN, CHARLES M. GRISWOLD, WENDY R. PASTORA, PATRICIA K. SIMICICH, YESENIA RIVERA

Watsonville, CA

their true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY**, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by their regularly elected officers at their principal offices.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of the By-Laws of **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY** and is granted under and by authority of the following resolution adopted by the Board of Directors of **INTERNATIONAL FIDELITY INSURANCE COMPANY** at a meeting duly held on the 13th day of December, 2018 and by the Board of Directors of **HARCO NATIONAL INSURANCE COMPANY** at a meeting held on the 13th day of December, 2018.

"RESOLVED, that (1) the Chief Executive Officer, President, Executive Vice President, Senior Vice President, Vice President, or Secretary of the Corporation shall have the power to appoint, and to revoke the appointments of, Attorneys-in-Fact or agents with power and authority as defined or limited in their respective powers of attorney, and to execute on behalf of the Corporation and affix the Corporation's seal thereto, bonds, undertakings, recognizances, contracts of indemnity and other written obligations in the nature thereof or related thereto; and (2) any such Officers of the Corporation may appoint and revoke the appointments of joint-control custodians, agents for acceptance of process, and Attorneys-in-fact with authority to execute waivers and consents on behalf of the Corporation; and (3) the signature of any such Officer of the Corporation and the Corporation's seal may be affixed by facsimile to any power of attorney or certification given for the execution of any bond, undertaking, recognizance, contract of indemnity or other written obligation in the nature thereof or related thereto, such signature and seals when so used whether heretofore or hereafter, being hereby adopted by the Corporation as the original signature of such officer and the original seal of the Corporation, to be valid and binding upon the Corporation with the same force and effect as though manually affixed."

IN WITNESS WHEREOF, **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY** have each executed and attested these presents on this 31st day of December, 2018



STATE OF NEW JERSEY
County of Essex

Kenneth Chapman

Executive Vice President, Harco National Insurance Company
and International Fidelity Insurance Company

STATE OF ILLINOIS
County of Cook



On this 31st day of December, 2018, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said he is the therein described and authorized officer of **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY**; that the seals affixed to said instrument are the Corporate Seals of said Companies; that the said Corporate Seals and his signature were duly affixed by order of the Boards of Directors of said Companies.



IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at the City of Newark, New Jersey the day and year first above written.

Shirelle A. Outley a Notary Public of New Jersey
My Commission Expires April 4, 2023

CERTIFICATION

I, the undersigned officer of **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY** do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Sections of the By-Laws of said Companies as set forth in said Power of Attorney, with the originals on file in the home office of said companies, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand on this day, December 5, 2024

Irene Martins, Assistant Secretary

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

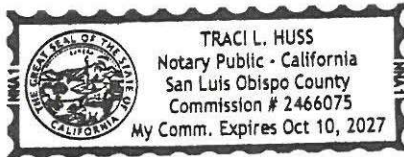
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of SAN LUIS OBISPO)
On JANUARY 06, 2025 before me, TRACI L. HUSS, NOTARY PUBLIC
Date Here Insert Name and Title of the Officer
personally appeared RUDOLPH C. BACHMANN
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature *[Handwritten Signature]*
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

BID BOND
Title or Type of Document: BEST ROADS MWC WATER SYSTEMS Document Date: DECEMBER 5, 2024
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: RUDOLPH C BACHMANN
 Corporate Officer — Title(s): PRESIDENT
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: SPECIALTY CONSTRUCTION, INC.

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

BID BOND

KNOW ALL PERSONS BY THESE PRESENTS, that we, the undersigned,

_____ as Principal, and _____ as Surety, are hereby held and firmly bound unto _____ as Owner in the penal sum of _____ dollars for the payment of which sum, well and truly to be made, we hereby bind ourselves, our successors and assigns jointly and severally firmly by these presents.

Signed and sealed, this _____ day of _____, _____.

The Condition of the above obligation is such that where the Principal has submitted a certain Bid, attached hereto and hereby made a part hereof to enter into a contract in writing, for construction of _____ Project.

NOW, THEREFORE;

(a) If said Bid shall be rejected, or

(b) If said Bid shall be accepted and the Principal shall execute and deliver a contract in the Form of the Agreement attachment hereto (properly completed in accordance with said Bid) and shall furnish Bonds for Faithful Performance of said contract, and for the Payment of all persons performing labor and furnishing material in connection therewith, and provide certificates and policies of insurance as specified in the Bid documents and shall in all other respects perform the agreement created by the acceptance of said Bid, then this obligation shall be void, otherwise the same shall remain in force and effect; it being expressly understood and agreed that the liability of the Surety for any and all claims hereunder shall, in no event, exceed the penal amount of this obligation as herein stated.

The surety, for value received, hereby stipulates and agrees that the obligations of said Surety and its Bond shall be in no way impaired or affected by any extension of the time within which the Owner may accept such Bid; and said Surety does hereby waive notice of any such extension.

IN WITNESS WHEREOF, the Principal and the Surety have hereunto set their hands and seals, and such of them as are corporations have caused their corporate seals to be hereto affixed and these presents to be signed by their duly authorized officers, the day and year first set forth above.

_____ (Seal)
(Principal)

By: _____

END OF BID BOND

SECURITY FOR COMPENSATION CERTIFICATE

(To be submitted with Bid)

(Required by Section 1861, California Labor Code)

TO: Specialty Construction, Inc.
(Owner)

I am aware of the provisions of Section 3700 of the Labor Code of the State of California which require every employer to be insured against liability for workers' compensation claims or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the Work of this Contract.


(Signature of Bidder)

Rudolph C. Bachmann
(Type or Print Name)

President/Secretary
(Title)

Specialty Construction, Inc.
(Company)

645 Clarion Ct.
San Luis Obispo, CA 93401
(Business Address)

San Luis Obispo, CA
(Place of Residence)

END OF SECURITY FOR COMPENSATION CERTIFICATE

CERTIFICATION OF INSURANCE COMPLIANCE

(To be submitted with Bid)

TO: Specialty Construction, Inc.
(Owner)

I acknowledge that I am aware of and accept the provisions of the Agreement with regard to the insurance requirements and hereby certify that I can and shall obtain insurance that fully complies with all insurance requirements.


(Signature of Bidder)

Rudolph C. Bachmann
(Type or Print Name)

President/Secretary
(Title)

Specialty Construction, Inc.
(Company)

645 Clarion Ct.
San Luis Obispo, CA 93401
(Business Address)

San Luis Obispo, CA
(Place of Residence)

END OF CERTIFICATION OF INSURANCE COMPLIANCE

BIDDER'S QUALIFICATIONS

(To be submitted with Bid)

The Bidder has been engaged in the contracting business, under the present business name for 26 years. Experience in work of a nature similar to that covered in the proposal extends over a period of 26+ years.

The Bidder, as a contractor, has never failed to satisfactorily complete a contract awarded to him, except as follows:

N/A.

The following contracts have been satisfactorily completed in the last three years for the persons, firm or authority indicated, and to whom reference is made:

Year	Type of Work	Contract Amount	For Whom
<u>2024</u>	<u>18" Water Transmission Pipeline Replacement Project; Installation of 18" water line and appurtenances with valves</u>	<u>\$6,601,865.55</u>	<u>City of Avenal</u>
<u>2023</u>	<u>Park Drive Water Main Extension; Installation of a new water main and connection to the existing Pixley Public Utility District water distribution system including removal or abandonment of existing utilities, reconnection of existing water services, construction of new facilities, jack and bore crossing State Route 99, earthwork, and incidentals for complete and usable facility.</u>	<u>\$1,799,166.34</u>	<u>Pixley Public Utility District</u>
<u>2022</u>	<u>Pure Water Monterey Groundwater Replenishment Project; Construction of two each Deep Injection Well facilities, including all site work, waterline extensions, as well as electrical and instrumentation.</u>	<u>\$8,063,168.73</u>	<u>Monterey One Water</u>
<u>2021</u>	<u>Beebee/Cuesta/Loomis Waterline Replacement; Replacement of existing sewerlines and waterlines by open trenching and horizontal directional drilling.</u>	<u>\$1,227,367.04</u>	<u>City of San Luis Obispo</u>

Signed 
Rudolph C. Bachmann, President/Secretary
 (Same signature as on bid form)

END OF BIDDER'S QUALIFICATIONS

SUBCONTRACTOR LIST

(To be submitted with Bid)

Each Bidder shall set forth below with its bid:

(a) The name and the location of the place of business of each subcontractor who will perform work or labor or render service to the Contractor in or about the construction of the work or improvement, or a subcontractor licensed by the State of California who, under subcontract to the Contractor, specially fabricates and installs a portion of the work or improvement according to detailed drawings contained in the plans and specifications, in an amount in excess of one half of 1 percent (0.5%) of the Contractor's total bid or, in the case of bids or offers for the construction of streets or highways, including bridges, in excess of one-half of 1 (0.5) percent of the Contractor's total bid or ten thousand dollars (\$10,000), whichever is greater.

(b) The portion of the work which will be done by each such Subcontractor. The Contractor shall list only one Subcontractor for each portion of the work.

[(c) *Submit a separate Subcontractor's list for each individual Contract for which a Base Bid is submitted.*]

[(d) *Submit a separate second page of Subcontractor's list to identify changes in Subcontractors that will be required if the owner selects a particular alternate.*]

If the Bidder fails to specify a Subcontractor for any portion of the work as above-stated, or if the Bidder lists more than one Subcontractor for the same portion of the work, he agrees to perform that work himself. The following is submitted concerning Subcontractors:

Subcontractor Name	Address Shop or Office	Class of Work	Portion of Work to be Done	Subcontractor's License Number and Class
MAGGIORA BROS DRILLING INC.	595 AIRPORT BLVD WATSONVILLE, CA 95076	WELL DESTRUCTION	WELL DESTRUCTION	249957 C-8, C12, C42, C57 C-61/D09, C-61/D/21
SPECIALIZED PAVEMENT MARKING LLC	6868 AVENUE 305 GOSHEN, CA 95227	STRIPING	STRIPING	854894 C32
JEFFCO PAINTING & COATING INC	PO BOX 1888 VALLEJO, CA 94590	PAINTING & COATING	PAINTING & COATING	364702 C33

SUBCONTRACTOR LIST

SUNNYSLOPE COUNTY WATER DISTRICT

Best Road Mutual Water Company Water System Consolidation Project

Subcontractor Name	Address Shop or Office	Class of Work	Portion of Work to be Done	Subcontractor's License Number and Class

END OF SUBCONTRACTOR LIST

NON-COLLUSION AFFIDAVIT

(To be submitted with Bid)

In accordance with Section 7106 of the State of California Public Contract Code, Bidders are required to execute the following Non-collusion Affidavit.

NON-COLLUSION DECLARATION TO BE SUBMITTED WITH BID

I, Rudolph C. Bachmann, declare that I am President/Secretary
(Name) (Title)

of Specialty Construction, Inc., the party making the foregoing bid, that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder or fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract or anyone interested in the proposed contract; that all statements contained in the bid are true; and further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee, to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

Executed on January 7, 2025, in San Luis Obispo, CA.
(Date) (Location)

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.


Rudolph C. Bachmann, President/Secretary
(Signature of Declarant)

END OF NON-COLLUSION AFFIDAVIT

IRAN CONTRACTING ACT CERTIFICATION
(Public Contract Code Section 2200 *et seq.*)

As required by California Public Contract Code Section 2204, the Contractor certifies subject to penalty for perjury that the option checked below relating to the Contractor's status in regard to the Iran Contracting Act of 2010 (Public Contract Code Section 2200 *et seq.*) is true and correct:

1. The Contractor is not:
 - (i) identified on the current list of persons and entities engaging in investment activities in Iran prepared by the California Department of General Services in accordance with subdivision (b) of Public Contract Code Section 2203; or
 - (ii) a financial institution that extends, for 45 days or more, credit in the amount of \$20,000,000 or more to any other person or entity identified on the current list of persons and entities engaging in investment activities in Iran prepared by the California Department of General Services in accordance with subdivision (b) of Public Contract Code Section 2203, if that person or entity uses or will use the credit to provide goods or services in the energy sector in Iran.
2. Agency has exempted the Contractor from the requirements of the Iran Contracting Act of 2010 after making a public finding that, absent the exemption, Agency will be unable to obtain the goods and/or services to be provided pursuant to the Contract.
3. The amount of the Contract payable to the Contractor for the Project does not exceed \$1,000,000.

Signed 
Rudolph C. Bachmann

Titled President/Secretary

Firm Specialty Construction, Inc.

Date 01/07/2025

Note: In accordance with Public Contract Code Section 2205, false certification of this form shall be reported to the California Attorney General and may result in civil penalties equal to the greater of \$250,000 or twice the Contract amount, termination of the Contract and/or ineligibility to bid on contracts for three years.

END OF IRAN CONTRACTING ACT CERTIFICATION

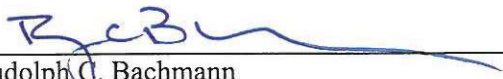
ECONOMIC SANCTIONS AGAINST RUSSIA CERTIFICATION

(California Executive Order N-6-22)

On March 4, 2022, the Governor issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. The EO may be found at: <https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf>.

“Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any sanctions imposed under State law. The EO directs DWR to terminate funding agreements with, and to refrain from entering any new agreements with, individuals or entities that are determined to be a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities.

The Contractor hereby certifies that they have reviewed the EO and remain in compliance with all economic sanctions, that the Contractor is not the target of economic sanctions, and that the Contractor is not conducting prohibited transactions with sanctioned individuals or entities.

Signed 
Rudolph C. Bachmann
Titled President/Secretary
Firm Specialty Construction, Inc.
Date 01/07/2025

END OF ECONOMIC SANCTIONS AGAINST RUSSIA CERTIFICATION



Sunnyslope Water District

3570 Airline Highway Phone (831) 637-4670
Hollister, California 95023-9702 Fax (831) 637-1399

BID ADDENDUM NO.1

BEST ROADS MUTUAL WATER COMPANY WATER SYSTEM
CONSOLIDATION PROJECT, CALIFORNIA DEPARTMENT OF WATER
RESOURCES GRANT AGREEMENT NO 4600015596.

12/12/2024

Approved by:

Rob Hillebrecht, P.E.

Principal Engineer

A handwritten signature in black ink, appearing to read "Rob Hillebrecht".

Date: 12/12/2024

1.Introduction

This addendum forms a part of the contract documents and modifies the original bidding documents issued on November 11, 2024. All bidders must acknowledge receipt of this addendum in their bid submission. Failure to acknowledge Addendum 1 may be grounds for rejection of a bid.

2.Change of Bid Opening / Due Date

Bid opening date is changed to **3:00 PM on January 7th, 2025**. All references within the bid documents to the bid opening date of December 19, 2024 shall be revised to state the new bid opening date of January 7, 2025.

3.Anticipated Future Addendum

Addendum No.2 covering Best Road Water Tank improvement and Sunnyslope Well 5 improvements is anticipated to be issued the week of December 16, 2024 with drawings and additional specifications associated with the additional scope of works discussed during the Pre-Bid meeting.

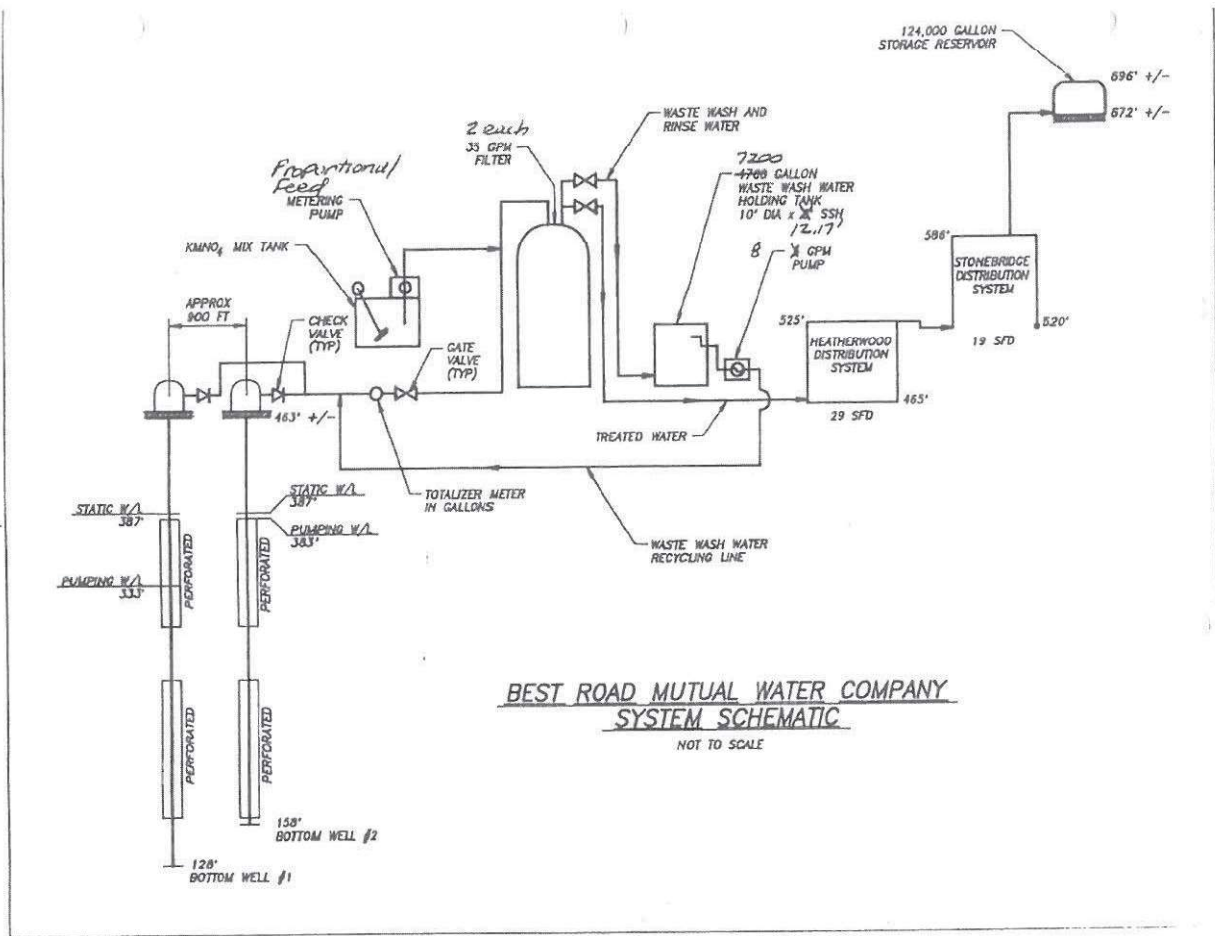
4. Questions from Bidders and Official Answers by Sunnyslope

Written Questions Submitted Before Pre-Bid Meeting

No.	Date	Contractor	Question	Answer
1	11/22/2024	Anderson Pacific Engineering Construction	How much is the estimated cost for the project?	Sunnyslope is not disclosing the engineer's estimate to bidders.
2	11/22/2024	Precision Grade	Is there an engineer estimate associated with this project that you can provide for bond purposes?	Sunnyslope is not disclosing the engineer's estimate to bidders. You will need to base any bonding on your estimated bid amount.
3	11/25/2024	Ranger Pipelines Inc.	We are ordering a bid bond and need to know the Engineers Estimate. We noted in the funding agreement that the stated construction cost is recorded as \$2,560,000.00. Is this the engineers estimate for this bid? Please advise.	The \$2,560,000 is not the engineer's estimate for this project bid. That is the estimated cost for the entire consolidation which includes several other significant expenses. Sunnyslope is not disclosing the engineer's estimate to bidders. You will need to base any bonding on your estimated bid amount.
4	11/25/2024	Ranger Pipelines Inc.	Is the contractor responsible for the electrical safe-off/disconnect at Well Sites No.01 & No.02 or will this be performed by others/prior to the award of this contract? We need verification as we may need to onboard an electrical sub. Please advise.	Yes, the contractor is responsible for disconnecting and demolishing all electrical-related facilities associated with the Well 1 & 2 demolition. Contractor shall coordinate with PG&E to fully abandon the existing electrical meters.
5	11/25/2024	Ranger Pipelines Inc.	Are there any demolition or building type permits required for the work at Well Sites No.01 & No.02? If 'yes' then can you provide those permits so we can understand the terms of the agreement and if there are costs, we need to account for?	The Contractor will be required to obtain a Well Abandonment/ Destruction Permit from San Benito County Water District. Attached is their permit application form. The fee for well abandonment of \$508 per well will be paid by the <u>Contractor</u> contrary to prior answers and statements. https://www.sbcwd.com/wp-content/uploads/2024/08/WELL-PERMIT-PROCEDURE-APPLICATION-RV-8-15-24.pdf

				Attachment 1 of the Bid Package lists the Water Well Standards for California and Pages 52 - 57 describe the requirements for well abandonment/destruction. Assume that both wells are gravel pack construction.
6	11/25/2024	Ranger Pipelines Inc.	Is there an encroachment permit for the work on John Smith Rd? If 'yes' then can you provide those permits so we can understand the terms of the agreement and if there are costs, we need to account for?	According to the Construction Contract, the Contractor is responsible for obtaining the encroachment permit from San Benito County as well as the traffic control plan. Sunnyslope will inspect the paving.
7	11/25/2024	Ranger Pipelines Inc.	Are there any hazardous or contaminated materials at either Well Site No.01 or No.02 that we need to remediate prior to demolition? We reviewed the bid documents, and we can't locate any information pointing to whether there is or isn't contaminated or hazardous materials. Please advise.	According to Best Road System Schematic and scene photo, they have potassium permanganate and sodium hypochlorite on site. Contractor shall properly dispose of any and all sodium hypochlorite and sodium permanganate.
8	11/25/2024	Ranger Pipelines Inc.	Project specifications make note of existing ACP pipe. We have reviewed the bidding documents and can't see any ACP pipe. Is there ACP pipe removal required on this project and if 'yes' where is the ACP pipe removal we need to account for.	There is no ACP pipe removal involved in this project.
9	11/26/2024	Specialty Construction Inc.	The Designation of Equipment or Material Manufactures form is not provided, please clarify what specific information you require.	Regarding the Designation of Equipment or Material Manufactures form, it's not mandatory, you can provide it as an optional in the bidder's format.
10	12/3/2024	Precision Grade	Does this project require builders' risk or pollution insurance?	Yes, both are required as specified in the insurance requirements portion of the Construction Contract.

11	12/11/2024	Maggoria Bros. Drilling, Inc.	Can you provide the "Well Completion Reports" for the wells that are being destroyed?	Sunnyslope is working to obtain the Well Completion Reports through San Benito County Water District or the State since Best Road Mutual did not have them in their records. They will be provided through a separate Addendum. A diagram obtained from Best Road Mutual showing the well depths is included here.
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Questions Asked at the Pre-Bid Meeting

No.	Question	Answer
1	Where is the lay short location for testing of the new pipeline?	Contractor will lay short of the existing blow-off at the intersection of John Smith Rd and Fairview Rd and use that blow off to fill the line. Filling and testing is going to require some traffic control. Contractor shall obtain from the District a construction meter for filling, testing and flushing. The Contractor WILL have to pay for any of the water used, contrary to the statements said at the pre-bid meeting.
2	Does this project require encroachment permit?	Encroachment permit with San Benito County is required for work within the roadway and is the Contractor's responsibility to obtain one and explain traffic control plan to the County. Contractor shall pay all associated fees for the encroachment permit.
3	How much is the engineer's estimate?	Sunnyslope does not release the engineer's estimate for this project.
4	Does the traffic control plan require to be stamped?	To our best knowledge, the County does not require a stamp. However, the Contractor must verify and negotiate with the County
5	Are there any detours ideas with the County as far as maybe closing the road or using bypass to get around it to get to the landfill?	The Contractor would have to negotiate with the County through your encroachment permit process for any traffic control measures including temporary road closure or detour.
6	Does Sunnyslope cover all the fees for any permit or just the well abandonment one with SBCWD	Contrary to statements made during the pre-bid meeting, all permit fees including County encroachment permits and the Well Destruction Permit fee shall be paid by the Contractor. Well Destruction Permit fees cost \$508 per well. County encroachment permit cost varies and is the Contractor's responsibility to estimate.
7	How will compaction testing in the trench sections work?	Sunnyslope will be hiring a third party to perform the testing and that's not part of this contract scope.
8	Is Sunnyslope covering construction surveying?	No. The survey is part of the scope of work of the Contractor.
9	What about construction water?	The Contractor needs to obtain a construction water meter from the District. Contrary to statements from the pre-bid, the Contractor will be charged for construction water at a rate of \$5.09 per 750 gallons. Construction water can be obtained from fire hydrants on the west side of Fairview Rd. and transported by water truck.
10	Does the Contractor need to communicate with the District to revisit the Wells?	Yes, prior to the opening bid date, the Contractor needs to request access from Sunnyslope to revisit the site. After the contract is signed, the Contractor can daisy chain their lock.
11	After removing the fence at Well 1, there will be a hole. What does owner want to do with it?	The front portion of the fence at Well 1 including the gate shall be left in place so as not to create a hole. All other fencing shall be demolished.

12	How thick does Sunnyslope want to patch pave at the Well 5 site?	Asphalt patch paving at Sunnyslope's Well 5 site and the Foxhill Tank site shall have at least 8" of compacted aggregate base rock with 3" hot mix asphalt.
13	Is there anything NOT to be demolished at the well sites?	The only existing facility to remain shall be the concrete pad at the northeast corner of the Well 2 site. Everything else at the site including the building and its foundation, the tank and its concrete pad, the chain-link fence, electrical meters, all asphalt, and above ground piping shall be demolished and removed. Buried pipes shall be cut and filled with a 1' plug of concrete to be abandoned in place.
14	Who is responsible for SWPP permit and compliance?	All SWPP permit and compliance shall be the responsibility of the Contractor.
15	Are there restrictions for the staging area?	The Best Road Mutual facilities must remain fully accessible at all times. Staging may not impede access to either of their wells or limit their ability to perform work or operations on the wells.
16	What consideration will be given for rain days or weather delays?	Rain and weather events were already accounted for in the 120 calendar days to completion. Due to the tight schedule for grant funding, it is not anticipated that the completion date would be extended due to rain or weather. With all the work apart from demolition happening inside paved areas, work should not be significantly delayed by rain or weather events. The contractor is responsible for ensuring that the staging area and other aspects of the project are not significantly impacted by rain.
17	Is the pipe installation to be inside or outside paved road in John Smith Rd?	The new pipeline is to be located INSIDE the paved portion of John Smith Rd, three feet into the road surface from the edge of pavement.

**ADDENDUM NO. 2
FOR
SUNNYSLOPE COUNTY WATER DISTRICT
WATER MAIN RELOCATION**

DATE: December 23, 2024

FROM: Wallace Group
612 Clarion Court
San Luis Obispo, CA 93401
Tel: (805) 544-4011

TO: Prospective Bidders

This addendum forms a part of the Contract Documents and modifies the original Procurement Documents dated November 2024, as noted herein. Each bidder shall acknowledge receipt of this Addendum by completing the acknowledgment at the end of this Addendum, and by confirming receipt of this addendum on the contract Bid Form. Failure to do so may subject Bidder to disqualification.

The following changes or clarifications have been made to the Bid Documents:

CHANGES TO PRIOR ADDENDA:

1. Not Applicable

CHANGES TO PROCUREMENT REQUIREMENTS:

2. Bid Schedule: Replace Bid Schedule with the attached revised Bid Schedule. Refer to Exhibit A.

CHANGES TO CONTRACTING REQUIREMENTS:

3. None

CHANGES TO SPECIFICATIONS:

4. **Section 01 11 00 - Summary of Work:** Add paragraph 1.1.A.3 titled "SSCWD Well #5 Improvements". The following improvements have been added to the scope of work, all occurring at Sunnyslope County Water District's Well #5 site:
 3. SSCWD Well #5 Improvements:
 - a. Replace existing well discharge piping with new 6" CL 350 ductile iron pipe, fittings, and appurtenances shown on the Drawings.
 - b. Connect existing Foxhill Zone and Ridgemark Zone water mains with new 12" DR 18 C900 pipe.
 - c. Provide above-ground and buried electrical conduit runs for sensors, flow meters, and valve actuator.
 - d. Remove and replace approximately 3,550 square feet of AC pavement.
5. **Section 01 20 00 - Price and Payment Procedures:**
 - a. Add paragraph titled "Bid Item No. 15 – SSCWD Well #5 Improvements". The work identified in Item 4 above has been added to the scope of work. Refer to Exhibit C, attached.

- b. Replace paragraph titled "Bid Item No. 15 – Class 2 Aggregate Base" with the attached paragraph titled "Bid Item No. 16 – Class 2 Aggregate Base". Refer to Exhibit C, attached.
 - c. Replace paragraph titled "Bid Item No. 16 – Hot Mix Asphalt" with the attached paragraph titled "Bid Item No. 17 – Hot Mix Asphalt". Refer to Exhibit C, attached.
 - d. Replace paragraph titled "Bid Item No. 17 – Furnish and Install Pavement Marking and Striping" with the attached paragraph titled "Bid Item No. 18 – Furnish and Install Pavement Marking and Striping". Refer to Exhibit C, attached.
6. Add **Specification 09 90 00 - Painting and Coating.**
 7. Add **Specification 26 05 29 - Hangers and Supports for Electrical Systems.**
 8. Add **Specification 26 05 33.13 - Conduit for Electrical Systems.**
 9. **Section 33 00 00 - Utilities:** Add the following paragraph to Paragraph 2.01.C.2:
 - b. Exposed/Above-Ground Service: Unless specified otherwise, the exterior of all above-ground ductile iron pipe and fittings shall be coated per Section 09 90 00.
 10. Replace **Section 40 05 51 - Common Results for Process Valve** with **Section 40 05 00 – Common Work Results for Process Interconnections.**
 11. Add **Specification 40 05 64 – Butterfly Valves.**
 12. Add **Specification 40 05 65.23 – Swing Check Valves.**
 13. Add **Specification 40 05 67 – Specialized Pressure and Flow-Control Valves.**
 14. Add **Specification 40 71 13 – Magnetic Flow Meters.**
 15. Add **Specification 40 73 26 – Gauge-Pressure Transmitters.**
 16. Add **Specification 40 75 00 – Process Liquid Analytical Measurement.**

CHANGES TO DRAWINGS:

17. Modified Sheet G-1.0:
 - a. Revised Vicinity Map
 - b. Added Project Location Map identifying SSCWD Well #5 project site.
 - c. Updated Sheet List Table
18. Added Sheet C-2.6.
19. Added Sheet M-1.0.
20. Added Sheet M-1.1.
21. Added Sheet M-1.2.
22. Added Sheet M-1.3.
23. Added Sheet M-2.0.

Refer to Exhibit B for updated Plan Set.

CLARIFICATIONS:

24. Contractor is not responsible for installing cabling at Well #5. Contractor will be responsible for furnishing sensors, meters, and actuators such that the cable can be installed in the conduit without splicing.
25. Contractor shall coordinate Well #5 system testing with Owner's SCADA consultant.

ATTACHMENTS:

1. Exhibit A - Bid Schedule (1 page)
2. Exhibit B - Revised Plans (7 pages)
3. Exhibit C - Revised Specifications (55 pages)

Please acknowledge receipt of this Addendum No. ²~~4~~ by signing where indicated below. There are six pages total in this Addendum. **Please EMAIL the signed and dated addendum to Rob Hillebrecht, Sunnyslope County Water District, rob@sunnyslopewater.org.**

Specialty Construction, Inc.

1/7/2025

Company Name

Date



Rudolph C. Bachmann, President/Secretary

END OF ADDENDUM



Sunnyslope Water District

3570 Airline Highway

Phone (831) 637-4670

Hollister, California 95023-9702

Fax (831) 637-1399

BID ADDENDUM NO. 3

BEST ROADS MUTUAL WATER COMPANY WATER SYSTEM
CONSOLIDATION PROJECT, CALIFORNIA DEPARTMENT OF WATER
RESOURCES GRANT AGREEMENT NO 4600015596.

12/26/2024

Approved by:

Rob Hillebrecht, P.E.

Principal Engineer

A handwritten signature in cursive script, appearing to read "Rob Hillebrecht".

1. Introduction

This addendum forms a part of the contract documents and modifies the original bidding documents issued on November 11, 2024. All bidders must acknowledge receipt of this addendum in their bid submission.

Failure to acknowledge Addendum 3 may be grounds for rejection of a bid.

All bids must be delivered in a sealed envelope by **3:00 PM on Tuesday, January 7, 2025.**

2. Questions from Bidders and Official Answers by Sunnyslope

Written Questions Submitted After Addendum No. 1 Was Issued

No.	Date	Contractor	Question	Answer
1	12/16/2024	Graniterock	Article 7 of the bid form conflicts with Article 29 of the Instructions to Bidders. Can we get clarification as to which forms are due with the bid?	Article 29 from the Instructions to Bidders is correct list of documents required with the Bid. In Article 7, strike “(b) Designation of Equipment or Material Manufacturers” and strike “(f) Bidder’s References”. Those documents were not provided in the bid forms and are not required with this Bid.
2	12/26/2025		Is any of the work at the Foxhill Tank that was talked about in the pre-bid meeting included in the project?	No, contrary to what was described in the pre-bid meeting, there will not be any work done at the Foxhill Tank site.
3	12/26/2025		Is there any ACP pipe at the Well 5 site that must be cut or disposed of?	Yes, based on Sunnyslope’s records the piping at Well 5 transitions from steel to ACP when it goes underground. The section of ACP from where piping currently undergrounds to the new undergrounding and tie in point must be removed and disposed of by the contractor. This supersedes Question 8 of Addendum 1.
4	12/26/2025		How much space may the contractor have at Well 5 to stage equipment and materials?	Sunnyslope needs 24/7 access to the well site and existing equipment including the trailer mounted generator. Contractor may utilize the entire site as long as access is provided for Sunnyslope staff.
5	12/26/2025		How long can Well 5 be off line for the piping work?	Sunnyslope would prefer for the well to be off line for less than 3 weeks for the piping work. Contractor shall coordinate

				with Sunnyslope to minimize the down time.
6	12/26/2025		What testing will be required for Well 5 piping?	Hydrostatic, disinfection, and bacteriological testing are all required of the new piping at Well 5. To accomplish this the contractor shall lay short of the tie in points and install a plate at the well connection. After passing all testing, contractor shall remove the plate and make the final underground connections.



SPECIALTY CONSTRUCTION

**Unanimous Written Consent of Directors
In Lieu of Meeting of The Board of Directors**

Specialty Construction, Inc.

The undersigned, being the directors of the corporation, acting pursuant to the authority of section 307 of the California General Corporations Law, hereby adopt the following recitals and resolutions, effective on the date set forth below.

WHEREAS, it is contemplated that the corporation will enter into contracts with third parties in conducting the business of the corporation, it is

RESOLVED, that Rudolph C. Bachmann, President of corporation, is hereby authorized to sign any and all contracts for and on behalf of the corporation.



Rudolph C. Bachmann
Director

Dated: January 1, 2014

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certification is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of San Luis Obispo)

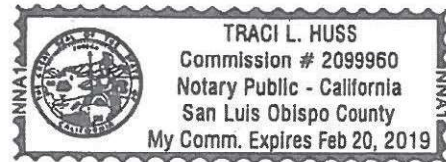
On May 25, 2017 before me, Traci L Huss, notary public, personally appeared Rudolph C. Bachmann, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Notary Signature



Unanimous Written Consent of Directors dated 01/01/2014



CONTRACTORS
STATE LICENSE BOARD
ACTIVE LICENSE



License Number **619361** Entity **CORP**

Business Name **SPECIALTY CONSTRUCTION INC
DBA SPECIALTY CONSTRUCTION**

Classification(s) **A B HAZ**

Expiration Date **02/28/2025**

www.cslb.ca.gov



CONSTRUCTION CONTRACT

THIS CONTRACT made on _____ by, and between, **SUNNYSLOPE COUNTY WATER DISTRICT** (District), and **SPECIALTY CONSTRUCTION INC.**, (Contractor). Any and all obligations of the District and Contractor, collectively “Parties” are fully set forth and described herein.

In consideration of the mutual covenants and conditions set forth in this Contract, the Parties agree as follows:

1. WORK TO BE PROVIDED

Contractor agrees to furnish all tools, equipment, apparatus, facilities, labor, transportation, and material necessary to perform and complete the Work in a good and workmanlike manner, as called for, and in the manner designated in, and in strict conformity with, the specifications in the District Notice Inviting Bids and Bid Form.

The Work is generally described as follows:

A. The Work includes construction of new potable water facilities in John Smith Road to provide potable water service to the existing Best Road Mutual Water Company (BRMWC) water distribution system, and the abandonment of existing BRMWC wells. This work will include coordination with Sunnyslope County Water District (SSCWD), BRMWC, the County of San Benito, the California Department of Water Resources (DWR), and the California State Water Resources Control Board – Division of Drinking Water (DDW). A summary of the Work is as follows:

1. New Potable Water Service:

- a. Approximately 4,245LF of 8” DR 18 C900 water main in John Smith Road, extending from the existing SSCWD mainline in Fairview Road, at the intersection with John Smith Road, to the existing BRMWC mainline in Heatherwood Lane.
- b. Approximately 80LF of 8” CL 350 ductile iron water main in John Smith Road, in shallow trench section in the alignment described in Para.1.1.1.
A.1.a.
- c. Six new cast iron fire hydrants assemblies per SSCWD Standards.
- d. Three new 1” combination air and vacuum release valves, with associated fittings and appurtenances, per SSCWD Standards.

2. Abandonment of Existing Wells:

Two (2) existing groundwater wells will be abandoned following CA Department of Water Resources (DWR) Bulletin 74-81 and Bulletin 74-90, per Title 15

PUBLIC WORKS, Chapter 15.05 WATER, §15.05.060 WELL STANDARDS of the San Benito County Code of Ordinances.

- B. The Work consists of items listed in the Base Bid Schedule. Refer to Section 01 20 00 for further definition.
- C. All Work in this Contract shall be subject to the Contract Documents, applicable requirements of encroachment permit from San Benito County, and any environmental permitting requirements.
 - 1. The Contractor shall prepare and implement an Erosion and Sediment Control Plan (ESCP) which describes in specific detail the Contractor's program and specific measures to prevent storm water contamination. The program shall identify both common construction activities and unexpected events.
 - a. The ESCP shall comply with requirements of Title 23 SUBDIVISIONS, Chapter 23.25 DESIGN REQUIREMENTS, §23.25.013 GRADING AND EROSION CONTROL of San Benito County Code of Ordinances, and Section 01 57 13, Temporary Erosion and Sedimentation Control. The plan shall address the prevention of particulates and pollutants from entering the storm water system from the job site, whether due to routine operations or spills.
 - b. Payment for preparing and implementing the ESCP, throughout the Project's duration, and for providing all materials, labor, tools, equipment, and all incidentals to install, maintain and remove when completed, all erosion and sediment control measures, shall be completed, all erosion and sediment control measures, shall be considered to be included in and distributed proportionately through all of the corresponding contract items of work, and no additional compensation will be allowed.
 - 2. Follow the requirements for Traffic Control as required by the County.

D. Work Schedule Considerations

- 1. Cooperate with Sunnyslope County Water District, Best Road Mutual Water Company, and County of San Benito staff, contractors, and sub-contractors, and all other agencies requiring such coordination/cooperation throughout the construction of the Work, including coordination of lay down and construction staging areas.
- 2. Complete all work required by Section 01 57 23 Temporary Storm Water Pollution Control of these specifications.
- 3. Complete all other legal and environmental requirements applicable to the Contractor's operations and construction work for the project.

2. COMPONENT PARTS

This Contract shall consist of the following documents, each of which is on file in the office of the Owner and all of which are incorporated herein and made a part hereof by reference thereto:

- (a) This Agreement
- (b) Performance Bond
- (c) Payment Bond
- (d) Notice of Award
- (e) General Conditions
- (f) Supplementary Conditions
- (g) Addenda Numbered 1 through 3 inclusive
- (h) General Requirements
- (i) Technical Specifications
- (j) Drawings
- (k) Executed Change Orders, if any, which may be effective after the date of this Agreement.

There are no Contract Documents other than those listed above.

3. **CONTRACT PRICE**

The District agrees to pay, and Contractor agrees to accept as full payment for the Work within the Contract Documents, as follows:

One Million Five Hundred Eighty Seven Thousand Nine Hundred Seventy Eight Dollars
\$ _____ (written) _____ (number)

Included within this price are all labor, materials, tools, equipment, traffic control, overhead, profit, and other miscellaneous costs. Any additional work required beyond that described herein is subject to authorization by the District Field Representative and Article 10 of the General Conditions.

4. **CONTRACT TIME**

In accordance with the Specifications the Contractor further agrees to plan the Work and to prosecute it with diligence and shall commence the Work within ten (10) days after the date established in Notice to Proceed from the Owner, and shall Finally Complete the Work within one hundred twenty (120) calendar days from date of commencement in the Notice to Proceed.

5. **LIQUIDATED DAMAGES**

The Owner and the Contractor recognize that time is of the essence of this Agreement and that the Owner will suffer financial loss if the Work is not completed within the times specified in Section 4, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. They also recognize the delays, expense and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by the Owner if the Work is not completed

on time. Accordingly, instead of requiring any such proof, the Owner and the Contractor agree that as liquidated damages for delay (but not as a penalty) the Contractor shall pay the Owner two thousand five hundred dollars (\$2,500) for each day that expires after the time specified in Section 4 for Completion until the Work is fully complete and the Owner issues a notice of Final Completion.

6. RETAINAGE

(a) The Owner will withhold 5% as retainage from each progress payment due to the Contractor. Retainage shall be paid to the Contractor at the time of Final Payment as set forth in Article 14 of the General Conditions.

(b) In accordance with California Public Contract Code Sections 10263 and 22300, the Contractor is hereby permitted to substitute securities of the kind listed below in place of the retention withheld in accordance with this section, or any other moneys withheld by the Owner to insure performance of this contract. At the request and expense of the Contractor, securities equivalent to the amount withheld may be deposited directly with a state or federally chartered bank as the escrow agent, who shall pay such moneys to the Contractor at the time of Final Payment and upon satisfactory completion of this contract. The Owner is authorized to execute documents necessary for this purpose. The Contractor shall be the beneficial owner of any securities substituted for moneys withheld and shall be entitled to receive any interest thereon. Securities eligible for investment under this provision shall include those listed in Government Code, Section 16430, or bank or savings and loan certificates of deposit. The retention or other moneys withheld will not be released to the Contractor until the Owner has satisfied itself that the substitution of securities has been made in accordance with the provisions of this paragraph.

7. PAYMENTS

(a) Payments will be made to the Contractor for work performed at the times and in the manner provided in the Contract Documents. Payment will be made at bid prices for awarded Bid Items, plus amounts of approved Change Orders.

(b) If recommended by the Engineer, payments may include 100% of the value of major equipment and custom fabricated items that have been delivered, stored and protected at the site and that meet other requirements of General Conditions Article 14.

(c) The period covered by each Application for Payment shall be one calendar month ending on the last day of each month. The Owner shall make payment within 30 days after the Engineer issues a Recommendation for Payment.

8. CONTRACT REPRESENTATIONS

In consideration of the Owner entering into this Agreement, the Contractor makes the following representations:

(a) The Contractor has familiarized itself with the nature and extent of the Contract Documents, Work, site, locality, and all local conditions and laws and regulations that in any manner may affect cost, progress, performance or furnishing of the Work.

(b) The Contractor has studied carefully all reports of explorations and tests of subsurface conditions and drawings of physical conditions which are identified in the Information Available to Bidders and accepts the limitations set forth in the General Conditions as to the extent to which the Contractor may rely on the information contained in such reports and drawings or otherwise provided by the Owner, the Design Engineer or the Engineer.

(c) The Contractor has obtained and carefully studied (or assumes responsibility for obtaining and carefully studying) all such examinations, investigations, explorations, tests, reports and studies (in addition to or to supplement those referred to in this article which pertain to the subsurface or physical conditions at or contiguous to the site or otherwise may affect the cost, progress, performance or furnishing of the Work as the Contractor considers necessary for the performance or furnishing of the Work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents, including specifically the provisions of Article 3 of the General Conditions; and no additional examinations, investigations, explorations, tests, reports, studies or similar information or data are or will be required by the Contractor for such purposes.

(d) The Contractor has reviewed and checked all information and data shown or indicated on the Contract Documents with respect to existing facilities, existing utilities, existing underground or concealed utilities and existing underground facilities at or contiguous to the site and accepts the limitations set forth in the General Conditions as to the extent to which the Contractor may rely on such information or on other information provided by the Owner, the Design Engineer or the Engineer. No additional examinations, investigations, explorations, tests, reports, studies or similar information or data in respect to said existing facilities, existing utilities, existing underground or concealed utilities and underground facilities are or will be required by the Contractor in order to perform and furnish the Work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents, including specifically the provisions of Article 3 of the General Conditions.

(e) The Contractor has correlated the results of all such observations, examinations, investigations, explorations, tests, reports and studies with the terms and conditions of the Contract Documents.

(f) The Contractor has given the Engineer written notice of all conflicts, errors or discrepancies that he has discovered in the Contract Documents and the written resolution therefor by the Engineer is acceptable to the Contractor.

9. CONTRACTOR DECLARATIONS

The Contractor declares the Work will be conducted pursuant to the following additional requirements of the State of California:

(a) **Prevailing Wage Scale:** Reference is hereby made to the rate of prevailing wage scale established by the State of California Director of Industrial Relations, the provisions of which are hereby specified as the rate of prevailing wage to be paid workers on this project, and the

provisions of Article 2, Chapter 1, Part 7, Division 2 (commencing with Section 1770) of the Labor Code shall be complied with.

(b) **Hours of Labor:** Eight-hour labor constitutes a legal day's work. The Contractor shall forfeit, as penalty to the Owner, twenty-five dollars (\$25.00) for each worker employed in the execution of the contract by him or by any subcontractor, for each calendar day during which any worker is required or permitted to labor more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week, except as permitted by the provisions of Article 3, Chapter 1, Part 7, Division 2 (commencing with Section 1810) of the Labor Code of the State of California.

(c) **Apprentices:** In accordance with the provisions of Section 1777.5 of the Labor Code, and in accordance with the regulations of the California Apprenticeship Council, properly registered, apprentices may be employed in the prosecution of the work. Information relative to number of apprentices, identifications, wages, hours of employment and standards of working conditions shall be obtained from the Director of the Department of Industrial Relations, who is the Administrative Officer of the California Apprenticeship Council.

(d) **Prohibited Employment Discrimination:** Attention is directed to Section 1735 of the California Labor Code, which reads as follows:

"No discrimination shall be made in the employment of persons upon public works because of the race, religious creed, color, national origin, ancestry, physical handicap, mental condition, marital status, or sex of such persons, except as provided in Section 12940 of the Government Code, and every contractor for public works violating this section is subject to all the penalties imposed for a violation of this chapter."

(e) **Workers' Compensation Insurance:** In accordance with the provisions of Article 5, Chapter 1, Part 7, Division 2 (commencing with Section 1860) and Chapter 4, Part 1, Division 4 (commencing with Section 3700) of the California Labor Code, the Contractor is required to secure the payment of compensation to his employees and shall for that purpose obtain and keep in effect adequate Workers' Compensation Insurance. The undersigned Contractor is aware of the provisions of Section 3700 of the Labor Code, which requires every employer to be insured against liability for Workers' Compensation claims or to undertake self-insurance in accordance with the provisions of that Code, and will comply with such provisions before commencing the performance of the Work in this contract.

(f) **Security for Compensation:** The Contractor hereby stipulates that the provisions of Section 1775 of the California Labor Code will be complied with. The Contractor further agrees to secure the payment of compensation to his employees in accordance with the provisions of Section 3700 of the California Labor Code.

(g) **Contractor Claims Against the Owner:** Effective January 1, 1991, the California Legislature enacted a requirement that all contract claims of \$375,000.00 or less on local government public works contracts must be submitted to mediation and judicial arbitration. Article 1.5 (Sections 20104 through 20104.6, inclusive) of Chapter 1 of Part 3 of the Public Contract Code concerning Resolution of Construction Claims, is hereby incorporated into this agreement. See Supplementary Conditions for a summary of the timing provisions in Section 20104 through 20104.6.

(h) **Contractor's License:** The Contractor declares that it possesses a valid California Contractor's License of the required class at the time of signing this Agreement. The Contractor shall affirm its license number, classification and expiration date on this Agreement.

The following statement is included in accordance with Section 7030 of the California Business and Professions Code: "Contractors are required by law to be licensed and regulated by the Contractors State License Board. Any questions concerning a Contractor may be referred to the Registrar, Contractors State License Board, P.O. Box 26000, Sacramento, California 95826."

10. INDEMNIFICATION

To the extent permitted by law, Contractor shall defend, indemnify and hold harmless Owner, its directors, officers, employees, and authorized volunteers from and against all claims, damages, losses and expenses, including reasonable attorneys' fees and costs to defend arising out of the performance of the work described herein, and caused in whole or in part by any negligent act or omission of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them, or anyone whose acts any of them may be liable, except where caused by the active negligence, sole negligence, or willful misconduct of the Owner, its directors, officers, employees, and authorized volunteers.

11. INSURANCE

Minimum Scope and Limits of Insurance: Contractor shall procure and maintain for the duration of the contract, *and for 5 years thereafter*, insurance against claims for injuries or death to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees, or subcontractors.

Coverage - Coverage shall be at least as broad as the following:

1. **General Liability - Commercial General Liability (CGL)** - Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 00 01) including products and completed operations, property damage, bodily injury, personal and advertising injury with limit of at least five million dollars (\$5,000,000) per occurrence or the full per occurrence limits of the policies available, whichever is greater. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (coverage as broad as the ISO CG 25 03, or ISO CG 25 04 endorsement provided to Owner) or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability** - Insurance Services Office (ISO) Business Auto Coverage (Form CA 00 01), covering Symbol 1 (any auto) with limit of one million dollars (\$1,000,000) for bodily injury and property damage each accident.
3. **Workers' Compensation Insurance** - The Contractor shall provide workers' compensation coverage 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. **Waiver of Subrogation** (also known as Transfer of Rights of Recovery Against Others to Us): The Contractor hereby agrees to waive rights of subrogation to

obtain endorsement necessary to affect this waiver of subrogation in favor of the Owner, its directors, officers, employees, and authorized volunteers, for losses paid under the terms of this coverage which arise from work performed by the Named Insured for the Owner; this provision applies regardless of whether or not the Owner has received a waiver of subrogation from the insurer.

4. **Builder's Risk** – (Course of Construction) if necessary- insurance utilizing an “All Risk” (Special Perils) coverage form with limits equal to the completed value of the project and no coinsurance penalty provision. See **Responsibility of Work**
5. **Contractor's Pollution Liability** – (optional: if project involves environmental hazards) with limits no less than \$5,000,000 per occurrence or claim, and \$10,000,000 policy aggregate.

If the Contractor maintains broader coverage and or/higher limits than the minimums shown above, the Owner requires and shall be entitled to the broader coverage and/or higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum of insurance and coverage shall be available to the Owner)

Other Required Provisions – The Commercial General Liability policy and Contractors Pollution (if necessary) are to contain, or be endorsed to contain, the following provisions:

1. **Additional Insured Status:** Owner, its directors, officers, employees, and authorized volunteers are to be given insured status (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of **both** CG 20 10 10 01 and CG 20 37 10 01, with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance.
2. **Primary Coverage:** For any claims related to this project, the Contractor's insurance coverage shall be primary at least as broad as ISO CG 20 01 04 13 as respects to the Owner, its directors, officers, employees, and authorized volunteers. Any insurance or self-insurance maintained by the Owner, its directors, officers, employees, and authorized volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

Notice of Cancellation: Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the Owner.

Acceptability of Insurers - Insurance is to be placed with insurers having a current A.M. Best rating of no less than A: VII or equivalent or as otherwise approved by Owner.

The Contractor agrees and he/she will comply with such provisions before commencing work. All of the insurance shall be provided on policy forms and through companies satisfactory to Owner. The Owner reserves the right to obtain complete, certified copies of all required insurance policies,

including the policy declarations page with endorsement number. Failure to continually satisfy the Insurance requirements is a material breach of contract.

Responsibility for Work - Until the completion and final acceptance by Owner of all the work under and implied by this agreement, the work shall be under the Contractor's responsible care and charge. The Contractor shall rebuild, repair, restore and make good all injuries, damages, re-erections, and repairs occasioned or rendered necessary by causes of any nature whatsoever.

The Contractor shall provide and maintain **builder's risk** (course of construction) or an installation floater (for materials and equipment) covering all risks of direct physical loss, damage or destruction to the work in the amount specified in the General Conditions, to insure against such losses until final acceptance of the work by Owner. Such insurance shall insure at least against the perils of fire and extended coverage, theft, vandalism and malicious mischief, and collapse. The Policy shall be endorsed with Owner, its directors, officers, employees, and authorized volunteers named as loss payee, as their interest may appear. The making of progress payments to the Contractor shall not be construed as creating an insurable interest by or for Owner or be construed as relieving the Contractor or his/her subcontractors of responsibility for loss from any direct physical loss, damage or destruction occurring prior to final acceptance of the work by Owner.

Deductibles and Self-Insured Retentions - Insurance deductibles or self-insured retentions must be declared by the Contractor, and approved by the Owner. At the election of Owner the Contractor shall either cause the insurer to reduce or eliminate such self-insured retentions as respects the Owner, its directors, officers, employees, and authorized volunteers or the Contractor shall provide a financial guarantee satisfactory to the Owner guaranteeing payment of losses and related investigations, claim administration, and defense expenses. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or the Owner.

Verification of Coverage - Evidences of Insurance Contractor shall furnish the Owner with copies of certificates and amendatory endorsements effecting coverage required by this contract. All certificates and endorsements are to be received and approved by the Owner before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The Owner reserves the right to require complete, certified copies of all required insurance policies, including policy Declaration pages and Endorsement pages, required by these specifications, at any time. Failure to continually satisfy the Insurance requirements is a material breach of contract.

Continuation of Coverage - The Contractor shall, upon demand of Owner deliver evidence of coverage showing continuation of coverage for at least (5) years after completion of the project. Contractor further waives all rights of subrogation under this agreement When any of the required coverages expire during the term of this agreement, the Contractor shall deliver the renewal certificate(s) including the general liability additional insured endorsement and evidence of waiver of rights of subrogation against Owner (if builder's risk insurance is applicable) to Owner at least ten (10) days prior to the expiration date.

Sub-Contractors - In the event that the Contractor employs other Contractors (sub-contractors) as part of the work covered by this agreement, it shall be the Contractor's responsibility to require

and confirm that each sub-contractor meets the minimum insurance requirements specified above (via as broad as ISO CG 20 38 04 13). The Contractor shall, upon demand of Owner, deliver to Owner copies such policy or policies of insurance and the receipts for payment of premiums thereon.

12. **TERMINATION**

The District may terminate this Contract for any reason by giving written notice of termination at least fourteen (14) calendar days prior to the effective termination date, which shall be specified in such notice. The District may immediately terminate this Contract for good cause. "Good cause" includes but is not limited to a breach of or failure to perform any section of this Contract or poor workmanship. In the event of such termination, the amount payable under this Contract shall be limited to payment for the Work performed prior to the date of termination.

13. **INSPECTION OF SITE, RECORDS, & DOCUMENTATION**

Contractor shall maintain books, records, and other documentation pertinent to their work in accordance with generally accepted accounting principles and practices. Records shall be subject to inspection by Owner or State department issuing the grant at any and all reasonable times. All records shall be preserved for at least three (3) years after issuance of the Notice of Completion and shall be made available upon request.

Owner, State, or any agent duly authorized by Owner shall have the right to access and inspect the work being performed at any and all reasonable times during the term of the contract. Contractor shall ensure that safe and suitable access is provided to the site at all reasonable times during project construction and thereafter for the term of the contract.

14. **ACKNOWLEDGEMENT OF CREDIT & SIGNAGE**

Contractor shall include appropriate acknowledgement of credit to the State for its support when using any portion of the project for promotion through the following statement: "Funding for this project has been provided in part from the State Department of Water Resources." Contractor shall post signage with this statement and the Department of Water Resources color logo in a prominent location at the Project site.

15. **AMENDMENTS & MODIFICATIONS**

No modification or amendment of this Contract shall be valid unless it is set forth in writing and executed by the Parties hereto.

16. **LICENSING REQUIREMENTS**

Contractor is required, by law, to be licensed and regulated by Contractor's state license board and must abide by all licensing and reporting regulations.

17. **APPRENTICES**

Contractor agrees to comply with all provisions of the law regarding the employment of apprentices. (Labor Code §§ 1773.3, 1777.5, 1777.6 and 3077 et seq.) These Labor Code

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sections require Contractor employ apprentices in apprenticeship occupations in a ratio of not less than one (1) apprentice for each five (5) journeyman hours, unless an exemption is granted. Contractor shall not discriminate among otherwise qualified employees as indentured apprentices on any Public Works project solely on the grounds of race, religious creed, color, national origin, ancestry, sex, or age. Only apprentices who are in training under written apprenticeship agreements shall be employed on Public Works contracts in apprenticeship occupations. The responsibility for compliance with these provisions for all apprenticeship occupations rests with Contractor.

18. PREVAILING WAGE

The Work under this Contract qualifies as Public Works subject to California Labor Code Section 1720 et seq. Contractor shall comply with and be bound by all pertinent sections of the Labor Code beginning with Section 1720 regarding payment of prevailing wage rates, holiday and overtime pay, hiring of apprentices, workers compensation insurance, etc., all as set forth by the California Department of Industrial Relations (DIR). Contractor shall be registered with DIR as a Public Works Contractor and abide by all relevant reporting requirements. Contractor is responsible for maintaining all applicable payroll records and reports, which shall be made available to District for review upon written request.

19. PAYROLL RECORDS

Pursuant to Labor Code §1776, Contractor shall keep accurate records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by it in connection with the Work. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following: 1) The information contained in the payroll record is true and correct; 2) The employer has complied with the requirements of Labor Code §§1771, 1811, and 1815 for any Work performed. Payroll records enumerated shall be certified and shall be available for inspection at all reasonable hours at the principal office of Contractor.

20. INDEPENDENT CONTRACTOR

In the performance of the Work, duties, and obligations under this Contract, Contractor is at all times acting and performing as an independent contractor and not as an employee of the District. No offer or obligation of permanent employment with the District is intended in any manner, and Contractor shall not become entitled by virtue of this Contract to receive from District any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. Contractor shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of Contractor's performance of this Contract. In connection therewith, Contractor shall defend, indemnify, and hold District harmless from any and all liability which District may incur because of Contractor's failure to pay such taxes.

21. NON-DISCRIMINATION

During the performance of this Funding Agreement, Grantee and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital/domestic partner status, gender identity, and denial of medical and family care leave or pregnancy disability leave. Contractors and its subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractors and its subcontractors shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code, § 12990.) and the applicable regulations promulgated thereunder (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Fair Employment and Housing Commission are incorporated into this Agreement by reference. Contractors and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

22. NOTICES

Notices required under this Contract shall be delivered personally or by first-class, postage pre-paid mail to the District's and Contractor's contract administrators at the addresses listed below:

FOR DISTRICT:	FOR CONTRACTOR:
Drew Lander General Manager 3570 Airline Highway Hollister, CA 95023 (831) 637-4670 drew@sunnyslopewater.org	Thomas Seidel Vice President/Civil Division Manager 645 Clarion Ct. San Luis Obispo, CA 93401 (805) 543-1706 tseidel@specialtyconstruction.com

23. GOVERNING LAWS

This Contract shall be construed and enforced according to the laws of the State of California, and the Parties hereby agree that the County of San Benito shall be the proper venue for any dispute arising hereunder.

24. DISPUTES

- a. Contractor shall continue to perform under this Contract during any dispute. The Parties agree to make good faith efforts to resolve disputes as quickly as possible.
- b. Claims

(1) Upon receipt of a claim by Contractor, the District shall conduct a reasonable review of the claim and, within a period not to exceed 45 days, shall provide Contractor a written statement identifying the portions of the claim that are disputed and undisputed. The Parties may, by mutual agreement, extend the time period.

(a) Contractor shall furnish reasonable documentation to support the claim.

(b) If the District needs approval from its Board to provide Contractor a written statement identifying the disputed portion and the undisputed portion of the claim, and the Board does not meet within the 45 days or within the mutually agreed to extension of time following receipt of a claim sent by registered mail or certified mail, return receipt requested, the District shall have up to three days following the next duly publicly noticed Board meeting after the 45-day period, or extension, expires to provide Contractor a written statement identifying the disputed portion and the undisputed portion.

(c) Any payment due on an undisputed portion of the claim shall be processed and made within 60 days after the District issues its written statement. If the District fails to issue a written statement, paragraph (2) shall apply.

(2) If Contractor disputes the District's written response, or if the District fails to respond to a claim issued pursuant to this section within the time prescribed, Contractor may demand in writing an informal conference to meet and confer for settlement of the issues in dispute. Upon receipt of a demand in writing sent by registered mail or certified mail, return receipt requested, the District shall schedule a meet and confer conference within 30 days for settlement of the dispute.

(a) Within 10 business days following the conclusion of the meet and confer conference, if the claim or any portion of the claim remains in dispute, the District shall provide Contractor a written statement identifying the portion of the claim that remains in dispute and the portion that is undisputed. Any payment due on an undisputed portion of the claim shall be processed and made within 60 days after the District issues its written statement. Any disputed portion of the claim, as identified by Contractor in writing, shall be submitted to nonbinding mediation, with the Parties sharing the associated costs equally. The Parties shall mutually agree to a mediator within 10 business days after the disputed portion of the claim has been identified in writing. If the Parties cannot agree upon a mediator, each party shall select a mediator and those mediators shall select a qualified neutral third party to mediate with regard to the disputed portion of the claim. Each party shall bear the fees and costs charged by its respective mediator in connection with the selection of the neutral mediator. If mediation is unsuccessful, the parts of the claim remaining in dispute shall be subject to applicable procedures outside this section.

(b) For purposes of this section, mediation includes any nonbinding process, including, but not limited to, neutral evaluation or a dispute review board, in which an independent third party or board assists the parties in dispute resolution through negotiation or by issuance of an evaluation. Any mediation utilized shall conform to the timeframes in this section.

(c) Unless otherwise agreed to by the Parties in writing, the mediation conducted pursuant to this section shall excuse any further obligation under Section 20104.4 to mediate after litigation has been commenced.

(d) The District is not precluded from requiring arbitration of disputes under private arbitration or the Public Works Contract Arbitration Program, if mediation under this section does not resolve the Parties' dispute.

(3) Failure by the District to respond to a claim from Contractor within the time periods described in this subdivision or to otherwise meet the time requirements of this section shall result in the claim being deemed rejected in its entirety. A claim denied by reason of the District's failure to have responded to a claim, or its failure to otherwise meet the time requirements of this section, shall not constitute an adverse finding with regard to the merits of the claim or the responsibility or qualifications of Contractor.

(4) Amounts not paid in a timely manner as required by this section shall bear interest at 7 percent per annum.

(5) If a subcontractor or a lower tier subcontractor lacks legal standing to assert a claim against the District because privity of contract does not exist, Contractor may present to the District a claim on behalf of a subcontractor or lower tier subcontractor. A subcontractor may request in writing, either on his or her own behalf or on behalf of a lower tier subcontractor, that Contractor present a claim for work performed by the subcontractor or by a lower tier subcontractor on behalf of the subcontractor. The subcontractor requesting that the claim be presented to the District shall furnish reasonable documentation to support the claim. Within 45 days of receipt of this written request, Contractor shall notify the subcontractor in writing as to whether Contractor presented the claim to the District and, if Contractor did not present the claim, provide the subcontractor with a statement of the reasons for not having done so.

- c. In the event any dispute arising from or relating to this Contract results in litigation or arbitration, the prevailing party shall be entitled to recover all reasonable costs incurred, including court costs, attorneys' fees, expenses for expert witnesses (whether or not called to testify), expenses for accountants or appraisers (whether or not called to testify), and other related expenses. Recovery of these expenses shall be as additional costs awarded to the prevailing party, and shall not require initiation of a separate legal proceeding.

25. UNFAIR BUSINESS PRACTICES CLAIM

In accord with California Public Contracts Code § 7103.5, Contractor agrees to assign to the District all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to the Contract. This assignment shall be made and become effective at the time the District tenders final payment to Contractor, without further acknowledgment by the Parties.

26. CONSTRUCTION OF CONTRACT

The Parties agree that each party has fully participated in the review and revision of this Contract and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Contract or any exhibit or amendment. To that end, it is understood and agreed that this Contract has been arrived at through negotiation, and that neither party is to be deemed the party which prepared this Contract within the meaning of Civil Code section 1654.

27. CONFLICT OF INTEREST

Contractor represents it presently has no interest and agrees not to acquire any interest during the term of this Contract which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the Work required to be rendered under this Contract.

28. NON-EXCLUSIVE CONTRACT

This Contract is non-exclusive and both Parties expressly reserve the right to contract with other entities for the same or similar services.

29. WAIVER

Any waiver of any term or condition hereof must be in writing and signed by the District. No such waiver shall be construed as a waiver of any other term or condition herein.

30. SUCCESSORS AND ASSIGNS

This Contract and all rights, privileges, duties and obligations hereunder, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the Parties and their respective successors, permitted assigns and heirs. Contractor shall not assign, sell, mortgage or otherwise transfer its interest or obligations in this Contract without the prior written consent of the District.

31. COUNTERPARTS

This Contract may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Contract.

32. AUTHORITY

Any individual executing this Contract on behalf of the District or Contractor represents and warrants hereby that he or she has the requisite authority to enter into this Contract on behalf of such party and bind the party to the terms and conditions of this Contract.

33. SEVERABILITY

If any of the provisions contained in the Contract are held illegal, invalid, or unenforceable, the enforceability of the remaining provisions shall not be impaired thereby. Limitations of liability and indemnities shall survive termination of the Contract for any cause. If a part of this Contract is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of this Contract is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

34. ENTIRE CONTRACT

As of the effective date, this Contract, including the exhibits and any documents incorporated by reference, represents the entire Contract between the District and Contractor with respect to the subject matter of this Contract, and supersedes any and all prior written or oral negotiations and representations between the Parties concerning all matters relating to the subject of this Contract.

35. WARRANTY

The contractor shall guarantee the entire Work constructed by them under the Contract to be free of defects in materials and workmanship for a period of one (1) year following the date of written Notice of Completion & Acceptance of the Work by Owner. The contractor shall agree to make, at their own expense, any repairs or replacements made necessary by defects in materials or workmanship which become evident within said guarantee period. The contractor shall make all repairs and replacements promptly upon receipt of written order from Owner. If the contractor fails to make the repairs and replacements promptly, Owner may do the Work and the contractor, and their Performance Bond shall be liable to Owner for the cost of such Work.

36. DRUG-FREE WORKPLACE CERTIFICATION

By signing this Funding Agreement, Contractor and its subcontractors hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code, § 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:

A. Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by the Government Code section 8355.

B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355 to inform employees, contractors, or subcontractors about all of the following:

- i. The dangers of drug abuse in the workplace,
- ii. Contractor's policy of maintaining a drug-free workplace,

- iii. Any available counseling, rehabilitation, and employee assistance programs, and
- iv. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.

C. Provide, as required by Government Code section 8355, that every employee, contractor, and/or subcontractor who works under this project:

- i. Will receive a copy of Contractor's drug-free policy statement, and
- ii. Will agree to abide by terms of Contractor's condition of employment, contract, or subcontract.

37. ACCIDENT PROTECTION & SAFETY

Precautions shall be exercised at all times for the protection of persons (including employees) and property. The safety provisions of applicable laws, building codes, and construction codes shall be observed. Machinery, equipment, and other hazards shall be guarded or eliminated in accordance with the safety provisions of the Construction Safety Orders issued by the Occupational Safety and Health Standards Board of the State of California.

In the performance of this contract the Contractor shall comply with all applicable federal, state and local statutory and regulatory requirements including, but not limited to California Department of Industrial Relations (Cal/OSHA) regulations; and the U.S. Department of Transportation Omnibus Transportation Employee Testing Act, related to their scope of work and operations. In case of conflict in regulations, the most stringent shall apply. The Contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of the work covered by the contract. Safety precautions shall include but shall not be limited to: adequate life protection and life saving equipment; adequate illumination; instructions in accident prevention for all employees, such as the use of machinery guards, safe walkways, scaffolds, ladders, bridges, gang planks, confined space procedures, trenching and shoring, fall protection, and other safety devices; equipment and wearing apparel as are necessary or lawfully required to prevent accidents, injuries, or illnesses (including but not limited to exposure to the *Coccidioides* fungus and Valley Fever); and adequate facilities for the proper inspection and maintenance of all safety measures

Contractor must obtain all applicable Division of Occupational Safety and Health (CAL-OSHA) permit(s) and others required by California Labor Code and California Government Code, prior to the initiation of any practices, work, method, operation, or process related to the work covered in the contract. Permits required by governmental authorities will be obtained at Contractor's expense.

It is a condition of this contract, and shall be made a condition of each subcontract which the Contractor enters into pursuant to this contract, that the Contractor and any subcontractor shall not permit any employee, in performance of the contract, to work in surroundings or under conditions which are unsanitary, hazardous or dangerous to his/her health or safety, as determined under Cal/OSHA safety and health standards.

The Contractor shall be responsible for the safeguarding of all utilities. At least two working days before beginning work, the Contractor shall call the Underground Service Alert (USA) in order to determine the location of sub-structures. The Contractor shall immediately notify Owner and the utility owner if he/she disturbs, disconnects, or damages any utility.

In accordance with Section 6705 of the California Labor Code, the Contractor shall submit to Owner specific plans to show details of provisions for worker protection from caving ground during excavations of trenches of five feet or more in depth. The excavation/trench safety plan shall be submitted to and accepted by Owner prior to starting excavation. The trench safety plan shall have details showing the design of shoring, bracing, sloping or other provisions to be made for worker protection from the hazard of caving ground. If such a plan varies from the shoring system standards established by the Construction Safety Orders of the California Department of Industrial Relations (Cal/OSHA), the plan shall be prepared by a California registered civil or structural engineer. As part of the plan, a note shall be included stating that the registered civil or structural engineer certifies that the plan complies with the Cal/OSHA Construction Safety Orders, or that the registered civil or structural engineer certifies that the plan is not less effective than the shoring, bracing, sloping or other provisions of the Safety Orders. In no event shall the Contractor use a shoring, sloping, or protective system less effective than that required by said Construction Safety Orders. Submission of this plan in no way relieves the Contractor of the requirement to maintain safety in all areas. If excavations or trench work requiring a Cal/OSHA permit are to be undertaken, the Contractor shall submit his/her permit with the excavation/trench work safety plan to Owner before work begins.

IN WITNESS WHEREOF, two identical counterparts of this Contract, each of which shall for all purposes be deemed an original thereof, have been duly executed by the parties herein above named, on the day and year first herein written.

SUNNYSLOPE COUNTY WATER DISTRICT SPECIALTY CONSTRUCTION, INC.

By: _____
Drew A. Lander

By: _____

Title: General Manager

Title: _____

Staff Report

Agenda Item: E-8

DATE: January 10, 2025 (January 14, 2025, Special Meeting)

TO: Board of Directors

FROM: General Manager, Drew Lander P.E.

SUBJECT: Authorize The General Manager To Execute A Contract Amendment With Wallace Group For Additional Professional Services To Complete The John Smith Road Waterline Project, Amending The Contract To Increase \$43,414 For A New Contract Value Not To Exceed \$246,664. (Not A Project Under CEQA Per Article 20, Section 15378)

RECOMMENDATION:

Staff requests the board approve a motion to allow the general manager to execute a contract amendment #1 with Wallace Group for additional professional services to complete the John Smith Road waterline project, amending the contract to increase \$43,414 for a new contract value not to exceed \$246,664.

BACKGROUND:

The district contracted with the Wallace Group in August of 2023 to begin design work on the John Smith Pipeline Project. This work provided the foundation of the Best Road Mutual Water Company (BRMWC) system consolidation, and the district has been reimbursed through the \$2.1M grant awarded to BRMWC in the same year. Now that the design has been completed and bid, additional services are required to ensure strong administration and successful completion of the project. Additional geotechnical services and contract administration have been included in this amendment. The work scope has been reviewed and found to be acceptable for the services needed.

This amendment will support the Wallace Group construction management phase of the pipeline project.

FINANCIAL IMPACT:

This amendment increases the current contract by \$43,414 for a total value not to exceed \$246,664. Sunnyslope is reimbursed for this work through the DWR consolidation grant so long term impact is not expected. Funding is proposed to come from the Capital Reserves which currently hold approximately \$26M.

ENVIRONMENTAL IMPACT:

The proposed action is not a project as defined by Article 20, Section 15378 of the State CEQA Guidelines and therefore CEQA is not applicable.

ATTACHMENTS:

- 1) Wallace Group Amendment

CONTRACT AMENDMENT

Project Name: John Smith Road Waterline	CA No. 1
Client Name: Sunnyslope County Water District	Project/Phase No. 0057-0005
Attention: Drew Lander	Date: January 2, 2025
Address: 3570 Airline Highway, Hollister, CA 95023	

Wallace Group requests the Client’s authorization to proceed with revisions to the contract agreement for the above referenced project as herein described. Approval below incorporates this document as a part of the original contract signed August 25, 2023. If approved, please return one signed original Contract Amendment to Wallace Group.

Description and Purpose of the Revision(s)

The following provides the amended and added tasks associated with the Project:

Task 1.1: Project Management

This task includes day-to-day coordination of project activities, including scheduling and budget controls, staffing needs and coordination, agency coordination, monthly status updates and reporting, and other related project management activities. This effort is based on the construction schedule duration of 6 months.

Task 1.5: Grant Support

Wallace Group will provide grant support as needed throughout the duration of the project. This is estimated at 12 hours per month for six months. This will be to assist with quarterly invoices and reports, discussions with DWR, developing and submitting forms/letters to the various supervising agencies on the District’s behalf, or other support as needed. This also includes preparation of project close out reports required by DWR.

Task 4.4: 100% Plans, Specifications, and Estimate (PS&E) Design Package

Additional budget is requested for this task due to out-of-scope design services at the request of the District, which included piping modifications at the District’s Well #5 site, evaluation of Well #5 site control and integration with the proposed Foxhill distribution system and tank, and hydraulic modeling of the proposed piping improvements.

Task 6.0: Construction Management (CM) - Pre-Construction Phase Services

Procore Construction Management Software

Wallace Group will be using Procore project management software to manage all documentation for this project. Procore will store and track all project plans, specifications, RFIs, submittals, inspection reports, photos, and other project related documents. All of this information will be available to the entire project team in real time.

Project Review

- Perform review of design plans, specifications, and engineers estimate
- Review applicable Standard Specifications, including District Standard Specifications and Plans
- Review contractors bid form, quantities, and payment items

Project Communication and Coordination

- Establish Procore Construction Management Software project and provide training to District project staff
- Facilitate project communication and coordination with the District, the design engineer, emergency services, utility providers, property owners, the contractor, and other stakeholders
- Communicate with property owners and other stakeholders the schedule and other concerns

Pre-Construction Conference

- Prepare agenda, schedule, and facilitate the Pre-Construction Conference with input from the District's Representative
- Provide a sign-in sheet for all attendees
- Issue minutes for review and finalize for project record
- Review and accept baseline project schedule from the Contractor
- Review existing conditions and site constraints
- Work with contractor and District to develop phasing and sequencing plan to minimize impacts, including public notifications and outreach

Pre-Construction Photos

- Pre-construction photos will be collected prior to the commencement of work activities
- Review of Contractors Pre-Construction photos uploaded as submittal into Procore

Submittal and Request for Information (RFI) Management

- Utilize Procore to track and review submittals and RFI's from Contractor and provide to District, CM Team, and Engineer of Record for review and comments/acceptance with the project plans and specifications in coordinate review with the District and
- We have budgeted for 20 submittals and 10 RFIs
- Process all submittals in a timely manner and make available to project team
- Maintain electronic copies within Procore and hard copies as requested

Deliverables:

- Pre-Construction Photos
- Pre-Construction Conference Agenda and Minutes
- Reviewed submittals and submittal log
- Reviewed RFIs and RFI log

Task 6.1: CM - Construction Phase Services

Based on prior project experience, we have budgeted for part time construction observation at 20 hours/week (4 hours/day) and part-time construction/project management at 12 hours/week based on the 120 calendar day contract time (~17 weeks). We have budgeted for full time construction observation (10 hours/day) for an assumed 5 days of roadway asphalt restoration. Note, our time in the field is heavily dependent upon the contractor's schedule and productivity and any of our unused time and materials budget will be returned to the District.

Weekly Construction Meeting

- Schedule, develop agenda, and minutes for Weekly Progress Meetings with contractor, District staff, and other necessary entities

Project Schedule

- Monitor project baseline schedule
- Keep stakeholders informed of the construction schedule

- Track construction time, including weather days
- Review Contractors Three Week Look Ahead Schedule

Change Order Management & Force Account

- Review and qualify contractor requested change orders
- Investigate proposed change orders, obtaining the District's approval prior to work taking place
- We have assumed budget for three change orders and attendance at one District Council Meeting
- Establish and maintain files and documentation for use in change negotiations or potential claims
- Generate project change orders using the District's template
- Document delays or possible changes in work or site condition
- Inspector to document Force Account work and review T&M ticket with Contractor at the end of each shift, as applicable

Quantity Calculations and Progress Estimates

- Maintain quantity calculations throughout the project
- Coordinate daily reports and quantities with the Contractor, identify and record potential disputes for future reference
- Review monthly Request for Payment, sign, and recommend approval for payment to the District
- Collect delivery and materials tickets for project record

Construction Observation

- Provide onsite observations and oversight during construction
- Prepare Daily Observation Reports, including tracking labor (name, classification, and estimated hours worked), equipment, weather, observations/notes, quantities, and photos. Also includes conversations or discussions that may be important.
 - Daily reports to be provided weekly to the District's Designated Representative or as requested
- Notify the Contractor and District when work is performed that is unsatisfactory, faulty, or does not conform to the Contract documents and advise on how the work should be remedied
- Inspector will help to coordinate notification of Police or other District Departments and may dialogue with the public on-site
- Provided oversight on the requirements of the encroachment permit are performed and documented
- Observations and oversight include:
 - Contractors Means and Methods
 - Review Contractors Survey and Layout
 - Stormwater Controls
 - Construction Staging Area
 - Site Safety and Signage
- Review compliance with contract documents
- Record and report design modifications
- Track inspectors set of as-builts for comparison with set provided by the Contractor for project record

Site Documentation

- Maintain photos and documentation throughout the project
- All photos and documentation will be maintained in Procore and available to the entire team at all times

Stormwater Compliance and Permits

- Monitor stormwater protection measures throughout the project
- Coordinate with the Contractor's QSP for review and identification of deficiencies and corrective actions

Safety

- Monitor contractor's safety practices for compliance with safety program
- Utilize the following documents during field safety monitoring program:
 - CAL-OSHA Construction safety orders
 - Traffic Control Plan
 - Contractor safety plan
- Work with contractor to resolve any safety concerns on site
- Advise District of any observed or unresolved deficiencies

Final Inspection and Punch List

- Schedule punch list walk with the Contractor and District
- Observe complete and near complete work for deficiencies
- Establish and maintain punch list and track items to resolution
- Recommend and approve final payment to Contractor

Deliverables:

- Weekly Construction Meeting Agendas and Minutes
- Inspector Daily Logs and Photos
- Progress Payment Reviews
- Change Order/Force Account Documentation
- Punchlist

Task 6.2: CM - Post-Construction Phase Services

As-Built Drawings:

- Review as-built drawings as presented by the Contractor in comparison to Wallace Group Inspectors Record Drawings
- Assist District and Design Engineer in review and completion of final certified record drawings

Project Closeout

- Assemble and deliver all records, reports, certificates, pictures upon project completion
- Files can be delivered in hard copy and/or electronic format

Deliverables:

- Comments and review of Contractors As-Built Drawings
- Project Close Out Documentation (Submittals, RFIs, Daily Logs, Photos, Change Orders, Progress Payments, etc.)

Task 6.3: Quality Assurance Materials Testing (Earth Systems)

Earth Systems will provide materials quality assurance testing of trench backfill material, class II aggregate base, and asphalt restoration/roadway repaving. Please reference Earth Systems' proposal provided in Exhibit B.

Revision(s) Represent:

- a change in previous instructions
- a change in Scope of Services
- other:

Revision(s) Fee:

- hourly (time & materials) \$
- progress billing: \$
- not-to-exceed w/o authorization: **\$246,664**

Revision(s) will be invoiced as:

- increase to an item within the existing contract
- a new item added to existing contract

Issued by,
WALLACE GROUP, a California Corporation

APPROVED BY CLIENT:



Kari Wagner
Principal
612 Clarion Court
San Luis Obispo
California 93401
T 805 544-4011
F 805 544-4294
www.wallacegroup.us

Signature

Printed Name

Title

Date

Exhibit A - 2025 Standard Billing Rates
Exhibit B - Earth System Proposal

Engineering, Design & Support Services:

Assistant Designer/Technician	\$128
Designer/Technician I - IV	\$132/\$142/\$152/\$162
Senior Designer/Technician I - III	\$172/\$179/\$186
GIS Technical Specialist.....	\$167
Senior GIS Technical Specialist	\$178
Associate Engineer I - III	\$140/\$150/\$160
Engineer I - IV	\$178/\$183/\$188/\$193
Senior Engineer I - III	\$210/\$218/\$225
Director	\$228
Principal Engineer/Consulting Engineer	\$255
Principal.....	\$280

Surveying Services:

Party Chief	\$190
Party Chief (*Prevailing Wage).....	\$250
Instrument Person	\$133
Instrument Person (*Prevailing Wage)	\$150
Associate Survey Technician	\$125
Survey Technician I - IV	\$140/\$145/\$155/\$160
Land Surveyor I - III	\$170/\$180/\$190
Senior Land Surveyor I - III.....	\$198/\$203/\$208
Director	\$228
Principal Surveyor	\$255
Principal.....	\$280

Planning Services:

Associate Planner I - II	\$115/\$125
Planner I - IV.....	\$140/\$150/\$160/\$170
Senior Planner I - III	\$175/\$180/\$185
Director	\$210
Principal Planner.....	\$225
Principal.....	\$280

Landscape Architecture Services:

Associate Landscape Designer I - II	\$110/\$120
Designer I - IV	\$125/\$130/\$135/\$140
Landscape Architect I - IV	\$148/\$153/\$158/\$163
Senior Landscape Architect I - III	\$168/\$173/\$178
Director	\$195
Principal Landscape Architect	\$215
Principal.....	\$280

Construction/Program Management and Inspection Services:

Construction Office Tech I-III.....	\$125/\$135/\$145
Construction Inspector I-IV	\$150/\$155/\$160/\$165
Senior Construction Inspector	\$170
Construction Inspector (*Prevailing Wage)	\$185
Assistant Construction/ Program Manager I - II	\$165/\$170
Construction/ Program Manager I-III	\$175/\$180/\$185
Senior Construction/ Program Manager I - II	\$195/\$200
Assistant Resident Engineer I - II.....	\$175/\$180
Resident Engineer I-III	\$185/\$190/\$195
Senior Resident Engineer I-II	\$205/\$210
Director	\$228
Principal Construction Manager	\$253
Principal.....	\$280

Public Works Administration Services:

Project Analyst I - IV	\$125/\$135/\$145/\$155
Senior Project Analyst I - III	\$160/\$165/\$170
Senior Environmental Compliance Specialist I - III	\$175/\$180/\$185

Support Services:

Office Assistant	\$120
Project Assistant I - III.....	\$130/\$135/\$145

***Prevailing Wage:**

State established prevailing wage rates will apply to some services based on state law, prevailing wage rates are subject to change over time and geographic location.

Right to Revisions:

Wallace Group reserves the right to revise our standard billing rates on an annual basis, personnel classifications may be added as necessary.

Additional Professional Services:

Fees for expert witness preparation, testimony, court appearances, or depositions will be billed at the rate of \$400 an hour. If required to meet schedule requests, overtime on a project will be billed at 1.5 times the employee's typical hourly rate.

Direct Expenses:

Direct expenses will be invoiced to the client and a handling charge of 15% may be added. Sample direct expenses include, but are not limited to the following:

- travel expenses
- delivery/copy services
- sub-consultant services
- mileage (per IRS rates)
- agency fees
- other direct expenses

Invoicing and Interest Charges:

Invoices are submitted monthly on an accrued cost basis. A finance charge of 1.5% per month may be assessed on all balances that are thirty days past due.

December 19, 2024

Proposal No.: HOL-24-12-006

Mr. Zachary Teske
Wallace Group
612 Clarion Court
San Luis Obispo, CA 93401

PROJECT: BEST ROADS WATER SYSTEM CONSOLIDATION PROJECT
JOHN SMITH ROAD
HOLLISTER, CALIFORNIA

SUBJECT: Proposal for Geotechnical Observations and Testing & Concrete Sampling
and Testing Services

Dear Mr. Teske:

As requested, Earth Systems has prepared this proposal to provide compaction testing services for the John Smith Road water main in Hollister. We understand that the project will entail the installation of a water main approximately 4,360 linear feet in John Smith Road, extending from the existing Sunnyslope County Water District mainline in Fairview Road, at the intersection with John Smith Road, to the existing Best Roads Mutual Water Company mainline in Heatherwood Lane. We anticipate the majority of geotechnical observation and testing will be related to utility line backfilling and asphalt concrete testing.

We have worked with your firm on a similar utility line project in Salinas. In that project we were asked to provide concrete sampling and compression testing services. In case inspection of the thrust blocks or fire hydrants are requested, we have included concrete sampling and compression testing services in this proposal.

Geotechnical Observation and Special Inspection and Testing Services

A construction schedule was not available during preparation of this proposal, but we have assumed that the utility line project will take around 2 months to complete. The time duration assumed above in conjunction with our previous experience with similar projects was used to develop our Anticipated Scope of Services & Cost Estimate for the project. Our anticipated services during construction are outlined as follows:

1. Collection of soil samples for laboratory testing and performance of laboratory tests to measure dry density – moisture content characteristics of various soil types (compaction curves).

2. Compaction testing during backfilling of underground utility trenches;
3. Compaction testing of pavement subgrade and aggregate base;
4. Compaction testing of asphalt pavement;
5. Concrete placement and sampling;
6. Laboratory compression testing of cast-in-place concrete;
7. Preparation of daily inspection reports summarizing the observed grading activities with the results of the in-place field compaction tests performed during the day; and
8. Engineering consultation/scheduling/supervision/project management of the services provided by our firm.

Compaction testing of utility trench backfill, and pavement subgrade and aggregate base courses will also be performed on a part-time basis. Field compaction tests will be conducted in accordance with ASTM D 6938 (nuclear test method). Relative compaction will be determined by performing laboratory maximum density and optimum moisture tests in accordance with ASTM D 1557 and comparing it with the field compaction test.

The total cost of these services is dependent upon a number of factors, many of which are beyond our control. Among the cost determining factors are:

- The number of working days required by the contractor to complete each element of work.
- The number of different soil types to be utilized during site grading.
- The amount of difficulty encountered by the grading contractor in obtaining the specified compaction of materials.
- Weather and subsurface conditions encountered during grading operations.
- The amount of time our inspection services will be required each day of operations.

FEES

We propose to perform the above-described services on a time and materials bases.

Estimated Fees **\$29,972.00**

Our "Anticipated Scope of Services & Cost Estimate" worksheet is attached for your information and review.

SCHEDULE AND CONDITIONS

Terms for the work will be in accordance with our previously negotiated Agreement with Wallace Group. We understand that the project will be subject to State Prevailing Wage regulations. The fee estimate will be exceeded without prior authorization by the client.

Fees for overtime, weekend, and holiday work will be adjusted, and minimum work hours will be applied, in accordance with the State requirements. Night work (before 7:00 AM and after 4:00 PM) and Saturday and weekday overtime work will be invoiced at 1.5 times the applicable base hourly rate. Hourly fees for field work and travel time will be charged on a portal-to-portal basis from our office in Salinas. Field time will be subject to a four-hour minimum charge and four-hour increments thereafter.

Our technicians and special inspectors will attempt, wherever possible, to combine testing of multiple areas during site visits in order to minimize our fees. However, as the presence of our personnel at the site will depend upon the contractor's schedule and the progress of the work, the fees presented above are to be considered as estimates only and should not be construed as guaranteed maximum fees. The invoices will reflect the actual amount of time spent and service performed.

We appreciate your continuing to allow us to be a member of your project team. Please feel free to contact me at your convenience if you have any questions or require additional information.

Sincerely,

Earth Systems Pacific



Michelle Garica, CEG
Senior Engineering Geologist



Ajay Singh, GE 3057
Vice President

Attachments: Anticipated Scope of Services & Cost Estimate
January 1, 2025 Fee Schedule



Anticipated Scope of Services & Cost Estimate

Project: John Smith Road Water Main
Client: Wallace Group
Proposal No: HOL-24-12-006

Date: 12/19/2024

Geotechnical Observation, Special Inspection and Testing Services

	Personnel	Number of Trips	Hours/Units	Total	Rate	Unit	Fee
Grading Observation and Compaction Testing							
Utility Line Backfill	<i>Technician, PW</i>	25	4	100	\$148.00	hr.	\$14,800.00
Asphalt Concrete Testing	<i>Technician, PW</i>	2	8	16	\$148.00	hr.	\$2,368.00
Nuclear Gauge	(Equipment)		116	116	\$15.00	hr.	\$1,740.00
Mileage		27	324	324	\$0.95	mi.	\$307.80
Subtotal							\$19,215.80
Special Inspection and Materials Testing							
Concrete Observation & Sampling	<i>Special Inspector, PW</i>	4	4	16	\$160.00	hr.	\$2,560.00
Sample Pickups		4	2	8	\$120.00	hr.	\$960.00
Mileage		8	96	96	\$0.95	mi.	\$91.20
Subtotal							\$3,611.20
Laboratory Testing							
Laboratory Maximum Density Curve (4")			3	3	\$305.00	ea.	\$915.00
Laboratory Maximum Density Curve (6")			2	2	\$345.00	ea.	\$690.00
Asphalt Compaction			1	1	\$400.00	ea.	\$400.00
Concrete Cylinder Testing			20	20	\$40.00	ea.	\$800.00
Subtotal							\$2,805.00
Reports and Project Management							
Project Management and Supervision	Senior Professional		8	8	\$220.00	hr.	\$1,760.00
Engineering Review and Consultation	Principal Professional		4	4	\$270.00	hr.	\$1,080.00
Interim and Final Engineering Reports			2	2	\$750.00	ea.	\$1,500.00
Subtotal							\$4,340.00

Estimated Total: **\$29,972.00**

FEE SCHEDULE

(Effective January 1, 2025)

This schedule presents rates for professional and technical services in the fields of geotechnical engineering, engineering geology, environmental consulting, construction observation and testing, and special inspection. Listed are charges for services most frequently performed by Earth Systems. Additional services not listed are available and can be discussed upon request; fixed-fee quotes for some services can also be provided upon request. To discuss a scope of work and fees for a specific project, please contact our office.

<u>PERSONNEL</u>	<u>Hourly Rate</u>
Principal Professional.....	\$270.00
Associate Professional	\$240.00
Senior Professional	\$220.00
Project Professional.....	\$185.00
Staff Professional	\$160.00
CWI & Special Inspector, Prevailing Wage*	\$160.00
Technician, Prevailing Wage*	\$148.00
Caltrans Technician, Prevailing Wage*	\$155.00
Field Services Supervisor	\$140.00
CWI Inspector	\$130.00
Special Inspector.....	\$130.00
Technical Assistant.....	\$130.00
Technician	\$120.00
Clerical/Administrative	\$110.00

* Technician/Inspector Classifications as defined by the State of California Department of Industrial Relations.

BASIS OF CHARGES, GENERAL

1. Field services for regular work days for non- Prevailing Wage projects are subject to a 2-hour minimum charge, and billed in 2-hour increments.
2. Work performed on Saturdays, night work, and for premium hours (before 7 a.m., after 5 p.m. or more than 8 hours in one day) for personnel are at time and one-half; Sundays and holidays are at double time. Work performed on weekends, holidays, and when work starts outside of regular business hours is subject to a 4-hour minimum charge.
3. A 2-hour cancellation charge applies if scheduled inspection or testing is cancelled after 4 p.m. the day prior to the scheduled work.
4. Mileage is invoiced at a rate of \$0.95/mile (portal-to-portal).
5. Nuclear density gauge charge: \$15.00/hour.
6. Weekly special inspection report charge: \$110.00
7. Subcontracted services, materials, rental equipment, out of town travel, and expenses are charged at cost plus 20 percent. Fixed per diem rates for specific projects can be provided upon request.
8. Report copies: \$30.00 each (minimum). Posting of electronic documents to project websites will be charged at clerical/administrative services rate.
9. Invoices are payable upon presentation. Invoices thirty days past due are subject to a service charge of one and one-half percent per month. Payments using a credit card will be assigned a 3% surcharge.
10. Rates are effective through December 31, 2025.

PREVAILING WAGE PROJECTS

1. Field services for regular work days for Prevailing Wage projects are subject to a 4-hour minimum charge, and billed in 4-hour increments.
2. The prevailing wage (PW) rates presented herein are based on current rates established by the Department of Industrial Relations (DIR). If, during the course of the project, prevailing wage rates are increased by DIR, rates are subject to adjustment. Also, please note requirements concerning overtime, shift work, travel time, holidays, and other factors can vary for different classifications of work under prevailing wage regulations.
3. Projects where State regulations require electronic submittal of Certified Payroll to DIR for prevailing wage will be assessed a fee of \$110.00/week. Additional time required to address specific requests related to DIR/Labor Compliance will be charged at the clerical/administrative services rates.

FEE SCHEDULE - MATERIALS TESTING

(Effective January 1, 2025)

BASIS OF CHARGES

Rates for field work such as materials sampling, construction inspection, and field evaluation will be in accordance with the Personnel Rates listed in the basic Fee Schedule. The below listed rates apply to standard ASTM test methods. An additional hourly charge (\$115.00/hr.) will be applied for cutting, capping, or other preparation of non-standard samples and, where noted, for steel samples.

SOILS

All prices are based on California and Modified California sample sizes (2" – 2.5" diameter) unless noted otherwise. Preparation of 3" diameter samples add \$20.00. Testing of contaminated soil will be per quote. Samples will be returned to sender for proper disposal.

Atterberg Limits: Liquid Limit or Plastic Limit.....	\$125.00
Atterberg Limits: Plasticity Index	\$260.00
California Bearing Ratio, 3 points; incl. ref maximum density	\$700.00
California Bearing Ratio, 9 points; incl. ref maximum density	\$945.00
Consolidation, one dimensional.....	\$265.00
Consolidation, timed, per point	\$100.00
Basic Corrosivity w/out Rpt (pH, Sulfate, Chl., Resistivity).....	Per Quote
Direct Shear, 3 points minimum.....	\$315.00
Expansion Index Test.....	\$235.00
Maximum Density and Optimum Moisture: 4" Mold	\$300.00
Maximum Density and Optimum Moisture: 6" Mold	\$340.00
Maximum Density and Optimum Moisture: California Impact	\$305.00
Moisture and Unit Weight Determination, from Ring Samples	\$45.00
Moisture Only.....	\$40.00
Permeability Tests, constant head or falling head	Per Quote
R-Value	\$325.00
R-Value, CA State Hwy/set of 3, Cement, Lime, Other addts	\$980.00
Hydro Collapse Potential	\$165.00
Sieve/Hydrometer Anlys, assumed specific grvty, w/200 wash.....	\$320.00
Sieve Analysis, Aggregate Base/Subbase	\$155.00
Sieve Analysis 200 wash only	\$140
Sieve Analysis with wash	\$235.00
Sieve Analysis, Oversize Material	\$250.00
Specific Gravity	\$175.00
Swell Test, undisturbed	\$215.00
Swell Test, remolded	\$240.00
Unconfined Compressive Strength, untreated.....	\$185.00
Unconfined Compressive Strength, lime or cement treated mtrl.....	\$490.00

THERMAL RESISTIVITY TESTS

Concrete, 1 pt w/moisture content (req spcl collection proc).....	Per Quote
Field Testing using Thermal Resistivity Meter.....	Per Quote
Soil, per moisture point, per sample	Per Quote
Soil, 3 moisture points with dry-out curve, per sample	Per Quote

CONCRETE AGGREGATE

Abrasion, L.A. Rattler, 100 and 500 revolutions, ASTM C131 (Small Size Aggregate).....	\$310.00
Abrasion, L.A. Rattler, 100 and 500 Revolutions, ASTM C535 (Large Size Aggregate)	\$560.00
Absorption, Coarse Aggregate	\$110.00
Absorption, Fine Aggregate.....	\$160.00
Clay Lumps and Friable Particles in Aggregate.....	\$125.00
Cleanness Value of Coarse Aggregate	\$175.00
Crushed Particles, each size	\$150.00

FEE SCHEDULE - MATERIALS TESTING

(Effective January 1, 2025)

CONCRETE AGGREGATE (Cont.)

Durability Index, Coarse or Fine Aggregate	\$210.00
Flat and Elongated Particles in Aggregate	\$125.00
Organic Impurities in Fine Aggregate	\$110.00
Potential Reactivity of Aggr by Chemical Method, ea size	Per Quote
Sand Equivalent	\$180.00
Sieve Analysis, washed	\$220.00
Soundness, Sodium Sulfate, 5 cycles	\$515.00
Specific Gravity, Coarse Aggregate	\$150.00
Specific Gravity, Fine Aggregate	\$150.00
Uncompacted Void Cntnt of Fine Agg Angularity, w/fine Agg SG	\$290.00
Unit Weight of Aggregate	\$150.00

CONCRETE CYLINDERS, BEAMS AND CORES

Compression Test of Cast Cylinders per cylinder	\$45.00*
Compression Test of Cored Samples, cored at laboratory	\$120.00
Compression Test of cores delivered by others	\$100.00
Compression Test of Lightweight Concrete	\$50.00*
Density of Concrete Cylinders	\$80.00
Density of Hardened Concrete	\$105.00
Flexural Strength, Simple Beam with Third Point Loading	\$190.00
Grading of Shotcrete Cores	\$490.00
Sample Storage, monthly per sample	\$45.00
Shrinkage, set of 3	\$400.00
Unit Weight of Lightweight Concrete	\$130.00
Enviro. Recycling Fee, per cylinder, core or beam	\$2.00
Enviro. Recycling Fee, per flex beam	\$3.00
Enviro. Recycle Fee/Form Stripping, per shotcrete panel/beam	\$65.00

MASONRY

Absorption of Block, set of 3	\$165.00
Compression Test, 2" x 4" Mortar Cylinders	\$40.00*
Compression Test, 3" x 3" x 6" Grout Samples	\$60.00*
Compression Test on Block, set of 3	\$165.00
Compression Test on Grouted Prisms, includes cutting	\$200.00*
Compression Test on Masonry Cores	\$85.00
Coring of Grouted Masonry by Subcontractor	cost + 20%
Masonry Shrinkage, set of 3	\$245.00
Moisture Content of Block as received, set of 3	\$125.00
Shear Test on Masonry Cores, 2 faces	\$190.00
Specific Gravity and Unit Weight of Block, set of 3	\$175.00
Enviro. Recycling Fee, per masonry prism	\$3.00
Enviro. Recycling Fee, per mortar or grout sample	\$2.00

* Includes formal report of test results following 28-Day tests.

FIREPROOFING

Fireproof Bond Test	Per Quote
Fireproofing Density Test (1)	\$80.00

ASPHALT CONCRETE

Bulk Specific Gravity of Compacted Specimens and Core Samples	\$80.00
Compaction of Lab Samples, CA Kneading Compactor, set of 3	\$240.00
Compaction of Lab Samples, CA Kneading Compactor, set of 5	\$400.00

FEE SCHEDULE - MATERIALS TESTING

(Effective January 1, 2025)

ASPHALT CONCRETE (Cont.)

Compaction of Lab Spls, Mrshl Mthd set of 3 –(50 blows/side).....	\$245.00
Compaction of Lab Spls, Mrshl Mthd set of 3 –(75 blows/side).....	\$260.00
Extraction of Oil from A.C. Mixtures.....	Per Quote
Extraction of Oil from Rubberized Mixtures.....	Per Quote
Gyratory Compactor, per set of field mixed asphalt	\$495.00
Hamburg Wheel Tracker Test, per set of field mixed asphalt	\$890.00
Ignition Oven Binder Cntnt, after initial corr value is det.....	\$275.00
Ignition Oven Binder Cntnt Corr Value /mix design, ave of 3.....	\$850.00
Ignition Oven Gradation Correction Value, per mix design.....	Per Quote
Moisture Content	\$50.00
Sieve Analysis of Extracted Aggregate.....	\$285.00
Sieve Analysis of Ignition Oven Residue	\$270.00
Specific Gravity, Theoretical Maximum, Rice Method	\$170.00
Stability and Flow, Marshall Apparatus, set of 3	\$240.00
Stabilometer, Hveem S-Value, set of 3	\$350.00
Enviro. Recycling Fee, per sample	\$2.00
Enviro. Recycling Fee for Extracted Oils	\$45.00

REINFORCING AND STRUCTURAL STEEL

Bend Test of Welded Specimen, sample preparation not incl	\$80.00
Pipe Flattening Test, sample preparation not included	\$75.00
Reinforcing Steel Coupler Tensile and Slip Tests.....	\$250.00
Structural Steel Bend Test, sample preparation not included	\$80.00
Structural Steel Machining/Sample Preparation.....	cost + 20%
Structural Steel Tensile Test, sample prep not included	\$80.00
Tensile and Bend Tests of Reinforcing Bar, #2 through #9.....	\$185.00
Tensile and Bend Tests of Reinforcing Bar, #10 through #18	Per Quote
Enviro. Recycling Fee, per sample	\$2.00

BOLT TESTS

Bolt Tests, chemical or mechanical	cost + 20%
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WELDER QUALIFICATION

AWS D1.1: 3/8" Plate, per position	Per Quote
AWS D1.1: 1" Plate, per position.....	Per Quote
AWS D1.3: Sheet Steel.....	Per Quote
AWS D1.4: Reinforcing Bar	Per Quote
ASME/API Pipe Sections	Per Quote

EQUIPMENT/CHARGES (Does Not Include Personnel)

110-volt Portable Electric Generator	\$115.00/day
Anchor Pull Test Equipment.....	\$45.00/hr.
Bailer (disposable) w/dedicated rope	\$35.00/ea.
Concrete and Asphalt Concrete Coring Equipment.....	cost + 20%
Concrete Slab Moisture Transmission Kit.....	\$45.00/ea.
Conductivity Meter.....	cost + 20%
Cut-Off Saw	\$90.00/day
Double Ring Infiltrometer (per set).....	\$165.00/day
Drum Dolly.....	\$40.00/day
Drums	\$90.00/ea.
Dynamic Cone Penetrometer (DCP)	\$150.00/day
Dynamometer, In-line Scale	Per Quote
Hammer Drill	cost + 20%
Hand Auger/Sampler Equipment	\$65.00/day
Lock n, Load VOC Sample Pres. Sys.	\$35.00/ea.

FEE SCHEDULE - MATERIALS TESTING

(Effective January 1, 2025)

EQUIPMENT/CHARGES (Cont.) (Does Not Include Personnel)

Magnetic Particle Equipment	\$200.00/Day
Non-Destructive Testing Equipment	\$45.00/hr
Manometer	\$155.00/day
Mini-Troll Groundwater Level Transducer	\$115.00/day
Mobile Laboratory	Per Quote
Nuclear Density Equipment.....	\$15.00/hr.
Paint Thickness Meter	Per Quote
Vehicle with Percolation Tank System	\$260.00/day
Personal Protective Equipment Level C.....	Per Quote
Pile Driving Equipment (for pile load testing)	Per Quote
Pile Load Testing Equipment	Per Quote
Pulse Velocity Meter	Per Quote
Rebound Hammer (Schmidt Hammer)	\$80.00/day
Reinforcing Steel Locating Equipment (DR-Meter)	\$200.00/day
Relative Humidity Meter	\$100.00/day
Off Road Vehicle	Per Quote
Safety and Specialty Equipment.....	Per Quote
Sampling Consumables	Per Quote
Skidmore Bolting Calibration Equipment	\$255.00/day
Slope Inclinometer Equipment, per hole	Per Quote
Soil Sampling Containers (metal)	\$25.00/ea.
Soil Sampling Containers (glass).....	\$10.00/ea.
Tape Extensometer	Per Quote
Tension Equipment	\$200.00/day
Torque Wrench	\$100/Day.
Turbidity Meter	\$100.00/day
Water Level Indicator	\$55.00/day
Windsor Probe, set of 3.....	Per Quote
Per Diem.....	Per Quote
DIR Compliance/eCPR, per week.....	\$110.00
DSA Box Posting, ea.....	\$110.00
DSA Lab Compliance, per week.....	\$110.00
Vehicle Mileage Charge.....	\$0.95

EXPERT WITNESS SERVICES

(Effective January 1, 2025)

The following rates apply to deposition testimony, arbitration testimony, hearings and court appearances.

HOURLY CHARGES FOR PERSONNEL

Principal Professional	\$400.00
Associate Professional	\$300.00
Senior Professional	\$250.00
Clerical/Admin Services	\$110.00

SPECIAL SERVICES

Deposition	\$400.00/hr. ²
Arbitration	\$400.00/hr.
Court Appearance/Hearings	\$1,500.00/half day ³
Standby to Appear	\$750.00/day ⁴

BASIS OF CHARGES

1. Hourly rates are charged during investigation, analysis, consultation, and preparation services.
2. Estimated deposition fee payable in advance by party requesting deposition. The difference between advance payment and final fee to be billed or refunded in accordance with the fee and billing information in this schedule. Fee for reviewing deposition transcript will be billed at hourly rates to the party requesting the review.
3. Minimum half day charge will apply to court appearances and hearings. Time extending through the noon hour will be subject to the full day charge of \$3,000.00.
4. Days, or portions thereof, reserved for appearances at hearings, court, or arbitrations, during which we are not required to be away from our offices will be subject to a standby charge of \$750.00. Standby at other locations will be charged at the general hourly rates.