

INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

Ridgecrest City Hall 100 W California Ave., Ridgecrest, CA 93555 760-499-5002

BOARD OF DIRECTORS A G E N D A

Wednesday, December 14, 2022

Closed Session – 10:00 a.m.

Open Session – No earlier than 11:00 a.m.

NOTICE: *In accordance with the evolving public health declarations, we will continue to provide live stream video for those wishing to participate virtually. Please see the Public Comment Notice below for detailed instructions on submitting public comment as well as websites for livestream broadcasting. Telephonic participation by members of the Board and staff is expected.*

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact April Keigwin at (805) 764-5452. Requests must be made as early as possible and at least one full business day before the start of the meeting. Documents and material relating to an open session agenda items that are provided to the IWVGA Board of Directors prior to a regular meeting will be available for public inspection and copying at Ridgecrest City Hall, 100 W California Ave, Ridgecrest, CA 93555, or online at <https://iwvga.org/>.

Statements from the Public

The public will be allowed to address the Board during Public Comments about subjects within the jurisdiction of the IWVGA Board and that are NOT on the agenda. No action may be taken on off-agenda items unless authorized by law. Questions posed to the Board may be answered after the meeting or at future meeting. Dialog or extended discussion between the public and the Board or staff will be limited in accordance with the Brown Act. All Public Comment portions of the meeting shall be limited to three (3) minutes per speaker. Each person is limited to one comment during Public Comments.

1. CALL TO ORDER

2. ADOPTION OF AGENDA AND AB 361 FINDING

3. PUBLIC COMMENT ON CLOSED SESSION

4. CLOSED SESSION

- CONFERENCE WITH REAL PROPERTY NEGOTIATIONS –
(Government Code Section 54956.8) - Property: Jackson Ranch - Kings County
Assessor's Parcel Numbers 048-010-016, 048-010-018, and 048-020-030; Agency
Negotiator: Capitol Core Group; Negotiating Parties: Various; Under Negotiation: Price
and terms of payment.
- CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Government Code Section 54956.9(d)(1)): IWVGA v. Inyokern CSD – Kern County
Superior Court BCV-22-100281

- CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Government Code Section 54956.9(d)(1) - Name of case: Searles Valley Minerals Inc v. Indian Wells Valley Groundwater Authority, et. al. - Orange County Superior Court 30-2022-01239487-CU-MC-CJC

- CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION
(Government Code Section 54956.9(d)(1) - Name of case: Mojave Pistachios, LLC, a California limited liability company, et.al. v. Indian Wells Valley Groundwater Authority, a California Joint Powers Authority, et. al. - Orange County Superior Court 30-2022-0139479-CU-MC-CJC

5. OPEN SESSION – No earlier than 11:00 a.m.

- a. Report on Closed Session
- b. Pledge of Allegiance
- c. Roll Call

6. PUBLIC COMMENT

This time is reserved for the public to address the Board about matters NOT on the agenda. No action will be taken on non-agenda items unless authorized by law. Comments are limited to three minutes per person.

7. BOARD MEMBER COMMENTS

This time is reserved for comments by Board members and/or staff and to identify matters for future Board business.

8. CONSENT AGENDA

- a. Approve Minutes of Board Meeting November 9, 2022
- b. 2023 IWVGA Regular Board Meeting Schedule
- c. Approve Expenditures
 - *To view itemized invoices please visit <https://iwvga.org/iwvga-meetings>*
 - i. \$173,826.96 – Stetson Engineers
 - ii. \$30,744.25 – Regional Government Services – (Replenishment / Extraction)
 - iii. \$15,387.50 – Capitol Core Group – (Replenishment)
 - iv. \$58,201.91 – Provost & Pritchard (SGMA IP Grant)

9. REVIEW AND CONSIDERATION OF 2022 BUDGET AMENDMENTS

10. BOARD DISCUSSION AND POTENTIAL ACTION REGARDING 2023 BOARD ROTATION

11. CONTRACT RENEWAL WITH CAPITOL CORE GROUP

12. CONTRACT RENEWAL WITH REGIONAL GOVERNMENT SERVICES

13. REVIEW OF BROWN ARMSTRONG REQUEST FOR AUDIT FEE INCREASE

14. BOARD CONSIDERATION OF IMPORTED WATER INTERCONNECTION PROJECT ITEMS

- a. Presentation of Preferred Pipeline Alignment
- b. Release of Request for Proposals for environmental documents (California Environmental Quality Act and National Environmental Policy Act) and permitting services

- c. Release of Request for Proposals for Pipeline Right-of-Way Services
- d. Release of Request for Proposals for pipeline design services

15. AUTHORIZE EXECUTION OF THE COOPERATIVE AGREEMENT FOR TRANSFER OF FUNDS TO INDIAN WELLS VALLEY GROUNDWATER AUTHORITY FOR MONITORING AND STUDYING SUBSURFACE GROUNDWATER FLOW IN SUPPORT OF NAVAL AIR WEAPONS STATION CHINA LAKE

16. APPROVAL OF IMPLEMENTATION GRANT ROUND TWO – PROJECTS LIST

17. WATER RESOURCES MANAGER REPORT

- a. Grant Funding
 - i. Proposition 1
 - ii. Proposition 68
 - iii. SGMA Implementation Project Grant Funds
- b. GSP Implementation Projects/Management Action Updates
 - i. Recycled Water Program
 - ii. Bureau of Reclamation Grant Funding Feasibility Study
 - iii. Draft Annual Report
 - iv. Shallow Well Mitigation Update
- c. Miscellaneous Items
 - i. Data Collection and Monitoring
 - ii. IWVGA Basin Model Configuration Management Plan
 - iii. Rose Valley Subflow Update

18. GENERAL MANAGER’S REPORT

- a. Monthly Financial Report
- b. Report on IWVGA’s Water Marketer (Capitol Core Group)
- c. Severely Disadvantaged Communities (SDAC) Update

19. PAC/TAC REPORT

20. DATE OF NEXT MEETING – JANUARY 11, 2023

21. ADJOURN

PUBLIC COMMENT NOTICE

On September 16, 2021, Governor Newsom signed into law Assembly Bill 361, relating to the convening of public meetings in light of the COVID-19 pandemic. At this time, the Indian Wells Valley Groundwater Authority is continuing to hold board meetings in order to conduct essential business. IWVGA meetings will be open to the public for physical attendance; However, for those who wish to continue using virtual alternatives please follow the directions below for access to live stream video as well as ways to submit public comment.

- **Watch meetings on-line:**
All of our meetings are streamed live at <https://ridgecrest-ca.gov/369/Watch> (4 second streaming delay) or on YouTube at <https://www.youtube.com/cityofridgecrest/live> (22 second streaming delay) and are also available for playback after the meeting.
- **Call in for public comments:**

IWVGA Board of Directors
Meeting of December 14, 2022

If you wish to make verbal comment, *please call (760) 499-5010*. This phone line will allow only one caller at a time, so if the line is busy, please continue to dial. We will be allowing a 20-30 second pause between callers to give time for media delays and callers to dial in. Due to media delays, please mute your streaming device while making public comment. If you wish to comment on multiple items, you will need to call in as each item is presented.

*Please Note – This process will be a learning curve for all, *please be patient*.

- **Submit written comments:**

We encourage submittal of written comments supporting, opposing, or otherwise commenting on an agenda item, for distribution to the Board prior to the meeting. Send emails to akeigwin@rgs.ca.gov written correspondence may be sent to April Keigwin, Clerk of the Board, 100 W. California Ave., Ridgecrest, CA 93555. Please specify to which agenda item your comment relates.

- **Large Groups:**

If you are part of a large group that would like to comment on an agenda item, please consider commenting in writing. This will be as impactful to the Board as having a large group in attendance.

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INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

City of Ridgecrest, Indian Wells Valley Water District, Inyo County, Kern County, San Bernardino County

BOARD OF DIRECTORS MEETING MINUTES Wednesday, November 9, 2022

IWVGA Members Present:

Chairman Phillip Peters, Kern County	Carol Thomas-Keefer, IWVGA General Manager
Scott Hayman, City of Ridgecrest	Keith Lemieux, Legal Counsel
Stan Rajtora, IWVWD	Steve Johnson, Stetson Engineers
John Vallejo, Inyo County	Commander Benjamin Turner, US Navy, DoD Liaison
Tim Itnyre, San Bernardino County	April Keigwin, Clerk of the Board
Thomas Bickauskas, Bureau of Land Management	

Attending via teleconference is Tim Itnyre, John Vallejo, Carol Thomas-Keefer, Steve Johnson, and April Keigwin.

Meeting recording and public comment letters submitted are made available at:

<https://iwvga.org/iwvga-meetings/>

1. CALL TO ORDER:

Chairman Peters calls the meeting to order at 10:05 a.m.

2. ADOPTION OF AGENDA AND AB-361 FINDING:

Motion made by John Vallejo and seconded by Scott Hayman to make a finding that health and safety risks as stated in AB-361 are still of concern.

Motion carries by the following roll call vote:

Chairman Peters	Aye
Vice Chair Hayman	Aye
Director Itnyre	Aye
Director Rajtora	Aye
Director Vallejo	Aye

3. PUBLIC COMMENT ON CLOSED SESSION:

None.

Chairman Peters calls the meeting into Closed Session at 10:09 a.m.

4. CLOSED SESSION:

- CONFERENCE WITH REAL PROPERTY NEGOTIATIONS – (Government Code Section 54956.8) - Property: Jackson Ranch - Kings County Assessor's Parcel Numbers 048-010-016, 048-010-018, and 048-020-030; Agency Negotiator: Capitol Core Group; Negotiating Parties: Various; Under Negotiation: Price and terms of payment.
- CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Government Code Section 54956.9(c)): IWVGA v. Inyokern CSD
- CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

(Government Code Section 54956.9(d)(1) - Name of case: Searles Valley Minerals Inc v. Indian Wells Valley Groundwater Authority, et. al. - Orange County Superior Court 30-2022-01239487-CU-MC-CJC

- CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION
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Closed Session adjourns at 10:56 a.m.

5. OPEN SESSION – No earlier than 10:30 a.m.

Meeting reconvenes into Open Session at 10:58 a.m.

- a. Report on Closed Session – Counsel Lemieux reports no action was taken that would require disclosure under The Brown Act.
- b. Pledge of Allegiance is led by Chairman Peters
- c. Roll Call

Chairman Peters	Present
Vice Chair Hayman	Present
Director Itnyre	Present
Director Rajtora	Present
Director Vallejo	Present

6. PUBLIC COMMENT:

The Board hears public comment from Mike Neel and Judie Decker.

7. BOARD MEMBER COMMENTS:

None.

8. CONSENT AGENDA:

- a. Approve Minutes of Board Meeting October 12, 2022
- b. AVEK Payment of \$5,000.00 per Resolution 07-22 (paid October 20, 2022)
- c. Approve Expenditures

**To view itemized invoices please visit <https://iwvga.org/iwvga-meetings>*

- i. \$109,596.66 – Stetson Engineers
- ii. \$20,591.00 – Regional Government Services – (Replenishment / Extraction)
- iii. \$18,837.50 – Capitol Core Group – (Replenishment)
- iv. \$14,114.75 – California Rural Water Association (SDAC)
- v. \$5,000.00 – Brown Armstrong (Extraction & Replenishment)
- vi. \$59,165.29 – Provost & Pritchard (SGMA IP Grant)
- vii. \$8,893.52 – PackWrap (Extraction)
- viii. \$125,000.00 – Kern County Repayment

Motion made by Scott Hayman and seconded by Tim Itnyre to approve Minutes of Board Meeting October 12, 2022, and the following expenditures in the amount of, \$109,596.66 to Stetson Engineers, \$20,591.00 to Regional Government Services, \$18,837.50 to Capitol Core Group, \$14,114.75 to California Rural Water Association, \$5,000.00 to Brown Armstrong, \$59,165.29 to Provost & Pritchard, \$8,893.52 to PackWrap, and \$125,000.00 to Kern County.

Motion carries by the following roll call vote:

Chairman Peters	Aye
Vice Chair Hayman	Aye
Director Itnyre	Aye
Director Rajtora	Aye
Director Vallejo	Aye

9. RESOLUTION 09-22 SUBMITTING AN APPLICATION FOR SGMA ROUND 2 GRANT FUNDING:
Carol Thomas-Keefer provides staff report and Resolution 09-22 (documents made available on the IWVGA website).

Motion made by Scott Hayman and seconded by Stan Rajtora to approve Resolution 09-22 submitting application for SGMA round 2 funding.

Motion carries by the following roll call vote:

Chairman Peters	Aye
Vice Chair Hayman	Aye
Director Itnyre	Aye
Director Rajtora	Aye
Director Vallejo	Aye

10. REPORT ON PROGRESS OF IMPORTED WATER PIPELINE ALIGNMENT STUDY AND RELEASE OF THREE PREFERRED ALIGNMENTS:

Jeff Davis of Provost & Pritchard provides PowerPoint presentation (documents made available on the IWVGA website).

The Board hears public comment from Don Decker, Judie Decker, John Kersey, West Katzenstein and Mike Neel.

11. APPROVAL OF LETTER TO AVEK RE IMPORTED WATER CONNECTION

Carol Thomas-Keefer provides staff report letter (documents made available on the IWVGA website).

Motion made by Scott Hayman and seconded by John Vallejo approving the letter to AVEK.

Motion carries by the following roll call vote:

Chairman Peters	Aye
Vice Chair Hayman	Aye
Director Itnyre	Aye
Director Rajtora	Nay
Director Vallejo	Aye

12. WATER RESOURCES MANAGER REPORT:

Steve Johnson, Jeff Helsley, Mayra Lopez, Bianca Cabrera and Jean Moran provide presentations on the following grants/programs (documents made available on the IWVGA website):

- a. Grant Funding
 - i. Proposition 1
 - ii. Proposition 68
 - iii. SGMA Implementation Project Grant Funds
- b. GSP Implementation Projects/Management Action Updates
 - i. Recycled Water Program
 - ii. Bureau of Reclamation Grant Funding Feasibility Study
- c. Miscellaneous Items
 - i. Data Collection and Monitoring
 - ii. IWVGA Basin Model Configuration Management Plan
 - iii. Rose Valley Subflow Update

The Board hears public comment from West Katzenstein.

13. GENERAL MANAGER'S REPORT:

Carol Thomas-Keefer provides updates on the following items (documents made available on the IWVGA website):

- a. Monthly Financial Report
- b. Report on IWVGA's Water Marketer (Capitol Core Group)
- c. Severely Disadvantaged Communities (SDAC) Update
- d. Update on financing
- e. Letter sent to IWWWD

The Board hears public comment from Mike Neel.

14. DATE OF NEXT MEETING – December 14, 2022

15. ADJOURN:

Chairman Peters adjourns the meeting at 12:50 p.m. on November 9, 2022.

Respectfully submitted,

April Keigwin
Clerk of the Board
Indian Wells Valley Groundwater Authority

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2023

IWVGA Proposed Meeting Dates

January						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February						
S	M	T	W	T	F	S
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26	27	28				

March						
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26	27	28	29	30	31	

April						
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23	24	25	26	27	28	29
30						

May						
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28	29	30	31			

June						
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25	26	27	28	29	30	

July						
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30	31					

August						
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September						
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24	25	26	27	28	29	30

October						
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29	30	31				

November						
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26	27	28	29	30		

December						
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31						

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Invoice

City of Ridgecrest
 Attn: Alan Christensen
 100 W. California Ave.
 Ridgecrest, CA 93555

Invoice Number: 2652-63
Invoice Date: 12/01/22

Project #: 2652 **Indian Wells Valley Groundwater Authority**

Professional Services through 10/31/2022

Water Resources Management 2022

01 - Meetings & Prep

Professional Services	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	19.50	\$237.00	\$4,621.50
Supervisor I	19.25	\$206.00	\$3,965.50
Senior Associate	11.25	\$128.00	\$1,440.00
Associate III	4.00	\$111.00	\$444.00
Assistant I	43.50	\$98.00	\$4,263.00
<i>Professional Services Subtotal:</i>			<u>\$14,734.00</u>
<i>Meetings & Prep Subtotal:</i>			<u>\$14,734.00</u>

02 - Prop 1 / Prop 68 Grant Administration

Professional Services	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Supervisor I	0.50	\$206.00	\$103.00
Senior Associate	8.00	\$128.00	\$1,024.00
Associate III	0.75	\$111.00	\$83.25
Assistant I	21.75	\$98.00	\$2,131.50
<i>Professional Services Subtotal:</i>			<u>\$3,341.75</u>
<i>Prop 1 / Prop 68 Grant Administration Subtotal:</i>			<u>\$3,341.75</u>

02.01 - SGMA IP Grant Administration

Professional Services	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Supervisor I	0.75	\$206.00	\$154.50
Senior Associate	4.50	\$128.00	\$576.00
Assistant I	3.00	\$98.00	\$294.00
<i>Professional Services Subtotal:</i>			<u>\$1,024.50</u>
<i>SGMA IP Grant Administration Subtotal:</i>			<u>\$1,024.50</u>

03 - Grant Review & Application Preparation

Professional Services	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	5.50	\$237.00	\$1,303.50
Supervisor I	11.75	\$206.00	\$2,420.50
Supervisor II	12.00	\$191.00	\$2,292.00
Senior Associate	10.00	\$128.00	\$1,280.00
GIS Manager	0.50	\$122.00	\$61.00
GIS Specialist I	1.00	\$101.00	\$101.00
Assistant I	4.00	\$98.00	\$392.00
<i>Professional Services Subtotal:</i>			<u>\$7,850.00</u>



Grant Review & Application Preparation Subtotal: \$7,850.00

04 - Data Mgmt System Support

Professional Services

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	1.50	\$237.00	\$355.50
Associate I	3.25	\$122.00	\$396.50

Professional Services Subtotal: \$752.00

Data Mgmt System Support Subtotal: \$752.00

05 - General Project Mgmt

Professional Services

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	1.00	\$237.00	\$237.00
Supervisor I	8.50	\$206.00	\$1,751.00
Senior Associate	4.50	\$128.00	\$576.00
Assistant I	2.25	\$98.00	\$220.50

Professional Services Subtotal: \$2,784.50

General Project Mgmt Subtotal: \$2,784.50

06 - Model Transfer & Upgrade

Professional Services

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Supervisor I	42.50	\$206.00	\$8,755.00
Supervisor II	36.25	\$191.00	\$6,923.75
Associate I	7.75	\$122.00	\$945.50
GIS Manager	21.50	\$122.00	\$2,623.00

Professional Services Subtotal: \$19,247.25

Reimbursables

	<u>Charge</u>
Car Rental	\$236.88
Field Supplies	\$34.30
Lodging	\$1,041.34
Meals	\$276.46
Mileage	\$683.76
Other Expenses	\$2.43
Reproduction	\$9.36

Reimbursables Subtotal: \$2,284.53

Sub-Contractors

	<u>Charge</u>
Board of Regents	\$23,666.17

Sub-Contractors Subtotal: \$23,666.17

Model Transfer & Upgrade Subtotal: \$45,197.95

07.01 - 01 Imported Water: Planning/Design/Environmental

Professional Services

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	21.00	\$237.00	\$4,977.00
Supervisor I	23.75	\$206.00	\$4,892.50
Assistant I	82.00	\$98.00	\$8,036.00

Professional Services Subtotal: \$17,905.50

01 Imported Water: Planning/Design/Environmental Subtotal: \$17,905.50

09 - Recycled Water

Professional Services

	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	3.50	\$237.00	\$829.50
Supervisor I	5.50	\$206.00	\$1,133.00
Supervisor II	58.00	\$191.00	\$11,078.00



09 - Recycled Water

Professional Services	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
GIS Manager	0.75	\$122.00	\$91.50
Associate II	3.25	\$116.00	\$377.00
Assistant I	15.00	\$98.00	\$1,470.00
			<i>Professional Services Subtotal:</i>
			<i>\$14,979.00</i>
			<i>Recycled Water Subtotal:</i>
			<i>\$14,979.00</i>

11 - Data Collection, Monitoring & Data Gaps

Professional Services	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Supervisor I	8.75	\$206.00	\$1,802.50
Supervisor II	26.00	\$191.00	\$4,966.00
Senior II	8.00	\$149.00	\$1,192.00
Associate I	57.50	\$122.00	\$7,015.00
GIS Manager	0.75	\$122.00	\$91.50
Associate III	1.00	\$111.00	\$111.00
Senior Assistant	63.25	\$103.00	\$6,514.75
			<i>Professional Services Subtotal:</i>
			<i>\$21,692.75</i>

Reimbursables	<u>Charge</u>
Car Rental	\$1,759.25
Field Supplies	\$328.40
Lodging	\$1,113.45
Meals	\$179.23
Overnight Mail	\$280.98
Toll	\$7.00
	<i>Reimbursables Subtotal:</i>
	<i>\$3,668.31</i>

Sub-Contractors	<u>Charge</u>
Horizon Environmental, Inc.	\$8,751.95
	<i>Sub-Contractors Subtotal:</i>
	<i>\$8,751.95</i>

Data Collection, Monitoring & Data Gaps Subtotal: \$34,113.01

12 - Prop 1 SDAC Program Support

Professional Services	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Supervisor I	2.75	\$206.00	\$566.50
Assistant I	21.00	\$98.00	\$2,058.00
			<i>Professional Services Subtotal:</i>
			<i>\$2,624.50</i>
			<i>Prop 1 SDAC Program Support Subtotal:</i>
			<i>\$2,624.50</i>

17 - Navy/Coso Royalty Fund: Develop FY23 Projects & Secure Funding

Professional Services	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	7.00	\$237.00	\$1,659.00
Supervisor I	8.00	\$206.00	\$1,648.00
			<i>Professional Services Subtotal:</i>
			<i>\$3,307.00</i>
			<i>Navy/Coso Royalty Fund: Develop FY23 Projects & Secure Funding Subtotal:</i>
			<i>\$3,307.00</i>

18 - Navy/Coso Royalty Fund: FY21 Rose Valley MW Permitting, Bid Doc Support & D

Professional Services	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	2.00	\$237.00	\$474.00
Supervisor I	1.00	\$206.00	\$206.00
Supervisor II	0.50	\$191.00	\$95.50
			<i>Professional Services Subtotal:</i>
			<i>\$775.50</i>



Navy/Coso Royalty Fund: FY21 Rose Valley MW Permitting, Bid Doc Support & Dr \$775.50

20 - Shallow Well Mitigation Program: Outreach & Impacts Evaluation

Professional Services	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	11.00	\$237.00	\$2,607.00
Supervisor I	4.25	\$206.00	\$875.50
Assistant I	27.75	\$98.00	\$2,719.50
<i>Professional Services Subtotal:</i>			<u>\$6,202.00</u>

Shallow Well Mitigation Program Outreach & Impacts Evaluation Subtotal: \$6,202.00

21 - General Engineering

Professional Services	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	4.50	\$237.00	\$1,066.50
Supervisor I	1.00	\$206.00	\$206.00
<i>Professional Services Subtotal:</i>			<u>\$1,272.50</u>
<i>General Engineering Subtotal:</i>			<u>\$1,272.50</u>

23 - Annual Report Preparation

Professional Services	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	1.00	\$237.00	\$237.00
Supervisor I	2.50	\$206.00	\$515.00
Supervisor II	28.75	\$191.00	\$5,491.25
Senior Associate	8.00	\$128.00	\$1,024.00
<i>Professional Services Subtotal:</i>			<u>\$7,267.25</u>

Annual Report Preparation Subtotal: \$7,267.25

26 - Budget Support

Professional Services	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Supervisor I	1.25	\$206.00	\$257.50
Senior Associate	1.75	\$128.00	\$224.00
Associate III	1.00	\$111.00	\$111.00
<i>Professional Services Subtotal:</i>			<u>\$592.50</u>
<i>Budget Support Subtotal:</i>			<u>\$592.50</u>

27 - Litigation Support

Professional Services	<u>Bill Hours</u>	<u>Bill Rate</u>	<u>Charge</u>
Principal	6.50	\$237.00	\$1,540.50
Supervisor I	27.75	\$206.00	\$5,716.50
Senior Associate	7.50	\$128.00	\$960.00
Associate III	6.00	\$111.00	\$666.00
Assistant I	2.25	\$98.00	\$220.50
<i>Professional Services Subtotal:</i>			<u>\$9,103.50</u>

Litigation Support Subtotal: \$9,103.50

Water Resources Management 2022 Subtotal: \$173,826.96

***** Invoice Total ***** \$173,826.96

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PO Box 1350
Carmel Valley, CA 93924

Invoice

Date	Invoice #
9/30/2022	14153

Bill To:

Indian Wells Valley Groundwater Authority
100 W California Ave
Ridgecrest, CA 93555

P.O. No.	Due Date	Inv Sent
	11/15/2022	10/24/2022

Date	Description	Amount
9/30/2022	Reimbursable Expenses for September - City of Ridgecrest Monthly Rent and Software Simplified (\$300+\$5125.00) - please see attached	5,425.00

	Total	\$5,425.00
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PO Box 1350
Carmel Valley, CA 93924

Invoice

Date	Invoice #
10/31/2022	14263

Bill To:

Indian Wells Valley Groundwater Authority
100 W California Ave
Ridgecrest, CA 93555

P.O. No.	Due Date	Inv Sent
	12/15/2022	11/29/2022

Date	Description	Amount
10/31/22	Reimbursable Expenses for October - City of Ridegecrest Monthly Rent - please see attached	300.00

		Total	\$300.00
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**AGREEMENT FOR LEASE OF
100 W. CALIFORNIA AVENUE, RIDGECREST, CA**

by and between

**THE CITY OF RIDGECREST AND
REGIONAL GOVERNMENT SERVICES**

AGREEMENT:

Premises: For and in consideration of the terms, covenants, and conditions contained in this Agreement, City leases to RGS, and RGS leases from City, an approximate 210 square foot office space located along with the monthly use of the City's conference room located at 100 W. California Avenue., Ridgecrest, County of Kern, State of California, depicted on the floor plan attached as **Exhibit "A"** ("**Premises**").

Term: The initial term of this Agreement ("**Term**") shall commence on the Execution Date and terminate one year (12 months) thereafter, unless sooner terminated or extended as provided in this Agreement.

Option to Extend Term: Provided RGS is not in default of any of the terms, covenants, or conditions of this Agreement, RGS shall have one option to request an extension of the initial Term for a two-year period ("**Option Term**"). RGS may exercise the option by giving the City's City Manager ("**CM**") written notice of RGS's desire to extend, not less than 60 days prior to expiration of the initial Term. The CM, at the CM's sole discretion, may accept or reject the request to extend.

4. **Right to Terminate:** Either Party may terminate this Agreement for any reason by providing a 60-day prior written notice to the other Party.

5. **Hold Over:** If RGS holds over after the expiration of the Term, with the express or implied consent of City, such holding over shall be a tenancy only from month to month and shall be governed by the terms, covenants, and conditions contained in this Agreement.

6. **Rental Consideration:**

a. **In General:** As consideration for the lease of the Premises during the Term, RGS shall pay to City in lawful money of the United States, to CM at 100 W. CALIFORNIA AVENUE, RIDGECREST, CA, or to such persons and at such places as may be designated from time to time by City. The first rental payment shall be paid within 30 days of the Execution Date, and thereafter for the balance of the Term, shall be paid on or before the first of each month. In the event RGS occupies the Premises for a partial month at any time, RGS shall only be responsible for a prorated portion of the Rent.

b. **Fair Market Rental Value:** The fair market rental rate of the facility is determined to be \$300 per month (\$1.43 per square foot).

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PO Box 1350
Carmel Valley, CA 93924

Invoice

Date	Invoice #
10/31/2022	14186

Bill To:

Indian Wells Valley Groundwater Authority
100 W California Ave
Ridgecrest, CA 93555

P.O. No.	Due Date	Inv Sent
	11/30/2022	11/16/2022

Date	Description	Amount
10/31/2022	Contract Services for October - please see attached	25,019.25

	Total	\$25,019.25
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Indian Wells Valley

Month: **Oct, 2022**

Hours and Rates by Pay Period						
		1st -15th		16th - EOM		Monthly
Advisor	Reg Hrs	Bill Rate	Reg Hrs	Bill Rate	Total Billed	
CT	33.50	\$ 130.00	18.00	\$ 130.00	\$ 6,695.00	
AK	66.70	\$ 105.00	51.40	\$ 105.00	\$ 12,400.50	
JK	0.00	\$ -	0.00	\$ -	\$ -	
GL	0.00	\$ -	0.00	\$ -	\$ -	
AM	0.00	\$ -	0.00	\$ -	\$ -	
GS	30.75	\$ 137.00	8.00	\$ 137.00	\$ 5,308.75	
EF	0.00	\$ -	0.00	\$ -	\$ -	
RM	1.50	\$ 164.00	2.25	\$ 164.00	\$ 615.00	
Totals	132.45		79.65		\$ 25,019.25	

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Capitol Core Group, Inc.
 205 Cartwheel Bend (Operations Dept.)
 Austin, TX 78738 US
 512.568.3084
 operations@capitolcore.com
 www.capitolcore.com

BILL TO

Indian Wells Valley Groundwater
 Authority
 500 West Ridgecrest Blvd.
 Ridgecrest, California 93555
 USA

INVOICE 2022-060

DATE 12/05/2022 **TERMS** Net 45

DUE DATE 01/19/2023

VENDOR ID
195953

INVOICE PERIOD
November 2022

DATE	ACCOUNT SUMMARY	AMOUNT
11/01/2022	Balance Forward	18,837.50
	Other payments and credits after 11/01/2022 through 12/04/2022	0.00
12/05/2022	Other invoices from this date	0.00
12/05/2022	Other payments from this date	-18,837.50
	New charges (details below)	15,387.50
	Total Amount Due	15,387.50

ACTIVITY	HOURS	RATE	AMOUNT
Charges			
Task 1: Identify and Secure Imported Water Supplies			
Government Relations: Intergovernmental Affairs	4	250.00	1,000.00
Subtask B: Interconnection: Alignment (non-lobbying meetings and internal) {McKinney}			
Government Relations: Intergovernmental Affairs	1	250.00	250.00
Subtask A: Meeting w/ Public Agency Seller-1 {Tatum}			
Government Relations: Intergovernmental Affairs	1.50	250.00	375.00
Subtask A: Negotiations w/ Jackson Ranch {Tatum}			
Government Relations: Intergovernmental Affairs	1	250.00	250.00
Subtask B: RRG Meeting re: Interconnection {Tatum}			
Government Relations: Intergovernmental Affairs	4	250.00	1,000.00
Subtask D: New Water Identification meetings {Tatum}			
Government Relations: Intergovernmental Affairs	3	250.00	750.00
Subtask D: New Water Meetings w/ Sellers {Tatum}			
Government Relations: Intergovernmental Affairs	2	225.00	450.00
Subtask A: Discussion/Negotiation w/ Public Agency Seller-1 {Simonetti}			
Government Relations: Intergovernmental Affairs	8	225.00	1,800.00
Subtask B: Interconnection -- Alignment and ROW/Permitting (non-lobbying) {Simonetti}			

ACTIVITY	HOURS	RATE	AMOUNT
Government Relations: Intergovernmental Affairs Subtask D: New Water Supply Meetings {Simonetti}	3.50	225.00	787.50
Invoice Total Task 1: \$6,662.50 (27 hours)			
Task 2: Secure Federal Funding			
Government Relations: Federal Congressional: WRDA 22 U.S. Senate amendment -- Rep. McCarthy, USACE calls {McKinney}	6	250.00	1,500.00
Government Relations: Federal Congressional: Interconnection -- Senator Feinstein, preparation and follow-up briefing {McKinney}	2.25	250.00	562.50
Government Relations: Federal Agency: USACE Interconnection/Briefings and document preparation {McKinney}	4	250.00	1,000.00
Government Relations: Federal Congressional: FY2023 NDAA Senate Lobbying {McKinney}	2	250.00	500.00
Government Relations: Federal Congressional: WRDA-22 Direct Advocacy and amendment re-write {Simonetti}	3.25	225.00	731.25
Government Relations: Federal Congressional: NDAA and WRDA briefing w/ Rep. McCarthy {Simonetti}	1.50	225.00	337.50
Government Relations: Federal Congressional: Senate Briefings Interconnection (Sen. Feinstein) and materials preparation {Simonetti}	3.75	225.00	843.75
Invoice Total Task 2: \$5,475.00 (23 hours)			
Task 3: Secure State Funding			
Government Relations: California Agency; OPR/GMC Briefings Cal-DCIP proposal {McKinney}	1	250.00	250.00
Government Relations: California Legislative: Interconnection -- Asm. Fong briefing {McKinney}	1.25	250.00	312.50
Government Relations: California Legislative: 2023-2024 State Budget Analysis and Legislative ID {Split} {McKinney}	2	250.00	500.00
Government Relations: California Agency: Meeting w/ OPR re: 2023-2024 Cal-DCIP Proposal {Simonetti}	1	225.00	225.00
Government Relations: California Legislative: Interconnection briefing Asm Fong, meeting prep. Sen. Grove {Simonetti}	1	225.00	225.00
Invoice Total Task 3: \$1,512.50 (6.25 hours)			
Task 4: Project Administration			
Administrative Board Meeting November {Tatum}	2	250.00	500.00
Administrative Board Meeting and materials preparation {Simonetti}	4.50	225.00	1,012.50
Administrative Client Meetings (various) {Simonetti}	1	225.00	225.00
Invoice Total Task 4: \$1,737.50 (7.5 hours)			

ACTIVITY	HOURS	RATE AMOUNT
Compliance Reporting Notes:		
Federal Reporting for Invoice IWVGA: \$4,975.00		
Federal Reporting for Invoice City of Ridgecrest: \$500.00		
State Reporting for Invoice IWVGA:\$1,037.50		
State Reporting for Invoice City of Ridgecrest: \$475.00		

Thank you for your business. Please make checks payable to Capitol Core Group, Inc.

TOTAL OF NEW CHARGES 15,387.50

TOTAL DUE \$15,387.50

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April Keigwin
 Indian Wells Valley Groundwater Authority
 100 West California Avenue
 Ridgecrest, CA 93555

November 10, 2022
 Project No: 04101-22-001
 Invoice No: 96294

Project Name: Indian Wells Valley Groundwater Authority-Imported Water Pipeline Alignment Study

Client Project #:

Screened eleven alignments down to three; made additional field visits to confirm they are viable. Submitted draft tech memo for Task 2. Continued analysis of blending tank, pump station hydraulics, and environmental impacts. Began review of the three alignments looking for geologic issues that could impact them.

Professional Services from October 1, 2022 to October 31, 2022

Phase: T02 Imported Water Demands Determination

Labor

	Hours	Rate	Amount	
Senior Engineer	1.50	184.00	276.00	
Principal Engineer	3.00	225.00	675.00	
Project Administrator	.20	105.00	21.00	
Totals	4.70		972.00	
Total Labor				972.00
				Total this Phase: \$972.00

Phase: T03 Delivery & Connection Points Evaluation

Labor

	Hours	Rate	Amount	
Senior Engineer	6.50	184.00	1,196.00	
Totals	6.50		1,196.00	
Total Labor				1,196.00
				Total this Phase: \$1,196.00

Phase: T04 Preliminary Alignment Option Development

Labor

	Hours	Rate	Amount	
Senior Engineer	1.50	153.00	229.50	
Senior Engineer	144.10	184.00	26,514.40	
Senior Technician	10.00	136.00	1,360.00	
Assistant Engineer	22.00	118.00	2,596.00	
Principal Engineer	19.60	225.00	4,410.00	
Senior GIS Specialist	4.70	160.00	752.00	
Travel Time	2.50	80.00	200.00	
Totals	204.40		36,061.90	
Total Labor				36,061.90

Consultants

Consultants			4,709.25	
Total Consultants			4,709.25	4,709.25

Reimbursable Expenses

Printing, Repro & Photographs	8.89	
Travel & Mileage	697.92	
Other Direct Reimb Expenses	53.70	
Total Reimbursables	760.51	760.51

Total this Phase: \$41,531.66

Phase: T06 Pipeline Alignment Options Analysis

Labor

	Hours	Rate	Amount
Assistant Engineer	1.20	104.00	124.80
Principal Planner	.50	182.00	91.00
Associate GIS Specialist	.50	106.00	53.00
Totals	2.20		268.80
Total Labor			268.80

Total this Phase: \$268.80

Phase: T07 Pipeline Alignment Options Comparison

Labor

	Hours	Rate	Amount
Principal Planner	1.00	182.00	182.00
Associate GIS Specialist	3.00	106.00	318.00
Totals	4.00		500.00
Total Labor			500.00

Total this Phase: \$500.00

Phase: T08 Alternative Alignment Technical Memo

Labor

	Hours	Rate	Amount
Associate Biologist	5.40	101.00	545.40
Associate Biologist	12.20	115.00	1,403.00
Travel Time	5.40	80.00	432.00
Totals	23.00		2,380.40
Total Labor			2,380.40

Total this Phase: \$2,380.40

Phase: T09 Project Management

Labor

	Hours	Rate	Amount
Senior Engineer	1.30	184.00	239.20
Principal Engineer	1.30	205.00	266.50
Principal Engineer	3.10	195.00	604.50
Principal Engineer	25.40	225.00	5,715.00
Senior GIS Specialist	13.90	142.00	1,973.80
Assistant Envir. Spec.	3.00	105.00	315.00
Principal Const. Manager	1.30	210.00	273.00
Totals	49.30		9,387.00
Total Labor			9,387.00

9,387.00

Reimbursable Expenses

Other Direct Reimb Expenses		1,966.05	
Total Reimbursables		1,966.05	1,966.05
	Total this Phase:		\$11,353.05

Billing Limits

	Current	Prior	To-Date
Total Billings	58,201.91	59,165.29	117,367.20
Budget			449,100.00
Budget Remaining			331,732.80
		Total this Invoice	<u><u>\$58,201.91</u></u>

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IWVGA ADMINISTRATIVE OFFICE

STAFF REPORT

TO: IWVGA Board Members

DATE: December 14, 2022

FROM: IWVGA Staff

SUBJECT: 2022 Budget Amendment

BACKGROUND

The IWVGA board adopted its 2022 budget in November 2021, and that budget created a framework for spending for the fiscal year. After the budget is approved, circumstances frequently arise that may require adjustments to the approved budget. For example, after budget adoption, the Authority received a \$7.6 million reimbursable Department of Water Resources SGMA IP grant. The creation of the new grant fund will require review and reconciliation during each budget cycle to recognize the remaining available reimbursable revenue for the next budget year. Additionally, a new fund, the Navy/COSO Royalty Fund, will be created to account for expenditures, originally budgeted in the Extraction fund, that are Navy associated reimbursable expenses. These adjustments and others require Board approval. The board may amend the budget at any meeting after the adoption of the budget. Actual amounts may vary based on additional year-end closing adjustments.

The following additions and amendments are proposed to reflect board-authorized actions and operating changes throughout the year:

New Fund(s):

- Create DWR Implementation Grant Fund-SGMA IP Grant Fund and divisions necessary
 - Add \$7.6 million in budgeted revenue (reimbursable).
 - Add \$7.6 million in budgeted expenses.
 - Category A: Grant Agreement Administration \$300,000
 - Category B: Planning/Design/Environmental: \$7,030,000
 - Category E: Engagement/Outreach: \$270,000
 - Move actual expenses to the new fund and divisions
 - At each annual budget process and year-end for the life of the grant, remaining budgeted revenue will be reconciled and carried forward to next year.

- Create Navy/COSO Royalty Fund
 - Add \$300,000 in budgeted revenue (reimbursable)
 - Add \$300,000 in budgeted expenses
 - Move actual expenses to the new fund
 - Amend Extraction Budget and move reimbursable budgeted expenses to new fund.

Amendments to Budget:

- Increase budgeted Extraction expenses by \$92,350 in the following areas:
 - Create budget for Community & Engagement Division
 - Add previously approved \$60,000 to the division and allocate by line-item
 - Add \$12,000 to External Audit due to inclusion of two annual audits in 2022
 - Add \$20,350 expense associated with Navy easement invoice for telemetry equipment
- Reduce budgeted extraction expenses by \$92,350 in the following areas:
 - Production Reporting, Transient Pool, and Fee Support from \$34,000 to \$11,650
 - Litigation Support from \$40,000 to \$30,000
 - Conservation Efforts from \$20,000 to 0
 - Model Transfer and Upgrade from \$150,000 to \$130,000
 - Navy/COSO Develop Projects & Secure Funding from \$30,000 to \$10,000
- Reduce budgeted transfer from Augmentation Fund to Extraction Fund from \$1,062,745 to 762,745. Actual transfer will be dependent on year-end status of the Extraction Fund
- Create transfer line-item(s) from DWR Grants Funds Prop 1 and Prop. 68 to Extraction Fund in reimbursed revenue for prior year grant related payments during year-end processing.

ACTION(S) REQUIRED BY THE BOARD

Staff recommends the board approve the proposed amendments to the 2022 budget in order to recognize and allow the adopted budget to reflect budgetary changes made during fiscal year 2022.

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2022 BUDGET AMENDMENTS

		ADOPTED BUDGET	AMENDED BUDGET	DIFFERENCE
1	REVENUE			
2	Extraction Fee	1,245,105	1,245,105	-
3	Transfer In/Loan from Augmentation Fund	1,062,745	762,745	(300,000)
4	Transfer In/Loan from Grant Funds	-	-	-
5	Augmentation Fee	4,069,625	4,069,625	-
6	Transfer In/Loan Repayment from Extraction Fund	-	-	-
7	Shallow Well Mitigation Fee	195,250	195,250	-
8	Department of Water Resources (DWR) Grants-Prop 1/68	338,500	338,500	-
9	Department of Water Resources (DWR) Grants-IP Grant Fund	-	7,600,000	7,600,000
10	Navy/COSO Royalty Fund	-	300,000	300,000
11	TOTAL REVENUES	6,911,225	14,511,225	7,600,000
12	EXPENSES			
13	Administration			
14	Administration	333,000	333,000	-
15	Office Rent	3,600	3,600	-
16	Office Supplies	1,000	1,000	-
17	Postage and Delivery	360	360	-
18	External Audit	12,000	24,000	12,000
19	Council Chambers/IT Services	8,500	8,500	-
20	General Counsel	150,000	150,000	-
21	Insurance Premium	13,160	13,160	-
22	Legal Notices	2,000	2,000	-
23	Memberships	100	100	-
24	Website	300	300	-
25	Printing and Reproduction	-	-	-
26	Bank Service Charges	-	-	-
27				
28	Non-Departmental			
29	Other Legal Services	500,000	500,000	-
30	Lobbying Services	175,000	175,000	-
31	Other Professional Services -Navy	-	20,350	20,350
32	Shallow Well Mitigation Emergency Assistance Program	50,000	50,000	-
33	Repayment of Kern County Advance	500,000	500,000	-
34	Repayment of City of Ridgecrest In-Kind Services	300,000	300,000	-
35	Transfer Out/Loan to Extraction Fund From Grant	-	-	-
36	Transfer Out/Loan to Extraction Fund	1,062,745	762,745	(300,000)
37				
38	Community & Engagement			
39	Design Services	-	25,000	25,000
40	Printing and Reproduction	-	10,000	10,000
41	Website Services	-	25,000	25,000
42				
43	Conservation Programs			
44	Outreach & Technical Services	306,500	306,500	-
45				
46	Basin Management Administration			
47	Production Reporting, Transient Pool, and Fee Support	34,000	11,650	(22,350)
48	Meetings and Prep	120,000	120,000	-
49	Budget Support	10,000	10,000	-
50	Stakeholder Coordination	10,000	10,000	-
51	Litigation Support	40,000	30,000	(10,000)
52				-

2022 BUDGET AMENDMENTS

	ADOPTED BUDGET	AMENDED BUDGET	DIFFERENCE
53 Basin Management			-
54 Review of Ramboll Report (Task began in 2020)	8,210	8,210	-
55 Prop 1 SDAC Program Support	15,000	15,000	-
56 General Engineering	35,000	35,000	-
57 TSS: El Paso Well Drilling Support	10,000	10,000	-
58 TSS: General Coordination/Application Support	30,000	30,000	-
59 Coordination with DWR on GSP Review	45,000	45,000	-
60 Annual Report Preparation	30,000	30,000	-
61 Data Management System Support	20,000	20,000	-
62 Allocation Plan and Rules & Regs on Pumping/Restrictions	10,000	10,000	-
63 Conservation Efforts	<i>20,000</i>	-	(20,000)
64 General Project Management	30,000	30,000	-
65 Model Transfer and Upgrade	<i>150,000</i>	130,000	(20,000)
66 Navy/Coso Royalty Fund: Develop Projects & Secure Funding	<i>30,000</i>	10,000	(20,000)
67 Navy/Coso Royalty Fund: Rose Valley MW Permitting, Bid, Drilling	<i>300,000</i>	-	(300,000)
68 Data Collection, Monitoring, and Data Gaps	134,000	134,000	-
69 Imported Water: Negotiations and Coordination	35,000	35,000	-
70 Imported Water: Engineering and Analysis	118,000	118,000	-
71 Recycled Water	180,000	180,000	-
72			
73 Basin Management			
74 Shallow Well Mitigation Program: Outreach and Impacts Eval.	20,000	20,000	-
75 Brackish Water Group: Data Review and Coordination	7,500	7,500	-
76 Well Monitoring Services	2,100	2,100	-
77			
78 Grant Management			
79 Prop 1 / Prop 68 Grant Administration	70,000	70,000	-
80 Grant Review and Application Preparation	50,000	50,000	-
81			
82 SGMA IP Grant Fund			
83 IP Grant Administration	-	300,000	300,000
84 Planning/Design/Environmental	-	7,030,000	7,030,000
85 Engagement/Outreach	-	270,000	270,000
86			-
87 NAVY/COSO ROYALTY FUND			-
88 Navy/Coso Royalty Fund: Rose Valley MW Permitting, Bid, Drilling	-	300,000	300,000
89			
90 TOTAL EXPENSES	4,982,075	12,282,075	7,300,000
91			
92 Surplus (Deficit)	1,929,150	2,229,150	300,000

Items italicized and bold are budget amendments for FY 2022

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IWVGA ADMINISTRATIVE OFFICE

STAFF REPORT

TO: IWVGA Board Members

DATE: December 14, 2022

FROM: IWVGA Staff

SUBJECT: AGENDA ITEM 10 – 2023 Board Rotation

BACKGROUND

The Joint Powers agreement for the Indian Wells Valley Groundwater Authority (IWVGA) provides that officers of the board shall be elected annually and that these positions may be removed at any time without cause. The Bylaws state in section 3.2, Appointment of Officers of the Board, the IWVGA Chair and Vice Chair are to rotate annually between the board member representing County of Kern, City of Ridgecrest and the Indian Wells Valley Water District (District).

3.2) Beginning in 2017, the Chairperson and Vice-Chairperson shall rotate annually between the Board members representing the County of Kern, City of Ridgecrest, and the Indian Wells Valley Water District... Officers of the Board may be removed and replaced at any time, with or without cause by a vote of the Board. In the event that an Officer of the Board loses their position as a Primary Director, that Officer of the Board position shall become vacant and the Board shall elect a new individual to serve the remaining term.

DESCRIPTION

The past couple years, under advice of counsel, the Indian Wells Valley Water District has recused itself from participating in certain topics before the board. The District is currently set to hold the Vice Chair position beginning January 2023. Given current court proceedings, full participation of the Chair and Vice Chair is important for the constituents in this basin. Staff has provided the attached resolution, which would skip the District in this years rotation and make City of Ridgecrest the Chairperson and Kern County, Vice Chair.

Staff has provided the attached resolution for the board's consideration and adoption.

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**BEFORE THE BOARD OF DIRECTORS OF THE
INDIAN WELLS VALLEY GROUNDWATER AUTHORITY**

In the matter of:

Resolution No. 10-22

**REMOVING THE REPRESENTATIVE FROM THE INDIAN WELLS VALLEY
WATER DISTRICT AS VICE CHAIRPERSON OF THE INDIAN WELLS VALLEY
GROUNDWATER AUTHORITY PURSUANT TO SECTION 6.04 OF THE JOINT
EXERCISE OF POWERS AGREEMENT CREATING THE INDIAN WELLS VALLEY
GROUNDWATER AUTHORITY**

I, _____, Clerk of the Board of Directors for the Indian Wells Valley
Groundwater Authority, do certify that the following resolution, on motion of Director
_____, seconded by Director _____, was duly passed and adopted by the Board of
Directors at an official meeting this 14th day of December, 2022, by the following vote:

AYES:

NOES:

ABSENT:

Clerk of the Board of Directors
Indian Wells Valley Groundwater Authority

RESOLUTION

**THE BOARD OF DIRECTORS OF INDIAN WELLS VALLEY GROUNDWATER
AUTHORITY RESOLVES AS FOLLOWS:**

Section 1. WHEREAS section 6.04 of the Joint Exercise Of Powers Agreement
Creating The Indian Wells Valley Groundwater Authority provides that the board of directors shall
annually appoint a chairperson to preside at all meetings.

Section 2. WHEREAS section 6.04 of the Joint Exercise Of Powers Agreement
Creating The Indian Wells Valley Groundwater Authority also provides that officers of the board
including the chairperson may be removed and replaced at any time with or without cause by a
board vote.

Section 3. WHEREAS Section 3.2 of the Bylaws of The Indian Wells Valley Groundwater Authority provides that the chairperson and vice chairperson shall rotate annually between the board members representing the county of Kern, the City of Ridgecrest, and the Indian Wells Valley Water District.

Section 4. WHEREAS the Indian Wells Valley Water District has indicated that there is a current and ongoing conflict of interest between the duties of the representative of the Water District to the Water District itself and the Groundwater Authority based on pending litigation and other related concerns and that based on this conflict of interest the representative of the Water District has not participated fully in any meeting since 2021.

Section 5. WHEREAS effective January 1, 2023, the representative of the Indian Wells Valley Water District would rotate into the vice chairperson position based on section 3.2 of the bylaws creating a risk the vice chairperson could not preside over all portions of the Authority's meetings and could not freely communicate with staff regarding litigation topics.

Section 6. THEREFORE, IT IS RESOLVED by the Board of Directors of the Indian Wells Valley Groundwater Authority that effective January 1st, 2023, the representative of the Indian Wells Valley Water District shall be removed as vice chairperson pursuant to section 6.04 of the Joint Exercise Of Powers Agreement Creating The Indian Wells Valley Groundwater Authority.

Section 7. This Resolution shall become effective immediately.

PASSED, APPROVED, AND ADOPTED, by the Indian Wells Valley Groundwater Authority this 14th day of December, 2022.

SIGNED:

President of the Board of Directors

ATTEST:

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IWVGA ADMINISTRATIVE OFFICE

STAFF REPORT

TO: IWVGA Board of Directors **DATE:** December 11, 2022

FROM: Carol Thomas-Keefer, General Manager

SUBJECT: **Renewal of Contract with Capitol Core Group**

BACKGROUND

For the past several years, the Indian Wells Valley Groundwater Authority has contracted with Capitol Core Group (CCG) for legislative advocacy and assistance in securing the funding and water rights needed to supplement water supplies for the Indian Wells Valley Groundwater Basin. The current contract extension will expire December 31, 2022. CCG has submitted a proposed work plan and budget for calendar year 2023 efforts for board consideration.

DISCUSSION

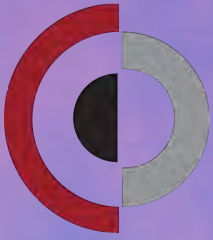
The CCG proposed work plan for 2023 builds on efforts during the current and past years to finalize the water rights purchase in progress, seek or follow up on additional available water rights for purchase, continue efforts to secure state and federal grant funds for planning and implementation of Groundwater Sustainability Plan projects, and coordinate assistance from various state and federal agencies. In 2022, CCG successfully assisted IWVGA in obtaining a \$7.6 million grant from the state Department of Resources, facilitated a grant for the City of Ridgecrest for its Wastewater Treatment Plant, secured directive language in the federal Water Resources Development Act for assistance from U.S. Army Corps of Engineers for IWVGA project planning assistance, identified, negotiated and is working to finalize a purchase of State Water Project Table A water rights entitlement, and will assist with the submission of IWVGA's application to the state for Round 2 SMGA grant funding. Moreover, CCG has stayed within its not-to-exceed approved budget of \$174,000 for the year.

For 2023, CCG's work plan and budget include an increase in personnel billing rates but the overall, not-to-exceed budget is again proposed at \$174,000.

ACTION(S) REQUIRED BY THE BOARD

The IWVGA board should consider approval of the proposed 2023 CCG work plan and budget – not to exceed \$174,000 – for continuing services to assist IWVGA in securing the funding and water rights needed to plan and implement supplemental water supply projects for the basin.

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CAPITOL
CORE
GROUP

SACRAMENTO

2023 Proposed Work Plan,
Legislative Agenda and
Proposed Budget

Prepared for:
Indian Wells Valley
Groundwater Authority

Forward

Since 2019, Capitol Core Group has been privileged to work as part of the Indian Wells Valley Groundwater Authority (IWVGA) as it brings sustainability to the region's water supply. Our team looks forward to continuing to work with the Authority to bring these projects to life. Capitol Core's work on behalf of IWVGA has focused on:

1. Bringing Imported Water Supplies to the Indian Wells Valley
2. Securing federal funding and serving as IWVGA's liaison to the United States Government
3. Securing State funding and serving as IWVGA's liaison to the State of California

IWVGA has identified an annual imported water requirement between 3,000 and 5,000 acre-feet of permanent entitlement and has included several capital projects within the Groundwater Sustainability Plan (GSP) to meet sustainability requirements. These projects have a total cost exceeding \$300 million. During 2022, Capitol Core made significant gains toward meeting annual imported water requirements and obtaining federal/State funds needed for capital projects.

In 2023, Capitol Core proposes to continue its work in these same areas, building upon recent successes and advancing capital projects. In addition, IWVGA staff has identified new projects that will be explored during 2023.

We thank you for your continued faith in Capitol Core and appreciate the regional approach IWVGA is taking to bringing sustainability to the Indian Wells Valley. The following will suggest a 2023 workplan and proposed budget for the Board's approval.

Executive Summary

IWVGA is responsible for management of groundwater supplies in an isolated basin at the edge of California's Mojave Desert. The region is home to the U.S. Naval Air Weapons Station China Lake, a critical flight operations and weapons development/testing installation for the U.S. Military. The Indian Wells Valley is a critically overdrafted groundwater basin and the Authority enacted a plan to interconnect the region to outside water transmission sources for the purpose of importing needed water supplies as well as develop an advanced treatment facility for water recycling. The infrastructure costs are over \$300 million, with a 20-year

timeline for completion, to achieve water resiliency in the Indian Wells Valley. Two items are essential: 1) funding from federal and state sources and 2) purchasing imported water supplies to meet resiliency needs.

In 2022, Capitol Core's main goals were:

- Identify and secure permanent water supplies to meet imported water requirements in the Valley
- Secure government funding to assist in meeting the \$16.3 million needed for planning activities associated with the interconnection pipeline and water recycling plant as well as \$5 million in construction funding needed for the City of Ridgecrest's wastewater treatment plant.

Over the course of the year, Capitol Core identified sources to meet imported water purchase goals, secured 750 acre-feet of permanent water supplies, brought \$10.1 million for regional capital improvement projects, and secured federal assistance from the U.S. Army Corps of Engineers (USACE) to assist in planning activities associated with the interconnection project. We have identified programmatic funding opportunities and continue to work on an additional \$5.3 million in planning funds for the water recycling plant focusing on two Agencies, the Bureau of Reclamation (USBR) and the Department of Water Resources (DWR).

In 2023, Capitol Core seeks to maintain that momentum by securing additional water supplies, continuing our work with USBR, DWR, and USACE. We have reorganized our proposed tasks to be more *project-specific* – identifying goals and objectives to be met over the course of next year. We have designed this proposed scope of be more like a local agency's "Legislative Agenda" that begins to map-out a two/three-year horizon of government relations activities that meet project development.

2023 Proposed Workplan

Capitol Core's proposed 2023 workplan changes the structure of goals and objectives from a Water-Federal-State focus to a more project-oriented focus. We will create a more integrated focus surrounding the project tasks associated with imported water, the interconnection pipeline project, the water recycling plant, the wastewater treatment plant, and other identified projects. For lobbying activities, this creates a Legislative Agenda style approach to our workplan that is more consistent with most California public agencies.

Task 1: Imported Water Supplies

Goal: *Identify and secure 3,000-5,000-acre feet of imported water supplies.*

Objectives:

- Complete negotiations with existing identified water sellers
- Obtain needed regulatory approvals for water purchase
- Successfully negotiate water storage, transfer/conveyance and other agreements as necessary.
- Complete negotiations concerning interconnection to allow for imported water supplies
- Identify new waters for sale and negotiate for completion of sale

Subtask A: Complete negotiations with existing identified water sellers

Two potential sellers of Table A water supplies remain under negotiation with IWVGA. Under this subtask, Capitol Core seeks to complete negotiations with each seller during 2023. This first, identified as "Jackson Ranch" (Private Seller) is in final negotiations. The second, identified as "Seller Agency-1," remains in negotiations. If additional sellers are identified between now and the end of 2022, they will be added to this task.

Subtask B: Regulatory Approvals of Water Purchases

As with all water purchases, approvals are not limited to contractual arrangements and may require both local agency as well as State Agency approval. This subtask focuses on the regulatory affairs that needs to be accomplished in order to obtain approval of the water purchase transaction and subsequent transfer. Regulatory approvals are dependent upon the parties transacting the water sale/purchase and may include, but not be limited to, local water agencies, DWR and WRCB.

Deliverables for this sub-task will include:

- Collateral and support material development for needed regulatory approvals
- Direct advocacy with State Agencies, including but not limited to DWR and SWRCB
- Direct advocacy, as needed, with other local agencies

Subtask C: Other Required Agreements

Water purchases are not limited to sales agreements alone. The ability to transfer/convey, store, and/or lease water supplies are anticipated. In this subtask, Capitol Core will focus on providing strategic counsel, developing terms, and successfully negotiating other agreements needed for purchased water supplies.

During 2023, many of the tasks associated with the interconnection pipeline will move from federal/state government relations activities to inter-agency governmental discussions between AVEK and IWVGA. This subtask will also focus on those negotiations/discussions and planning activities. While “covered actions” will be contained within Task 2, and reported appropriately, the discussions between AVEK and IWVGA are not considered “covered actions” under either the federal *Lobbying Disclosure Act* or *California Political Reform Act* will be achieved within this subtask. Capitol Core’s work under this subtask, however, will not be reimbursed through the SGMA-IP Grant program per State requirements.

Subtask D: 2023 Water Identification and Sales

While Capitol Core has identified both private and agency sellers of Table A water, it may be necessary to continue the search for permanent water supplies. Unfortunately, 2023 looks to be like 2022 with the continuation of drought conditions and additional GSAs are looking for water supplies. Capitol Core will continue to look for new permanent water supplies during 2023. Should further water supplies be necessary and if the IWVGA has funding sources available to purchase further water, we will provide recommendations to IWVGA on the availability of permanent water for sale. Deliverables for this subtask will include:

- Identification of permanent water supplies for sale
- Negotiation with potential sellers
- Development of Term Sheets and Negotiation Material

Task 2: Interconnection Pipeline

2022 activities funded planning activities for the interconnection pipeline through 2024. While additional planning funds may be required in the future, 2023 activities will focus on right-of-way (ROW) and construction related activities which can be funded in the immediate future.

Goal: *Effectuate near-term construction activities for the interconnection pipeline project.*

Goal: *Effectuate ROW permitting and purchase for the pipeline route.*

Goal: *Seek federal funding for construction activities*

Objectives:

- Identify and secure federal/state funding for construction-related activities
- Identify and secure land acquisition funding for ROW
- Develop policymaker understanding of ROW-associated issues for the interconnection project and assist watermaster efforts in pipeline alignment.
- Authorize the interconnection pipeline project under the Water Resources Development Act of 2024 (WRDA-24)

Subtask A: Construction Related Funding

The proposed approach to planning and construction activities creates the opportunity for a phased environmental permitting and construction process. Immediate construction of the storage tanks, appurtenant structures, and associated pipelines to interconnect to the Indian Wells Valley Water District (hereafter, “the District”) may occur as early as 2024.

In this task, Capitol Core will identify and secure federal/State funding for the above stated construction related activities. This includes but is not limited to seeking a Community Project Funding Request (federal), State budget request (California), and working with appropriate federal/State agencies to identify existing programmatic funding opportunities. In the later part of 2022, Capitol Core will hold scoping meetings with DWR and WRCB to determine potential available FY2022/2023 programs.

Subtask B: Right-of-Way Funding

As proposed, the interconnection pipeline will require a ~50-mile connection between the Indian Wells Valley and the AVEK facilities located at California City. Extensive ROW requirements for the pipeline within public and private property are likely required. Cost-estimates for ROW acquisition have not been finalized as of this report but will include both easement-in-fee (purchase) and permitting (lease) costs.

In 2023, Capitol Core will identify potential federal/state funding sources for ROW acquisition. We will work with several federal/state agencies to identify potential funding sources including DOD, USEPA, BLM, DWR and the California Natural Resources Agency.

Subtask C: Policymaker Education

The interconnection pipeline project is expected to cross several miles of federal lands (BLM and DOD). Policymaker education on the issues surrounding this extensive ROW permit is required. Identifying and addressing concerns over federal ROW permits is a necessity.

Within the subtask, Capitol Core will work with Members of the United States Congress to develop an understanding of the federal ROW requirements associated with the interconnection pipeline. We will identify and address potential concerns over the permit. As necessary, we will also work with the Department of Interior, BLM, and DOD personnel to begin discussions over ROW needs through federal lands under their jurisdictional control.

Subtask D: Water Resources Development Act Authorization

WRDA is an U.S. Army Corps of Engineers (USACE) administered program to deal with structural, environmental, hydrology protection, and water resource projects. The Act is re-authorized by the U.S. Congress every two years for the purpose of updating project status and providing Congressional authorization for new projects. WRDA is schedule for its next reauthorization in 2024.

Within this subtask, Capitol Core will position the interconnection pipeline project for Congressional authorization in the WRDA-24 legislation. Based upon requirements contained in the WRDA-22 legislation, the USACE will be conducting studies concerning the interconnection project. Capitol Core will seek to work as a liaison to support the completion these studies. In addition, we will work with the Congressional delegation to support listing of the project. Should we be able to obtain support from the delegation has been obtained, we will work with the appropriate committees of jurisdiction (policy and appropriation) to seek introduction of appropriate amendment language authorizing the project.

Task 3: Water Recycling Plant

Goal: Obtain \$5.3 million in federal/state funding for planning activities

Objectives:

- Support IWVGA's identified funding effort
- Increase available funding for small water recycling projects consistent with the *State Water Strategy*
- Support passage of a California infrastructure funding grant specific to defense communities

Efforts to secure the required \$5.3 million in planning activity funding associated with the IWVGA water recycling plant remain in progress. Capitol Core is working with both USBR and DWR on eligibility for funding opportunities under the existing “Western Waters” provision of the *Infrastructure Investment and Jobs Act of 2021* (IIJA) [Title XVI – USBR] and the Urban Drought Resiliency Grant Program (DRGP), respectively. Our efforts will aim to increase understanding of the project’s importance to the long-term sustainability of the basin, support IWVGA as it applies for funding opportunities and act as a liaison between IWVGA and agency staff.

Subtask A: Secure Federal Funding – USBR Title XVI Program

In 2022, IWVGA authorized preparation of a Feasibility Study under USBR Title XVI requirements and submittal for approval. Approval of the Feasibility Study by USBR is required to demonstrate eligibility for funding under Title XVI. The initial application is anticipated to satisfy the \$5.3 million in needed planning funds for the water recycling project.

In this subtask, Capitol Core will 1) seek support for the IWVGA application, 2) serve as a liaison between USBR and IWVGA on the project, and 3) attempt to secure sufficient appropriations under the Western Waters provisions for FY2024 activities.

Subtask B: Secure State Funding – DWR DRGP

Round-2 funding for the DWR “Urban Community Drought Relief Program” is schedule for early 2023. This program provides funding opportunities >\$5 million with priority provided to disadvantaged communities as defined.

This will be a continuation of Capitol Core’s activities in 2022 supporting application status, serving as a liaison between the Authority and DWR, and obtaining support for the Authority’s application.

Subtask C: California’s Water Strategy Plan

In August 2022, Governor Newsom released an ambitious water strategy plan designed to generate enough drinking water to serve 8.4 million households. A cornerstone of the plan is the development

of .8 million acre-feet per year of water through water recycling plants. The plan seeks to add to the \$3.2 billion in State investment for water recycling through appropriation of an additional \$10 billion by 2030. The State Water Resources Control Board (WRCB) is charged with identifying potential projects by January 2024.

In this subtask, Capitol Core will work with both State Legislative Representatives and WRCB personnel to identify the IWVGA Water Recycling Plant among those positioned for the new \$10 billion State investment.

Subtask D: California “Defense Community Infrastructure” Grant Program

In FY2022, none of California’s defense communities were awarded a federal DCIP grant. Among the reasons for denial of these applications is the lack of State commitment to matching fund requirements. Florida, Texas, and Virginia have all enacted state-directed DCIP grant programs which serve as a precursor to federal DCIP applications. These programs offer *matching funds* to meet federal DCIP application requirements. In 2022, the California Legislature attempted to enact a State-DCIP but the bill failed passage. A second attempt at passage of that legislation is critical for California’s defense communities.

In this subtask, Capitol Core will support the State-DCIP efforts in order to create planning and precursor funding opportunities for the federal DCIP grant and allow for matching requirements to be met.

Task 4: Wastewater Treatment Plant

Goal: Obtain \$5 million in federal/state funding

Objective: Assist the City of Ridgecrest in federal DCIP funding application

The City of Ridgecrest established a goal to obtain \$5 million in construction related funding for the wastewater treatment plant. Capitol Core’s 2022 efforts resulted in a \$2.5 million State funding award and passage of amendments to the DCIP implementation guidelines which make the project eligible for application in 2023. Based upon the project’s proposed timeline, the City may develop an application during

2023. Our goal is to obtain an additional \$5 million, exceeding the original City funding request. Within this task, Capitol Core will assist the City in two main areas.

Subtask A: Support the DCIP Application or Re-introduce the DCIP-amendment

As stated above, California’s defense communities did not receive federal DCIP awards in FY2022. Capitol Core will competitively position the wastewater treatment plant as a critical “military readiness” project. Within this subtask we will assist the City in developing necessary support from stakeholders, gaining U.S. Navy and installation-command support for the application, and position the project within the halls of the Pentagon.

As with the IWVGA water recycling plant, the need to ensure State-support and matching funds for the wastewater treatment plant are available. The Cal-DCIP provides that opportunity and the City’s support for the program in the California legislature is required.

Passage of the FY2023 NDAA, as of the writing of this document, remains in question. Should passage of the amendment not occur in 2022, Capitol Core will work to re-introduce the amendment in the FY2024 NDAA and seek its passage.

Task 5: Other Projects Supporting the Groundwater Sustainability Plan

Subtask A: Well Mitigation Plan Funding

The continuing impacts of California’s drought further eroded the region’s water resiliency. Well failures as a result of loss of supply are increasing. IWVGA has established a “Well Mitigation Plan” to assist private well owners in the region with mitigation or replacement of well failures. As the economic impact of those failures increase, impacts to the IWVGA budget also increase and a need to leverage Authority funds is established. IWVGA staff has directed Capitol Core to seek additional funds to augment well mitigation plans. This includes the development of potential consolidation options for private well owners using existing offered programmatic funding. In this subtask, we will seek federal and State funding for this purpose. Amounts for this subtask are still in the development stage by IWVGA staff and will be added as an objective for the overall “Task 5.”

Subtask B: Land Fallowing and Repurposing

State public policy has indicated some financial support for fallowing and repurposing of land as a result of SGMA. Capitol Core has provided IWVGA information on the most recent requirements. Authority staff has directed Capitol Core to provide a comprehensive overview of the State and federal options for repurposing land as a result of severe drought conditions and SGMA requirements.

For this subtask, Capitol Core will provide a comprehensive overview of federal/State requirements and policies concerning fallowing and repurposing. We will assist IWVGA staff in developing useful plans in the event fallowing or repurposing is required within the region. As with Subtask A, this is a broader activity requiring additional direction from IWVGA staff between now and the beginning of January 2023. Specific objectives which may include funding, public policy direction, and potential amendments need to be developed between now and the beginning of the 118th Congressional and 2023-2024 California Session.

Subtask C: Congressional and California Legislative Activities

Throughout the Congressional and California Legislative Sessions there are key pieces of legislation of interest to IWVGA. These range from annual budget/appropriations bills to other infrastructure spending and water policy legislation. In this subtask Capitol Core will identify, monitor, and advise the Authority on federal/state legislative, budgetary and intergovernmental matters that could have a significant impact on fiscal, operational and environmental health for the region. Most importantly Capitol Core will serve as IWVGA's advocate and liaison, helping foster and maintain strong bipartisan working relationships between the Authority and its representatives in the United States Congress, State Legislature, various Committees of jurisdiction, and Executive branches of government.

In 2023, Capitol Core will be migrating to a more advanced legislative platform in order to provide greater context of emerging issues, a more complete issues management, and faster information sharing. While many of the tools Capitol Core utilizes to provide our clients with the most up-to-the minute information are not forward facing, IWVGA regularly sees their output in the form of information, issue organization, and voting trends. New advancements in technology now help us to

take structured, unstructured, legislative and outside data to create more accurate public policy trends/directions. In government relations, gaining advance knowledge of potential opportunities and challenges can confer meaningful strategic advantages. Our extensive relationships and insider status give us access to legislative, regulatory and political insights that often prove decisive. Our goal is to ensure IWVGA has relevant information before it becomes widely known. Our overarching purpose is to influence public policy in ways that benefit IWVGA and regional stakeholders.

Subtask D: Federal and State Agency Activities

The impacts of federal and State Agencies' actions on IWVGA are apparent. From potential programmatic funding opportunities to emerging regulations that impact operations, Capitol Core strives to provide the most up-to-date information, analyzes potential impacts and provides strategic counsel to IWVGA. This subtask will mirror those in Subtask C but will focus on Agency activities. As in past years, Capitol Core will work with our Agency contacts to position projects for funding opportunities. We will develop appropriate comments, as necessary, on proposed rulemaking and we will serve as the positive liaison to federal and State Agencies.

Proposed FY2023 Budget – Water Marketing, Intergovernmental, and Lobbying Activities

For 2023, Capitol Core proposes to remain at a \$174,000 annual budget for the above Scope of Work. This amount continues to be contracted on a *not-to-exceed* basis. The proposed budget is broken down as follows:

Task 1:	Imported Water Supplies	\$64,225.00
Task 2:	Interconnection Project	\$20,800.00
Task 3:	Water Recycling Plant	\$17,400.00
Task 4:	Wastewater Treatment Plant	\$11,050.00
Task 5:	Other Project Supporting the GSP	\$32,675.00
Task 6:	Project Admin/Regulatory/Meetings/Reporting	\$27,650.00
	Total Budget	\$173,800.00

Our objective is to ensure that we are good stewards of the region’s finances and to provide a tangible return on the Authority’s investment in Capitol Core. Our estimated budgeted efforts focus on meeting imported water supply goals, maintaining the current design/construction schedule of the interconnection project, and bringing new projects to life.

2023 Proposed Rate Structure

For 2023, Capitol Core is requesting a 10% increase in personnel rates. The increase will not impact our total *not-to-exceed* budget amount requested budget of \$174,000 for 2023. This amount will remain the same as our 2019-2022 total budget amount. No personnel changes are requested for 2023, although we may introduce the Authority to new Capitol Core team members as they begin in the new year. For the past consecutive years, Capitol Core has remained under budget. Our proposed 2023 rates and past year’s budget performance are listed below.

Unfortunately, the effects of inflation, corporate tax increases, employee retention requirements, and vendor rate increases have impacted Capitol Core’s total costs which necessitate this proposed increase. In 2021, Capitol Core raised personnel rates to the below listed schedule. The firm, however, opted to maintain its 2018 rates for Indian Wells Valley Groundwater Authority to address budget constraints. We request IWVGA’s consideration of the proposed personnel rate increase for the following reasons:

- Capitol Core Group has not increased its rates to IWVGA since its original 2019 contract
- The firm has consistently remained under targeted budget amounts for previous years
- The increase in rates will not require IWVGA to increase proposed 2023 budget amounts

Our firm's proposed 2023 rate card is as follows:

Rate Schedule			
Position/Personnel	2018 Hourly Rate	Proposed 2023 Hourly Rate	Percentage Change
President	\$250.00	\$275.00	10%
Senior Vice President	\$225.00	\$250.00	10%
Senior Client Advisor (Intergovernmental Affairs Lead)	\$250.00	\$275.00	10%
Director	\$175.00	\$200.00	10%
Manager/Client Advisor	\$150.00	\$175.00	10%
Senior Associate/ Associate	\$135.00-\$145.00	\$150.00-\$160.00	11%-10%
Administrative/Coordinator	\$85.00-\$100.00	\$95.00-\$125.00	11%-25%

Annual Budget Analysis			
Calendar Year	Approved Budget Amount	YTD Amount Paid to CCG	Difference
2019 ¹ (March 2019 to March 2020)	\$229,475.00	\$127,287.50	\$102,487.50
2020 (April 2020 to January 2021)	\$86,275.00	\$75,047.50	\$11,227.50
2021 ² (February 2021 to January 2022)	\$174,925.00	\$141,981.25	\$32,943.75
2022 (January to December 2022)	\$174,000.00	\$157,785.25	On Track

¹ 2019 Agreement suspended for three months, and scope of work reduced to accommodate client's request due to budget constraints.

² Calendar Year 2021 agreement modified (ended) in December to match IWVGA Fiscal Year.



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IWVGA ADMINISTRATIVE OFFICE

STAFF REPORT

TO: IWVGA Board of Directors **DATE:** December 10, 2022

FROM: Carol Thomas-Keefer, General Manager

SUBJECT: **Renewal of Contract with Regional Government Services for Comprehensive Administrative Services**

BACKGROUND

In February 2021, the IWVGA board of directors entered into a one-year agreement with Regional Government Services (RGS) for comprehensive administrative services. Through the agreement, RGS provides IWVGA with the services of a General Manager, Clerk of the Board, and accounting/finance staff. The agreement was renewed for calendar year 2022 and will expire as of December 31, 2022. RGS has provided a proposed contract to continue providing administrative services through calendar year 2023.

DISCUSSION

The current (2022) RGS scope of work was based on estimated staffing needs following work performed in 2021, as well as anticipated needs due to activities associated with financing/potential bond issue, pending and anticipated litigation, and the implementation of a new accounting system for IWVGA. The level of accounting work and financial reporting has increased considerably with the implementation of the Replenishment Fee. Legal challenges increased the need for clear, accurate and timely financial reporting, and RGS staff accordingly developed a new and comprehensive set of financial statements for IWVGA. Additionally, staff is supporting the information needs to assist with obtaining financing for a water rights purchase and works closely with the Water Resources Manager team on administration and accounting of grant funds, including the \$7.6 million grant awarded earlier this year.

For 2023, RGS is proposing to maintain the existing scope of work from 2022, with the exception of the new accounting system implementation, which was completed this year. The level of effort from administration and finance staff is expected to remain similar to the current year, with a slight increase in administration costs balancing the anticipated reduction in finance and accounting expense. Administration efforts are expected to increase somewhat over 2022 due to 1) an expected increase in communication and outreach efforts; and 2) a return to regular hours following a reduction in 2022 due to family leave. Accounting costs should be somewhat lower in 2023, considering staff had to assist with two annual audits in 2022 rather than one; and increasing accounting efficiencies associated with the new accounting system.

As in previous years, the 2023 RGS proposal does not specify a monthly fee or a not-to-exceed annual amount, but rather provides its fee schedule with hourly rates for personnel contributing to IWVGA activities. Hourly billing rates for RGS staff have increased modestly for 2023 but overall cost projections remain steady due to efficiencies in staff assignments. With regard to overall administration costs for the year, staff projected the RGS cost for the 2023 budget at \$333,000, the same amount as budgeted in 2022. Actual expense for 2022 is projected to fall just under the budget amount. The professional services agreement and scope of work presented by RGS is nearly identical to that presented for 2022, with the exception of a revised hourly billing schedule and the removal of the new accounting system implementation.

ACTION(S) REQUIRED BY THE BOARD

The IWVGA board should consider approval of the 2023 contract with Regional Government Services and associated Scope of Work for comprehensive administrative services for a one-year term beginning January 1, 2023.

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PROFESSIONAL SERVICES AGREEMENT
BETWEEN
INDIAN WELLS VALLEY GROUNDWATER AUTHORITY
and
REGIONAL GOVERNMENT SERVICES AUTHORITY

THIS AGREEMENT is made and entered into this 14th day of December, 2022 (“Effective Date”), by and between Indian Wells Valley Groundwater Authority (“IWVGA”), and Regional Government Services Authority, a joint powers authority (“Consultant”).

RECITALS :

A. WHEREAS, IWVGA proposes to utilize the services of Consultant as an independent contractor to provide comprehensive administration services to IWVGA (“Project”), as more fully described herein; and

B. WHEREAS, Consultant represents that it has that degree of specialized expertise contemplated within California Government Code Section 37103, and holds all necessary licenses to practice and perform the services herein contemplated; and

C. WHEREAS, no official or employee of IWVGA has a financial interest, within the provisions of Sections 1090-1092 of the California Government Code, in the subject matter of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the parties hereby agree as follows:

1.0. SERVICES PROVIDED BY RGS

1.1. Scope of Services. Consultant shall provide the services described in the attached **Exhibit A**. The services may be amended, at IWVGA’s discretion, by way of a written directive from IWVGA.

1.2. Professional Practices. All professional services to be provided by Consultant pursuant to this Agreement shall be provided by personnel experienced in their respective fields and in a manner consistent with the standards of care, diligence and skill ordinarily exercised by professional Consultants in similar fields and circumstances in accordance with sound professional practices. Consultant also warrants that it is familiar with all laws that may affect its performance of this Agreement and shall advise IWVGA of any changes in any laws that may affect Consultant’s performance of this Agreement.

1.3. Performance to Satisfaction of IWVGA. Consultant agrees to perform all the work to the complete satisfaction of the IWVGA and within the hereinafter specified. If the quality of work is not satisfactory, IWVGA in its discretion has the right to:

- (a) Meet with Consultant to review the quality of the work and resolve the matters of concern;
- (b) Terminate the Agreement as hereinafter set forth.

1.4. Warranty. Consultant warrants that it shall perform the services required by this Agreement in compliance with all applicable Federal and California employment laws, including, but not limited to, those laws related to minimum hours and wages; occupational health and safety; fair employment and employment practices; workers' compensation insurance and safety in employment; and all other Federal, State and local laws and ordinances applicable to the services required under this Agreement. Consultant shall indemnify and hold harmless IVWGA from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description including attorneys' fees and costs, presented, brought, or recovered against IVWGA for, or on account of any liability under any of the above-mentioned laws, which may be incurred by reason of Consultant's performance under this Agreement.

1.5 Licenses, Permits, Fees and Assessments. Consultant shall obtain at its sole cost and expense such licenses, permits, and approvals as may be required by law for the performance of the services required by this Agreement. Consultant shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Consultant's performance of the Services, and shall indemnify, defend and hold harmless IWWGA, its officers, employees or agents, against any such fees, assessment, taxes, penalties or interest levied, assessed or imposed against IWWGA hereunder.

1.6. Non-discrimination. In performing this Agreement, Consultant shall not engage in, nor permit its agents to engage in, discrimination in employment of persons because of their race, religion, color, national origin, ancestry, age, physical handicap, medical condition, marital status, sexual gender or sexual orientation, except as permitted pursuant to Section 12940 of the Government Code.

1.7. Non-Exclusive Agreement. Consultant acknowledges that IWWGA may enter into agreements with other Consultants for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

1.8 Representatives and Personnel of Consultant. RGS will designate individual RGS employees as "principals" of Consultant ("Principals"). The designated principals shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the Services. All personnel of Consultant, and any authorized agents, shall at all times be under the exclusive direction and control of the Principals.

In the event that Agency or RGS, at any time during the term of this Agreement, desires the reassignment of principal personnel, Agency and RGS shall meet and discuss in good faith to address the issue of concern, including but not limited to reassigning such person or persons.. Additionally, Consultant shall utilize only competent personnel to perform the Services. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff and subcontractors, if any, assigned to perform the Services required under this Agreement. Consultant shall notify IVWGA of any changes in Consultant's staff and subcontractors, if any, assigned to perform the Services, prior to and during any such performance.

1.9. Delegation and Assignment. This is a personal service contract, and the duties set forth herein shall not be delegated or assigned to any person or entity without the prior

written consent of IWVGA. Consultant may engage a subConsultant(s) as permitted by law and may employ other personnel to perform services contemplated by this Agreement at Consultant's sole cost and expense.

1.10. Confidentiality. Employees of Consultant in the course of their duties may have access to financial, accounting, statistical, and personnel data of private individuals and employees of IWVGA. Consultant covenants that all data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without written authorization by IWVGA. IWVGA shall grant such authorization if disclosure is required by law. All IWVGA data shall be returned to IWVGA upon the termination of this Agreement. Consultant's covenant under this Section shall survive the termination of this Agreement. If Consultant, or any officer, employee, agent or subcontractor of Consultant provides any information or work product in violation of this Agreement, then IWVGA shall have the right to reimbursement and indemnity from Consultant for any damages, costs, and fees, including attorney's fees, caused by or incurred as a result of Consultant's conduct.

2.0. COMPENSATION AND BILLING

2.1. Compensation. Consultant shall be paid in accordance with the fee schedule set forth in **Exhibit B** attached hereto and made a part of this Agreement (the "Fee Schedule").

2.2. Additional Services. Consultant shall not receive compensation for any services provided outside the scope of services specified in the Consultant's Proposal unless IWVGA, prior to Consultant's performance of the additional services, approves such additional services in writing. It is specifically understood that oral requests and/or approvals of such additional services or additional compensation shall be barred and are unenforceable.

2.3. Method of Billing. Consultant may submit invoices to IWVGA for approval on a progress basis, but no more often than two times a month. Said invoice shall be based on the total of all Consultant's services which have been completed to IWVGA's sole satisfaction. IWVGA shall pay Consultant's invoice within thirty (30) days from the date IWVGA receives said invoice. Each invoice shall describe in detail, the services performed, the date of performance, and the associated time for completion. Any additional services approved and performed pursuant to this Agreement shall be designated as "Additional Services" and shall identify the number of the authorized change order, where applicable, on all invoices.

2.4. Records and Audits. Records of Consultant's services relating to this Agreement shall be maintained in accordance with generally recognized accounting principles and shall be made available to IWVGA for inspection and/or audit at mutually convenient times for a period of three (3) years from the Effective Date.

3.0. TIME OF PERFORMANCE

3.1. Commencement and Completion of Work. The professional services to be performed pursuant to this Agreement shall be completed in accordance with Section 4.1 of this Agreement. The Project Schedule may be amended by mutual agreement of the parties. Failure to commence work in a timely manner and/or diligently pursue work to completion may be grounds for termination of this Agreement.

3.2. Excusable Delays. Neither party shall be responsible for delays or lack of performance resulting from acts beyond the reasonable control of the party or parties. Such

acts shall include, but not be limited to, acts of God, fire, strikes, material shortages, compliance with laws or regulations, riots, acts of war, or any other conditions beyond the reasonable control of a party.

4.0. TERM AND TERMINATION

4.1. Term. This Agreement shall commence on January 1, 2023 and shall continue for 1 year after the Effective Date, unless previously amended in accordance with Section 3.1 of this Agreement or unless terminated as provided herein.

4.2. Notice of Termination. IWVGA reserves and has the right and privilege of canceling, suspending or abandoning the execution of all or any part of the work contemplated by this Agreement, with or without cause, at any time, by providing written notice to Consultant. The termination of this Agreement shall be deemed effective upon the termination date specified in the notice of termination. In the event of such termination, Consultant shall immediately stop rendering services under this Agreement unless directed otherwise by IWVGA.

Consultant reserves the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to IWVGA.

4.3. Compensation. In the event of termination by IWVGA, IWVGA shall pay Consultant for reasonable costs incurred and professional services satisfactorily performed up to and including the date of IWVGA's written notice of termination. Compensation for work in progress shall be prorated based on the percentage of work completed as of the effective date of termination in accordance with the fees set forth herein. In ascertaining the professional services actually rendered hereunder up to the effective date of termination of this Agreement, consideration shall be given to both completed work and work in progress, to complete and incomplete drawings, and to other documents pertaining to the services contemplated herein whether delivered to IWVGA or in the possession of the Consultant.

In the event of termination, without cause, by Consultant, Consultant shall reimburse IWVGA for additional costs to be incurred by IWVGA in obtaining the work from another consultant.

4.4. Documents. In the event of termination of this Agreement, all documents prepared by Consultant in its performance of this Agreement including, but not limited to, finished or unfinished design, development and construction documents, data studies, drawings, maps and reports, shall be delivered to IWVGA within ten (10) days of delivery of termination notice to Consultant, at no cost to IWVGA. Any use of uncompleted documents without specific written authorization from Consultant shall be at IWVGA's sole risk and without liability or legal expense to Consultant.

5.0. INSURANCE

5.1. Minimum Scope and Limits of Insurance. Consultant shall obtain, maintain, and keep in full force and effect during the life of this Agreement all of the following minimum scope of insurance coverages with an insurance company admitted to do business in California, rated "A," Class X, or better in the most recent Best's Key Insurance Rating Guide, and approved by IWVGA:

- (a) Commercial general liability, including premises-operations, products/completed operations, broad form property damage, blanket

contractual liability, independent contractors, personal injury or bodily injury with a policy limit of not less than Two Million Dollars (\$2,000,000.00), combined single limits, per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or shall be twice the required occurrence limit.

- (b) Business automobile liability for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence for bodily injury and property damage.
- (c) Workers' compensation insurance as required by the State of California. Consultant agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers' compensation insurance policy against the IWVGA, its officers, agents, employees, and volunteers arising from work performed by Consultant for the IWVGA and to require each of its subConsultants, if any, to do likewise under their workers' compensation insurance policies.
- (d) Professional errors and omissions ("E&O") liability insurance with policy limits of not less than Two Million Dollars (\$2,000,000.00), combined single limits, per occurrence and aggregate. Architects' and engineers' coverage shall be endorsed to include contractual liability. If the policy is written as a "claims made" policy, the retro date shall be prior to the start of the contract work. Consultant shall obtain and maintain, said E&O liability insurance during the life of this Agreement and for three years after completion of the work hereunder.

5.2. Endorsements. The commercial general liability insurance policy and business automobile liability policy shall contain or be endorsed to contain the following provisions:

- (a) Additional insureds: "Indian Wells Valley Groundwater Authority and its elected and appointed boards, officers, officials, agents, employees, and volunteers are additional insureds with respect to: liability arising out of activities performed by or on behalf of the Consultant pursuant to its contract with IWVGA; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; automobiles owned, leased, hired, or borrowed by the Consultant."
- (b) Notice: "Said policy shall not terminate, be suspended, or voided, nor shall it be cancelled, nor the coverage or limits reduced, until thirty (30) days after written notice is given to IWVGA."
- (c) Other insurance: "The Consultant's insurance coverage shall be primary insurance as respects Indian Wells Valley Groundwater Authority, its officers, officials, agents, employees, and volunteers. Any other insurance maintained by Indian Wells Valley Groundwater Authority shall be excess and not contributing with the insurance provided by this policy."
- (d) Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to Indian Wells Valley Groundwater Authority, its officers, officials, agents, employees, and volunteers.

- (e) The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5.3. Deductible or Self Insured Retention. If any of such policies provide for a deductible or self-insured retention to provide such coverage, the amount of such deductible or self-insured retention shall be approved in advance by IWVGA. No policy of insurance issued as to which IWVGA is an additional insured shall contain a provision which requires that no insured except the named insured can satisfy any such deductible or self-insured retention.

5.4. Certificates of Insurance. Consultant shall provide to IWVGA certificates of insurance showing the insurance coverages and required endorsements described above, in a form and content approved by IWVGA, prior to performing any services under this Agreement. The certificates of insurance shall be attached hereto as **Exhibit D** and incorporated herein by this reference.

5.5. Non-limiting. Nothing in this Section shall be construed as limiting in any way, the indemnification provision contained in this Agreement, or the extent to which Consultant may be held responsible for payments of damages to persons or property.

6.0. GENERAL PROVISIONS

6.1. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations. This Agreement may be modified only in writing, and signed by the parties in interest at the time of such modification. The terms of this Agreement shall prevail over any inconsistent provision in any other contract document appurtenant hereto, including exhibits to this Agreement.

6.2. Representatives. Chairman of the Board shall designate a representative from the IWVGA Board for purposes of this Agreement who may issue all consents, approvals, directives and agreements on behalf of IWVGA, called for by this Agreement, except as otherwise expressly provided in this Agreement.

Consultant hereby designates Richard Averett, or his designee, to act as its representative for purposes of this Agreement. Consultant's representative shall be authorized to issue all consents, approvals, directives and agreements on behalf of Consultant called for by this Agreement, except as otherwise expressly provided in this Agreement.

6.3. Notices. Any notices, documents, correspondence or other communications concerning this Agreement or the work hereunder may be provided by personal delivery, facsimile or mail and shall be addressed as set forth below. Such communication shall be deemed served or delivered: a) at the time of delivery if such communication is sent by personal delivery; b) at the time of transmission if such communication is sent by facsimile; and c) 48 hours after deposit in the U.S. Mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail.

IF TO CONSULTANT:

Regional Government Services

IF TO IWVGA:

Indian Wells Valley Groundwater

P.O. Box 1350
Carmel Valley, CA 93924

Tel: 650) 587-7300
Email: contracts@rgs.ca.gov
Attn: Contracts

Authority
100 W. California Ave.
Ridgecrest, CA 93555
Tel: (760) 499-5001
Fax: (760) 499-1500
Attn: Phillip Peters

6.4. Attorneys' Fees. In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

6.5. Governing Law. This Agreement shall be governed by and construed under the laws of the State of California without giving effect to that body of laws pertaining to conflict of laws. In the event of any legal action to enforce or interpret this Agreement, the parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in Kern County, California.

6.6. Assignment. Consultant shall not voluntarily or by operation of law assign, transfer, sublet or encumber all or any part of Consultant's interest in this Agreement without IWVGA's prior written consent. Any attempted assignment, transfer, subletting or encumbrance shall be void and shall constitute a breach of this Agreement and cause for termination of this Agreement. Regardless of IWVGA's consent, no subletting or assignment shall release Consultant of Consultant's obligation to perform all other obligations to be performed by Consultant hereunder for the term of this Agreement.

6.7. Indemnification and Hold Harmless. Consultant shall defend, indemnify, and hold harmless IWVGA, its officers, employees and agents, from and against loss, injury, liability, or damages arising from any act or omission to act, including any negligent act or omission to act by Consultant or Consultant's officers, employees, or agents. Consultant's duty to indemnify and defend does not extend to the damages or liability caused by IWVGA's sole negligence or willful misconduct.

Should conflict of interest principles preclude a single legal counsel from representing both IWVGA and Consultant, or should IWVGA otherwise find Consultant's legal counsel unacceptable, then Consultant shall reimburse IWVGA its costs of defense, including without limitation reasonable legal counsel's fees, expert fees, and all other costs and fees of litigation. Consultant shall promptly pay any final judgement rendered against IWVGA (and its officers, officials, employees, and volunteers) with respect to claims determined by a trier of fact to have been the result of Consultant's negligent, reckless or wrongful performance. It is expressly understood and agreed that the foregoing provisions are intended to be as broad and inclusive as is permitted by the law of the State of California and will survive termination of this Agreement.

Consultant's obligations under this section apply regardless of whether or not such claim, charge, damage, demand, action, proceeding, loss, stop notice, cost, expense, judgement, civil fine or penalty, or liability was caused in part or contributed to by an Indemnitee. However, without affecting the rights of IWVGA under any provision of this agreement, Consultant shall not be required to indemnify and hold harmless IWVGA for liability attributable to the active negligence of IWVGA, provided such active negligence is determined by

agreement between the parties or by the findings of a court of competent jurisdiction. In instances where IWVGA is shown to have been actively negligent and where IWVGA's active negligence accounts for only a percentage of the liability involved, the obligation of Consultant will be for that entire portion or percentage of liability not attributable to the active negligence of IWVGA.

IWVGA and Consultant mutually waive any and all consequential, special, indirect and punitive damages against each other whether in contract, tort or any other legal theory.

6.8. Independent Contractor. Consultant is and shall be acting at all times as an independent contractor and not as an employee of IWVGA. Consultant shall have no power to incur any debt, obligation, or liability on behalf of IWVGA or otherwise act on behalf of IWVGA as an agent. Neither IWVGA nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not, at any time, or in any manner, represent that it or any of its or employees are in any manner agents or employees of IWVGA. Consultant shall secure, at its sole expense, and be responsible for any and all payment of Income Tax, Social Security, State Disability Insurance Compensation, Unemployment Compensation, and other payroll deductions for Consultant and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder. Consultant shall indemnify and hold IWVGA harmless from any and all taxes, assessments, penalties, and interest asserted against IWVGA by reason of the independent contractor relationship created by this Agreement. Consultant further agrees to indemnify and hold IWVGA harmless from any failure of Consultant to comply with the applicable worker's compensation laws. IWVGA shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to IWVGA from Consultant as a result of Consultant's failure to promptly pay to IWVGA any reimbursement or indemnification arising under this paragraph.

6.9. Cooperation. In the event any claim or action is brought against IWVGA relating to Consultant's performance or services rendered under this Agreement, Consultant shall render any reasonable assistance and cooperation which IWVGA might require.

6.10. Ownership of Documents. All findings, reports, documents, information and data including, but not limited to, computer tapes or discs, files and tapes furnished or prepared by Consultant or any of its subConsultants in the course of performance of this Agreement, shall be and remain the sole property of IWVGA. Consultant agrees that any such documents or information shall not be made available to any individual or organization without the prior consent of IWVGA. Any use of such documents for other projects not contemplated by this Agreement, and any use of incomplete documents, shall be at the sole risk of IWVGA and without liability or legal exposure to Consultant. IWVGA shall indemnify and hold harmless Consultant from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from IWVGA's use of such documents for other projects not contemplated by this Agreement or use of incomplete documents furnished by Consultant. Consultant shall deliver to IWVGA any findings, reports, documents, information, data, in any form, including but not limited to, computer tapes, discs, files audio tapes or any other Project related items as requested by IWVGA or its authorized representative, at no additional cost to the IWVGA.

The IWVGA's ownership of the "documents and materials" described above shall not apply to Consultant's "proprietary information," which means for purposes of this Agreement, all information or material that has or could have commercial value or other utility in Consultant's business, including without limitation: Consultant's (i) computer or data processing programs; (ii) data processing applications, routines, subroutines, techniques or systems; desktop or web-

based software; (iii) business processes; (iv) marketing plans, analysis and strategies; and, (v) materials and techniques used. Except as otherwise required by law, IWVGA shall hold in confidence and shall not use (except as expressly authorized by this Agreement) or disclose to any other party any proprietary information provided, learned of or obtained by IWVGA in connection with this Agreement. The obligations imposed by this paragraph shall survive any expiration or termination of this Agreement or otherwise. The terms of this paragraph shall not apply to any information that is public information. This paragraph also shall not alter or limit the confidentiality and nondisclosure requirements set forth in this Agreement.

6.11. Public Records Act Disclosure. Consultant has been advised and is aware that this Agreement and all reports, documents, information and data, including, but not limited to, computer tapes, discs or files furnished or prepared by Consultant, or any of its subConsultants, pursuant to this Agreement and provided to IWVGA may be subject to public disclosure as required by the California Public Records Act (California Government Code Section 6250 *et seq.*). Exceptions to public disclosure may be those documents or information that qualify as trade secrets, as that term is defined in the California Government Code Section 6254.7, and of which Consultant informs IWVGA of such trade secret. IWVGA will endeavor to maintain as confidential all information obtained by it that is designated as a trade secret. IWVGA shall not, in any way, be liable or responsible for the disclosure of any trade secret including, without limitation, those records so marked if disclosure is deemed to be required by law or by order of the Court.

6.12. Conflict of Interest. Consultant and its officers, employees, associates and subConsultants, if any, will comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this agreement, including, but not limited to, the Political Reform Act (Government Code Sections 81000, *et seq.*) and Government Code Section 1090. During the term of this Agreement, Consultant and its officers, employees, associates and subConsultants shall not, without the prior written approval of the IWVGA Representative, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subConsultants to abstain from a decision under this Agreement pursuant to a conflict of interest statute.

6.13. Responsibility for Errors. Consultant shall be responsible for its work and results under this Agreement. Consultant, when requested, shall furnish clarification and/or explanation as may be required by the IWVGA's representative, regarding any services rendered under this Agreement at no additional cost to IWVGA. In the event that an error or omission attributable to Consultant occurs, then Consultant shall, at no cost to IWVGA, provide all necessary design drawings, estimates and other Consultant professional services necessary to rectify and correct the matter to the sole satisfaction of IWVGA and to participate in any meeting required with regard to the correction.

6.14. Non-Liability of IWVGA Officers and Employees. No officer or employee of the IWVGA shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by the IWVGA or for any amount which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

6.15. Prohibited Employment. Consultant will not employ any regular employee of IWVGA while this Agreement is in effect.

6.16. Order of Precedence. In the event of an inconsistency in this Agreement and any of the attached Exhibits, the terms set forth in this Agreement shall prevail. If, and to the

extent this Agreement incorporates by reference any provision of any document, such provision shall be deemed a part of this Agreement. Nevertheless, if there is any conflict among the terms and conditions of this Agreement and those of any such provision or provisions so incorporated by reference, this Agreement shall govern over the document referenced.

6.17. Costs. Each party shall bear its own costs and fees incurred in the preparation and negotiation of this Agreement and in the performance of its obligations hereunder except as expressly provided herein.

6.18. No Third Party Beneficiary Rights. This Agreement is entered into for the sole benefit of IWVGA and Consultant and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

6.19. Headings. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

6.20. Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

6.21. Amendments. Only a writing executed by the parties hereto or their respective successors and assigns may amend this Agreement.

6.22. Waiver. The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

6.23. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

6.24. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

6.25. Corporate Authority. The persons executing this Agreement on behalf of the

parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so the parties hereto are formally bound to the provisions of this Agreement.

6.26 Time of Essence. Time is of the essence in the performance of this Agreement.

6.27. Arbitration and Waiver of Jury Trial. The Parties further agree as follows: In the event any dispute shall arise between the Parties to this Agreement, the same shall be resolved by arbitration conducted by the American Arbitration Association in accordance with the Commercial Arbitration Rules of the American Arbitration Association, as then in effect. Such arbitration shall be conducted at a location within Los Angeles County, California agreeable to both Parties before three (3) arbitrators who shall be selected by mutual agreement of the Parties; if agreement is not reached on the selection of arbitrators within fifteen (15) days, then each of the Parties shall select an arbitrator and the two (2) arbitrators so selected shall select a third. The provisions of the Commercial Arbitration Rules of the American Arbitration Association shall apply and govern such arbitration except that the prevailing party shall be entitled to recover from the other party its attorney's fees and costs actually incurred in such amount as may be determined by the arbitrators.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written.

INDIAN WELLS VALLEY
GROUNDWATER AUTHORITY

_____ Date: _____
Chairman of the Board

REGIONAL GOVERNMENT SERVICES
AUTHORITY

_____ Date: _____

APPROVED AS TO FORM:

_____ Date: _____
Authority Counsel

APPROVED AS TO FORM:

_____ Date: _____
IWVGA Board Attorney

EXHIBIT A
SCOPE OF WORK

I. Consultant shall perform the following services (“Services”):

A. COMPREHENSIVE ADMINISTRATIVE SERVICES

RGS will provide a range of administrative services to support the Agency’s groundwater sustainability mission. A team of RGS employees will deliver comprehensive administration through the implementation of organizational infrastructure and management practices, including meeting management, required record keeping, and selected financial transactions and reporting (subject to the availability of data). RGS team members will focus on the administrative operations of the Agency including:

1. Serve as the General Manager to the Agency’s Board of Directors.
2. Manage the acquisition of contractors to provide necessary technical services.
3. Coordinate Agency activities with all other member agencies and organizations.
4. Ensure compliance with relevant state, local, and federal laws.
5. Provide ongoing financial management including: AP/AR, annual budget cycle , monthly financial reporting, preparation of independent financial audit, etc.
6. Develop strategic recommendations for long term financial support of the agency mission as defined by the Board of Directors.
7. Prepare a Capital Improvement Program and other planning projects as needed.
8. Provide legislative analysis and recommendations to the Board.
9. Work with the Board in developing Agency priorities, implementing Board policies and directives and communicating them to stakeholders.
10. Serve as the principal spokesperson for the Agency at public and professional functions and prepare reports and other materials for Agency meetings; oversee public information programs, and coordinate media relations.
11. Ensure Agency records are maintained and ensure proper noticing and documentation of board actions and minutes.
12. Coordinate with technical contractors regarding the development and implementation of a Ground Water Sustainability Plan, achieving the goals outlined in SGMA.

RGS will assign a team of employees to carry out the roles and activities described. The team currently consists of key RGS staff who are consistently assigned to the roles of General Manager and Clerk of the Board. During the Term of this agreement RGS will also provide financial and accounting expertise to support key staff efforts and Board decision making. The Finance Team will be led by a Finance Manager (CFO) charged with quality oversight and facilitation of best practices for public agency Finance.

RGS staff work remotely through various technologies; in-person office attendance will be provided only as necessary.

EXHIBIT B
FEE SCHEDULE

Hourly bill rates for Key Staff for 2023 are:

General Manager	\$134
Clerk of the Board	\$105

Rates for additional RGS staff assigned are shown below:

RGS BILL RATES

CLASSIFICATION	HOURLY RATE*
Finance Manager/Senior Advisor	\$125 to \$190
Advisor	\$120 to \$160
Project Advisor	\$105 to \$135
Technical Specialist	\$85 to \$120

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IWVGA ADMINISTRATIVE OFFICE

MEMORANDUM

DATE: December 10, 2022

TO: IWVGA Board Members

FROM: Carol Thomas-Keefer
IWVGA General Manager

SUBJECT: Brown Armstrong Fee Increase Request for 2021 Financial Audit

BACKGROUND

In July 2022, the IWVGA Board approved the proposal from Brown Armstrong Certified Public Accountants to perform its annual financial audit for fiscal year 2021. Brown Armstrong has performed IWVGA's financial audits for the past several years. The proposed and approved cost to perform the audit was an amount not to exceed \$12,000. On November 4, 2022, Brown Armstrong submitted the attached request to IWVGA for an increase in its audit fee. Brown Armstrong has requested that the audit fee be increased to an amount not to exceed \$20,000, resulting in an increase of up to \$8,000 over the original proposed cost.

Brown Armstrong cites the additional work associated with understanding and auditing the newly-imposed Replenishment Fee as the basis for the requested fee increase. Calendar year 2021, the audit year, is the first year in which IWVGA imposed the Replenishment Fee. The auditors have also had to become familiar with pending litigation related to the Replenishment Fee and understand the potential impacts, if any, on the organization in order to prepare the audit. This has not only resulted in greater effort but has also delayed the completion of the 2021 audit.

IWVGA has not yet received a draft 2021 audit from Brown Armstrong. Should the IWVGA board refuse to authorize the requested fee increase, the auditor may decline to complete the audit. The board should weigh the time, effort and cost required to solicit and hire a new audit firm against the additional fee requested by the current auditor in order to receive a final audit without additional delay.

FINANCIAL IMPACT

The increase of \$8,000 to perform the 2021 audit was not anticipated; the financial impact will be an additional \$8,000 over the anticipated \$12,000 fee.

RECOMMENDATION

Staff recommends that the board consider Brown Armstrong's request for a fee increase not to exceed \$20,000. approve and authorize the General Manager to accept the proposal from Brown Armstrong for 2021 audit services.

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November 4, 2022

Board of Directors and
Carol Thomas-Keefer, General Manager
Indian Wells Valley Groundwater Authority
100 W California Avenue
Ridgecrest, California 93555

Dear Board of Directors and Ms. Thomas-Keefer:

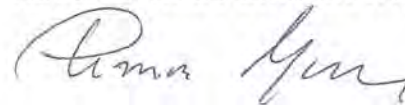
Our existing contract for the December 31, 2021 audit is \$12,000. However, due to the additional work associated with obtaining an understanding of, and auditing, the new basin replenishment fee, we propose a new not-to-exceed maximum fee of \$20,000 for the audit, an \$8,000 increase from the original audit contract.

If you accept this proposal, please sign the attachment and provide any further agreements you require for our signing.

Please call me if I can clarify or expand on any item contained in this proposal. We appreciate the opportunity to provide you with the outstanding service you expect.

Sincerely,

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION



By: Thomas M. Young

TMY:jav

Enclosures

I:_AFROPOSAL\2021\Special Districts\Indian Wells Valley Groundwater Authority\Fee Increase Letter.doc

Board of Directors and
Carol Thomas-Keefer, General Manager
Indian Wells Valley Groundwater Authority
November 4, 2022
Page Two

ACCEPTANCE:

This letter correctly sets forth the understanding Indian Wells Valley Groundwater Authority.

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

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July 13, 2022

Board of Directors
c/o Carol Thomas-Keefer, General Manager
Indian Wells Valley Groundwater Authority
100 W California Avenue
Ridgecrest, California 93555

Dear Board of Directors:

We are pleased to confirm our understanding of the services we are to provide Indian Wells Valley Groundwater Authority (the Authority) for the year ended December 31, 2021.

Audit Scope and Objectives

We will audit the statement of net position of the Authority as of December 31, 2021, and the related statement of revenues, expenses, and changes in net position and statement of cash flows, including the related notes to the financial statements, which collectively comprise the basic financial statements of the Authority as of and for the year ended December 31, 2021.

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (GAAP). Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

Auditor's Responsibilities for the Audit of the Financial Statements

Government Auditing Standards require that we communicate, during the planning stage of an audit, certain information to officials of the audited entity and certain other parties. That information follows.

Board of Directors
c/o Carol Thomas-Keefer, General Manager
Indian Wells Valley Groundwater Authority
July 13, 2022
Page Two

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records of the Authority and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Authority or to acts by management or employees acting on behalf of the Authority. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risks of material misstatement as part of our audit planning:

1. Management override of controls
2. Improper revenue recognition due to error or fraud

Board of Directors
c/o Carol Thomas-Keefer, General Manager
Indian Wells Valley Groundwater Authority
July 13, 2022
Page Three

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Audit Procedures—Internal Control

We will obtain an understanding of the Authority and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under American Institute of Certified Public Accountants (AICPA) professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Authority's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist in preparing the financial statements and related notes of the Authority in conformity with GAAP based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Board of Directors
c/o Carol Thomas-Keefer, General Manager
Indian Wells Valley Groundwater Authority
July 13, 2022
Page Four

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with GAAP, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the Authority from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Authority involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Authority received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the Authority complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report.

You are required to disclose in the financial statements the date through which subsequent events have been evaluated and whether that date is the date the financial statements were issued or were available to be issued. You agree that you will not date the subsequent event note earlier than the date of the management representation letter.

Board of Directors
c/o Carol Thomas-Keefer, General Manager
Indian Wells Valley Groundwater Authority
July 13, 2022
Page Five

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to publishing the financial statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information on the website with the original document.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

Engagement Administration, Fees, and Other

We will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, preparing confirmations, and will locate any documents selected by us for testing. If, for whatever reason, your personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate.

We will provide copies of our reports to the Authority; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

Board of Directors
c/o Carol Thomas-Keefer, General Manager
Indian Wells Valley Groundwater Authority
July 13, 2022
Page Six

The audit documentation for this engagement is the property of Brown Armstrong Accountancy Corporation and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to State Controller's Office or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for the purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Brown Armstrong Accountancy Corporation personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the State Controller's Office. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Thomas M. Young is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. To ensure that Brown Armstrong Accountancy Corporation's independence is not impaired under the *AICPA Code of Professional Conduct*, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel. We expect to begin our audit on approximately July 13, 2022, and to issue our reports no later than September 2, 2022.

Our fee for services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$12,000. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

All disputes under this agreement shall be submitted to mediation. Each party shall designate an executive officer empowered to attempt to resolve the dispute. Should the designated representatives be unable to agree on a resolution, a competent and impartial third party acceptable to both parties shall be appointed to mediate. Each disputing party shall pay an equal percentage of the mediator's fees and expenses. No suit or arbitration proceedings shall be commenced under this agreement until at least 60 days after the mediator's first meeting with the involved parties. In the event that the dispute is required to be litigated, the court shall be authorized to assess litigation costs against any party found not to have participated in the mediation process in good faith.

Board of Directors
c/o Carol Thomas-Keefer, General Manager
Indian Wells Valley Groundwater Authority
July 13, 2022
Page Seven

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

Reporting

We will issue a written report upon completion of our audit of the Authority's financial statements. Our report will be addressed to Board of Directors of the Authority. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that the Authority is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

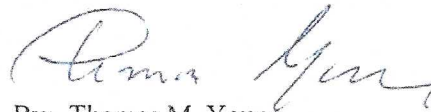
We appreciate the opportunity to be of service to the Authority and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Board of Directors
c/o Carol Thomas-Keefer, General Manager
Indian Wells Valley Groundwater Authority
July 13, 2022
Page Eight

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any subsequent reports received during the contract period when requested. Accordingly, our 2019 peer review report accompanies this letter.

Sincerely,

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION



By: Thomas M. Young

TMY:ksg:mmj

Enclosure

PfX Engagement/32711 December 31, 2021 PSR-02-2EL Draft

RESPONSE:

This letter correctly sets forth the understanding of the Authority.

Management signature: Carol Thomas-Keefer

Title: General Manager

Date: 7-19-2022

Governance signature: Philip D. [Signature]

Title: Chairman

Date: 7/13/22

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IWVGA ADMINISTRATIVE OFFICE
STAFF REPORT

TO: IWVGA Board Members **DATE:** December 14, 2022
FROM: IWVGA Staff
SUBJECT: **Agenda Item 14 – BOARD CONSIDERATION OF IMPORTED WATER INTERCONNECTION PROJECT ITEMS**

BACKGROUND AND DISCUSSION

On April 28, 2022, the IWVGA was provided notice of award of \$7.6 million in grant funding from the California Budget Act of 2021 Sustainable Groundwater Management Grant Program SGMA Implementation Round 1 grant solicitation (SGMA-IP). The grant funding will be primarily used for additional planning for the IWVGA’s Imported Water Interconnection Project including design, environmental compliance, right-of-way acquisition, and other permitting and coordination with partnering agencies. A grant funding agreement between the IWVGA and the California Department of Water Resources (DWR) was executed on August 12, 2022 and all work must be completed by March 31, 2025.

On July 22, the Board authorized an agreement with Provost & Pritchard Consulting Group (“P&P” or “Provost & Pritchard”) to perform an alignment study for the proposed imported water pipeline. A Notice to Proceed was issued on August 17. The study’s scope includes identifying three potential alignments for the proposed pipeline and, based on weighted screening criteria, recommending a preferred alignment to the Board.

Agenda Item 14A – PRESENTATION OF PREFERRED PIPELINE ALIGNMENT

At the November 9 Board meeting, Provost & Pritchard presented three initially potential alignments for the imported water pipeline. Provost & Pritchard has slightly revised two of the three alignments based on additional information that has been obtained. A map with the three alignments is included in the agenda package. Provost & Pritchard has been working with staff and interested parties (affected agencies and utilities) to develop a process to screen these three potential alignments down to an initial preferred alignment for Environmental Evaluation under both CEQA and NEPA. At the conclusion of the Environmental Evaluation, if approved and adopted by the Board, the final alignment adopted in the Final Approved Environmental Documentation will be followed by the necessary Permitting, Right-of-Way, and Final Design considerations in accordance with the Environmental Evaluation. As part of that process, a joint public meeting of the PAC and TAC was held last Tuesday, December 6 to present screening criteria and preliminary weighting factors for committee and public discussion.

Using input from that meeting, Provost & Pritchard revised the weighting factors and scoring criteria and applied them to the three alignments—the West, Central, and East alignments. A copy of the final score sheet is included in the agenda package.

The scoring was performed based on presently known information. There is still a lot of information that is not known that could potentially change the scoring and this scoring in no way will be used to predetermine any of the Environmental Evaluation and the Final Approved Environmental Documentation. With that said, the presently known conditions lead to a scoring which provides that both the East and Central alignments are solid alternatives that presently appear to be both constructible and permissible. At this stage, the Central alignment has the highest score of 537 and is therefore recommended by Provost & Pritchard to the Authority for selection as the initially recommended alignment for further Environmental Evaluation. A figure showing the Central Alignment is included in the agenda package. The East alignment score is very close at 518 and therefore it also represents a viable option for further Environmental Evaluation. Each of these alignments has its own advantages, and depending on the outcomes of further Environmental Evaluation and the priorities of the Board in accordance therewith, either could be selected as the preferred alternative.

A partial list of information not known at this time that would be useful to verify the results is shown below:

- Information from Southern California Edison on power availability, including the voltage available. While the locations of the closest power lines are known at this time, it is not known whether those power lines have capacity in them, or if they would require the construction of costly substations in addition to newly extended power lines.
- There are also some right of way issues that are not completely clear at this time, though they are not believed to be fatal flaws. In particular, the Central alignment traverses a private conservation easement along Redrock-Randsburg Road. The easement is on both sides of the road, so all construction activities for this one-half mile stretch would be restricted to the road right of way.
- The Central alignment, as currently constituted, would require a permit from the California Department of Parks and Recreation. Provost & Pritchard has not yet been able to meet with the Department to determine how long this permit would take or what mitigation it would require. It should be pointed out that Provost & Pritchard believes that this alignment could be revised in the final design phase to avoid the park, thus obviating the need for said permit.
- Cultural, historical, and tribal sites are not included here, as the information, while requested some time ago, is not available as of this writing. It may be available before the Board meeting on December 14.

The West alignment did not score as highly in a number of categories, and in the opinion of Provost & Pritchard, should not be further considered by the Board because of constructability issues such as power availability. The West alignment scored 478 out of 1000 points. Obtaining the necessary right of way for the West alignment from the Los Angeles Department of Water and Power will likely be difficult at best, and even if the Authority could obtain the right of way, it would likely take a year, and probably more, for LADWP's process to bring the issue to the LADWP board for consideration. Additionally, since this alignment is additional miles away from paved roads, the potential for environmental impacts is considerably higher. The West alignment does not traverse any critical Desert Tortoise habitat as defined by the US Fish and Wildlife Service, but it does traverse some tortoise habitat and would likely require mitigation. It also appears to traverse habitat for other listed species, including the San Joaquin Kit Fox and the Mojave Ground Squirrel.

The East and Central alignments, on the other hand, result in much higher scores. As noted above, the Central alignment scored 537 out of 1000 points, while the East alignment scored 518 out of 1000. Provost & Pritchard has found no fatal constructability flaws in either alignment. The two did score very differently in various categories. For example, the Central alignment scored much higher in potential environmental impacts (175 points out of 250) as compared to the East alignment (80 points), mostly since the East alignment traverses over eight miles of Desert Tortoise habitat. On the other hand, the East alignment scored higher in permitting (70 out of 70) than the Central alignment (0 points) since it does not require a permit from Cal Parks, while the Central alignment does (note that this alignment could be altered during design to avoid the park).

The East alignment scores better on capital costs, as the Central alignment is longer and would require approximately ten miles of new power lines to serve pump stations along the alignment, while the East alignment would require less than two miles. However, due to its double peak (Rand Mountains and El Paso Mountains), the cost of on-going operations to pump water on the East alignment would be higher than for the Central alignment, and may require more pump stations. The East alignment, paralleling Highway 395 through Red Mountain and Johannesburg, could potentially serve water to those communities, which could help obtain public support and grant funding. The Central alignment could include a stub-out near the intersection of Garlock Road and Highway 395 that could help provide those communities with a new water supply with the addition of a small diameter six-mile pipeline. The East alignment would likely have less of an impact on traffic, since Twenty Mule Team Parkway is less used than Redrock-Randsburg Road and Garlock Road. It should be pointed out that the Central alignment scores lower on seismic risk, as it parallels the Garlock fault for several miles. This is an issue that should be addressed during the design phase should the Central alignment be the one selected by the Board.

For both alignments, numerous permits would be required to cross under drainage courses, roads, and railroads, and to use both County Road rights of way (Red Rock-Randsburg Road, Garlock Road) and California City Road rights of way (Twenty Mule Team Parkway, Neuralia Road). Environmental mitigation will be required for both alignments. Both will require BLM permission for long reaches of the alignment. The two alignments are identical from the intersection of Garlock Road and Highway 395 to the delivery point at IWVWD's Ridgecrest Heights Reservoir.

Provost & Pritchard recommends the Central alignment to the Board as the preferred alignment to proceed with further Environmental Evaluation. However, either the East or Central alignment would meet the needs of the Authority's constituents at a reasonable cost, in a reasonable time frame.

Agenda Item 14B – RELEASE OF REQUEST FOR PROPOSALS FOR ENVIRONMENTAL DOCUMENTS (CALIFORNIA ENVIRONMENTAL QUALITY ACT AND NATIONAL ENVIRONMENTAL POLICY ACT) AND PERMITTING SERVICES

Staff recommends that the IWVGA procure a consultant to provide preparation of documents for compliance with CEQA/NEPA and to provide documentation for permitting for the Imported Water Interconnection Project. These services are included in task 3 of the grant funding agreement. A Request for Proposals (RFP) for Environmental Documents (CEQA/NEPA) and Permitting Services, included in your Board packet, would be advertised online to solicit proposals from qualified firms for preparation of documents for compliance with CEQA/NEPA and to

provide documentation for permitting for the Imported Water Interconnection Project. The CEQA/NEPA and permitting services would include preparing CEQA/NEPA documentation, evaluating the need for and preparing all necessary Technical Studies and surveys, conduction environmental review and investigations, identifying permitting requirements, and fieldwork, as needed, for the pipelines and pump stations, reservoirs, and associated facilities for the Imported Water Interconnection Project. Staff anticipates advertising the RFP online and accepting proposals over approximately one (1) month. Proposals received in response to the RFP will be reviewed and ranked promptly by Staff, and the most qualified firm will be recommended to the Board for award at a future Board meeting.

As included in the IWVGA's grant application, the estimated consultant's total fee for preparation of documents for compliance with CEQA/NEPA and to provide documentation for permitting for the Imported Water Interconnection Project is approximately \$500,000. The consultant's work, as well as Staff's time dedicated to providing engineering support to the consultant, are both eligible activities that may be reimbursed under the grant.

Agenda Item 14C – RELEASE OF REQUEST FOR PROPOSALS FOR PIPELINE RIGHT-OF-WAY SERVICES

Staff recommends that the IWVGA procure a consultant to provide right-of-way acquisition services. A Request for Proposals (RFP) for Right-of-Way Acquisition Services, included in your Board packet, would be advertised online to solicit proposals from qualified firms for right-of-way acquisition services. The right-of-way acquisition services would include right-of-way acquisition, appraisals, negotiations of terms and fees, tracking of parcels and acquisition efforts, coordination with the engineering design team, title and escrow services, and utility relocation coordination of pipelines and pump stations, reservoirs, and associated facilities for the Imported Water Interconnection Project. The contract will be administered on a task-order basis. Staff anticipates advertising the RFP online and accepting proposals over approximately one (1) month. Proposals received in response to the RFP will be reviewed and ranked promptly by Staff, and the most qualified firm will be recommended to the Board for award at a future Board meeting.

As included in the IWVGA's grant application, the estimated consultant's total fee for right-of-way acquisition services is approximately \$300,000. The consultant's work, as well as Staff's time dedicated to providing engineering support to the consultant, are both eligible activities that may be reimbursed under the grant.

Agenda Item 14D – RELEASE OF REQUEST FOR PROPOSALS FOR PIPELINE DESIGN SERVICES

Staff recommends that the IWVGA procure a consultant to provide design services. A Request for Proposals (RFP) for Imported Water Conveyance System Design Services, included in your Board packet, would be advertised online to solicit proposals from qualified firms for imported water conveyance system design services. The design services would include conducting surveying, geotechnical, and utility research, developing a preliminary design report, design of pipelines and pump stations, reservoirs, and associated facilities for the Imported Water Interconnection Project. The contract will be administered on a task-order basis. Staff anticipates advertising the RFPs

online and accepting proposals over approximately one (1) month. Proposals received in response to the RFP will be reviewed and ranked promptly by Staff, and the most qualified firm will be recommended to the Board for award at a future Board meeting.

As included in the IWVGA's grant application, the estimated consultant's total fee for imported water conveyance system design services is approximately \$6.1 million. The consultant's work, as well as Staff's time dedicated to providing engineering support to the consultant, are both eligible activities that may be reimbursed under the grant.

ACTION(S) REQUIRED BY THE BOARD

Staff recommends the Board adopt the attached Resolution No. 11-22 and thereby:

- 1) Approve the Central Alignment for further Environmental, Right-of-Way, and Design review for consideration for the Imported Water Interconnection Project, and;
- 2) Authorize the General Manager to issue Requests for Proposals for Right-of-Way Acquisition Services, Environmental Documents (NEPA/CEQA) and Permitting Services, and Conveyance System Design Services for the Imported Water Interconnection Project.

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**BEFORE THE BOARD OF DIRECTORS OF THE
INDIAN WELLS VALLEY GROUNDWATER AUTHORITY**

In the matter of:

Resolution No. 11-22

**AUTHORIZATION FOR ISSUANCE OF
RFPS FOR IMPORTED WATER
CONVEYANCE SYSTEM DESIGN SERVICES**

I, _____, Clerk of the Board of Directors for the Indian Wells Valley Groundwater Authority, do certify that the following resolution, on motion of Director _____, seconded by Director _____, was duly passed and adopted by the Board of Directors at an official meeting this ____ day of _____, 2022, by the following vote:

AYES:

NOES:

ABSENT:

Clerk of the Board of Directors
Indian Wells Valley Groundwater Authority

**THE BOARD OF DIRECTORS OF INDIAN WELLS VALLEY GROUNDWATER
AUTHORITY RESOLVES AS FOLLOWS:**

Section 1. WHEREAS:

- (a) The Authority was awarded \$7.6 million in grant funding from the California Budget Act of 2021 Sustainable Groundwater Management Grant Program SGMA Implementation Round 1 grant solicitation (SGMA-IP) for additional planning for the Authority's imported water interconnection project (Project).
- (b) All work under the SGMA-IP grant must be completed by March 31, 2025 and no funds may be requested after June 30, 2025.
- (c) The Authority wishes to solicit RFPs for environmental, right-of-way, and design services related to a potential pipeline alignment and conduct all necessary environmental review with respect to the proposed pipeline alignment before approving a Project pipeline alignment.
- (d) Provost & Pritchard Consulting Group has performed an alignment study and

has provided a recommended alignment for the proposed imported water pipeline which shall serve as the basis for environmental review, right-of-way analysis and design considerations prior to Project approval.

Section 2. **THEREFORE IT IS RESOLVED** by the Board of Directors of the Indian Wells Valley Groundwater Authority, as follows:

1. This Board finds that recited facts are true and that it has the jurisdiction to consider, approve, and adopt this Resolution.
2. The Board wishes to explore the design, feasibility and potential environmental impacts that may result from the pipeline alignment described in Exhibit "A" to this Resolution, attached hereto and incorporated herein. No final determination or approval of this proposed alignment is intended by this action and no such approval shall be considered until a project design and environmental review in compliance with the California Environmental Quality Act (CEQA) has been completed and considered by the Board.
3. The General Manager or his/her designee is authorized to issue RFPs for Imported Water Conveyance System Environmental Review, Right-of-way Acquisition and Design Services utilizing the proposed pipeline alignment provided in Exhibit "A" hereto.

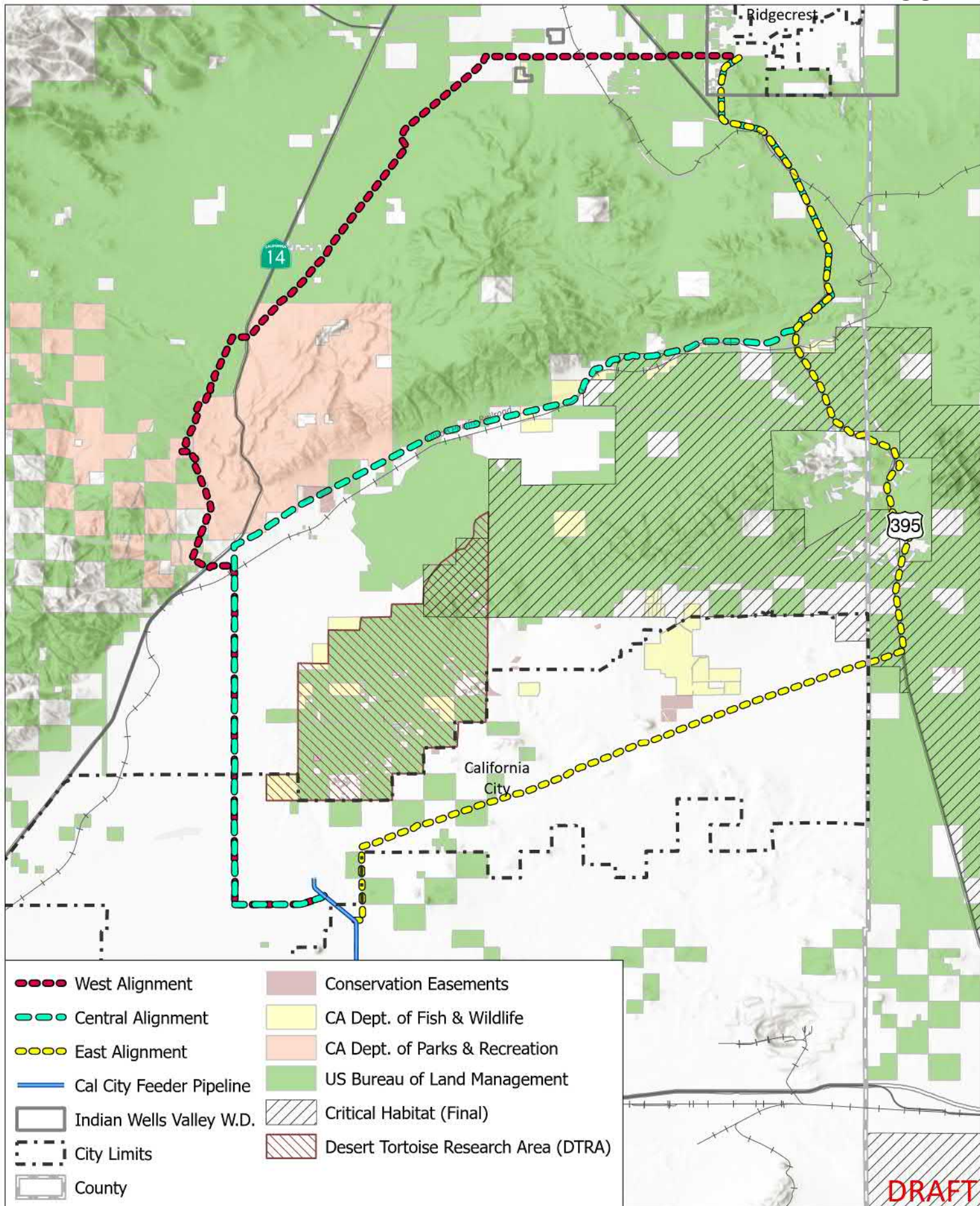
PASSED, APPROVED, AND ADOPTED, by the Indian Wells Valley Groundwater Authority this ____ day of _____, 2022.

SIGNED:

President of the Board of Directors

ATTEST:

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DRAFT

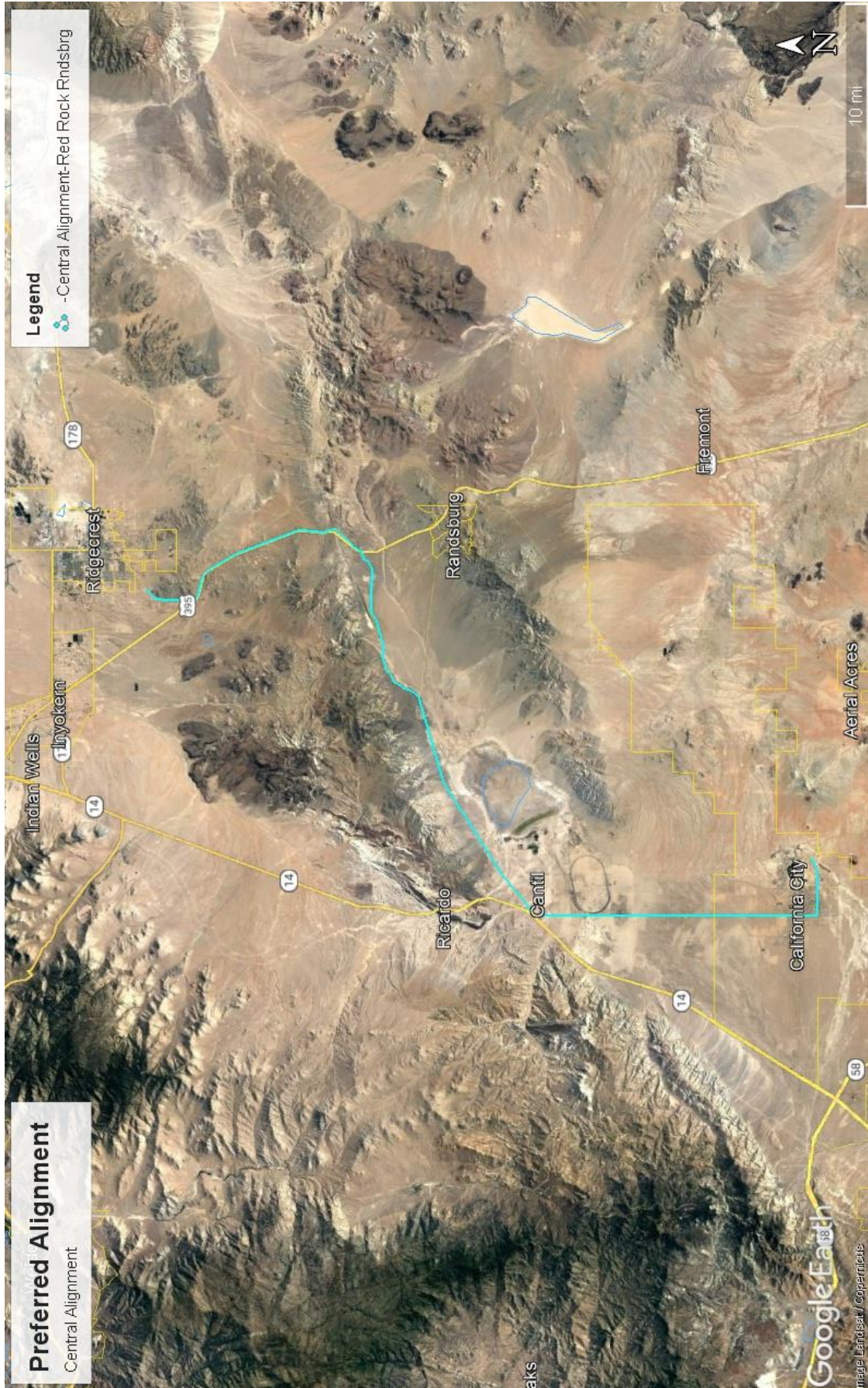


IWVGA Imported Water Pipeline Alignment Study

PROVOST & PRITCHARD

Three Preferred Alignments

FIGURE OF PREFERRED ALIGNMENT



ALIGNMENT SCREENING MATRIX SUMMARY

Criteria Category	Category Points	Criteria Points	Screening Criteria	Objective measurement	West Alignment		Central Alignment		East Alignment	
					Score for Each Criterion	Subtotal by Category	Score for Each Criterion	Subtotal by Category	Score for Each Criterion	Subtotal by Category
Environmental	250	125	Impact on identified critical tortoise habitat	Miles of critical habitat impacted	125		90		0	
		50	Impact on other animal habitat (Burrowing Owl, Mojave Ground Squirrel,American Badger)	Miles of habitat impacted(May be hard to quantify a distance for each, consider using number of species with high impact per bio-team rating)	10		40		30	
		50	Impact on plant and tree species, including Joshua trees.	Miles of habitat impacted(May be hard to quantify a distance for each, consider using number of species with high impact per bio-team rating)	10		40		30	
		25	Impact on other sensitive areas (riparian,ephemeral stream crossings)	Number of crossings listed in waters of the USA.	10		5		20	
							155		175	
Permitting	100	70	Cal Park Permit Required?	Required or Not	0		0		70	
		30	Cultural/historical/tribal impacts	Number of areas impacted, based on data base search						
					0	0	0	0		70
Capital Cost	170	25	Distance and miles of restrained joints	Length of alignment, and miles of seismically-restrained joints recommended.	20		10		25	
		25	Pump Stations	Number of pump stations	20		15		15	
		120	Power availability	Miles of new lines needed	20		20		100	
					60	60	45	45	140	140
Right of Way	180	130	Schedule and Availability	Schedule and availability (Does it meet the project timeline? Are there Impediments to obtaining right of way quickly?)	0		100		130	
		25	Land acquisition requirements (pump stations)	Number of private landowners	5		5		15	
		25	Right of way for all parcels	Number of parcels and owners	20		15		5	
					25	25	120	120	150	150
Constructability	50	5	Surficial geology	Miles of trench where rocky conditions are probable.	5		5		3	
		5	Topography	Miles of Slopes, narrow canyons	1		3		3	
		5	Accessibility	Miles of route that is off established roads	1		3		1	
		5	Drainage crossings	Number of major crossings	1		3		3	
		5	Road and railroad crossings	Number of major crossings	0		3		3	
		25	Seismic risk	Miles along or within a mile of historically active fault zones.	15		5		20	
					23	23	22	22	33	33
Operations	200	100	Operating costs	Peak elevation, number of peaks	200		160		0	
					200	200	160	160	0	0
Community Impacts	50	25	Community and transportation disruption	Less points for more disruption (heavily traveled roads, etc.)	15		0		20	
		25	Positive impacts on a community (water source)	Positive points for impact; no points for no impact	0		15		25	
					15	15	15	15	45	45

Total= 1000

Total Score=

478

Total Score=

537

Total Score=

518

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INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

REQUEST FOR PROPOSALS

Imported Water Pipeline

CEQA/NEPA Documents and Permit Documentation

Proposal Submission Deadline:

Monday, January 16, 2023 – 3:00 PM PT

Make all inquiries and send all questions to:

April Keigwin, Clerk of the Board of Directors
100 W. California Ave., Ridgecrest, CA 93555
Telephone: 805-764-5452
E-mail: akeigwin@rqs.ca.gov

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Attachments

Attachment A: Scope of Services

Attachment B: Figure of Initial Preferred Alignment

Attachment C: Sample Contract Agreement

I. Introduction

The Indian Wells Valley Groundwater Authority (IWVGA) is requesting proposals from qualified firms for preparation of documents for compliance with the California Environmental Quality Act/National Environmental Policy Act (CEQA/NEPA) and to provide documentation for all permitting for the planned imported water conveyance system (approximately 50 miles). This Request for Proposals (RFP) outlines the requirements and minimum qualifications, selection process, and documentation necessary to submit a Proposal.

A. About IWVGA

In July 2016, the IWVGA was formed through a Joint Exercise of Powers Agreement for the purpose of forming a Groundwater Sustainability Agency (GSA) to manage the Indian Wells Valley Groundwater Basin (Basin) and to implement Sustainable Groundwater Management Act (SGMA) requirements, including the development of a Groundwater Sustainability Plan (GSP). The IWVGA consists of the following voting member agencies:

1. City of Ridgecrest (a public agency)
2. Indian Wells Valley Water District (a public agency and California Special District)
3. County of Kern (a public agency)
4. County of Inyo (a public agency)
5. County of San Bernardino (a public agency)

The United States Department of the Interior Bureau of Land Management and the United States Navy, Naval Air Weapons Station China Lake serve as non-voting associate members.

The Basin is located east of the southern Sierra Nevada Range in California with an area of approximately 382,000 acres underlying portions of Inyo, Kern, and San Bernardino Counties. The Indian Wells Valley groundwater basin is identified by the California Department of Water Resources (DWR) as Basin No. 6-054 in Bulletin 118. The Basin has been designated by DWR as a critically overdrafted basin. The Basin serves as the sole source of potable water supply for residents and other water users; there are currently no imported water supply sources available to the Basin.

Pursuant to SGMA requirements, the IWVGA adopted and submitted its GSP to DWR in January 2020. In January 2022, DWR issued an “approval” determination of the IWVGA’s GSP, and the IWVGA is currently implementing its GSP projects and management actions, including acquisition of new imported water supplies and planning and design of an imported water conveyance system.

B. Background

Planning activities for the imported water conveyance facilities have commenced with the Pipeline Alternative Alignments Study, which has provided the initial preferred alignment for environmental review included in this RFP. The report for the Alternative Alignments Study is anticipated to be completed in January 2023. The pipeline is expected to be approximately 50 miles in length and up to 24 inches in diameter. Two pump stations with required power facilities and controls, one 1 million gallon (MG) storage reservoir, and appurtenant facilities will be needed. Attachment B of this RFP shows the initial preferred pipeline alignment. A KMZ file may be provided upon request.

The initial preferred alignment will run adjacent to Redwood Boulevard and Neuralia Road in California City, continues north from Munsey Road and turns east at Redrock Randsburg Road. It follows this road to Garlock Road and under Highway 395. From there it parallels Highway 395 on the east side along a power line service road outside of the Caltrans right-of-way to China Lake Boulevard, where it turns to the northeast toward the Ridgecrest Heights Reservoir. The peak elevation of this alignment is 3,514 feet.

The IWVGA has recently secured a SGMA-Implementation grant through DWR for planning and design-level activities intended to bring new imported water supplies (pipeline and booster pump stations) into the Basin. All activities funded by the grant must be completed by March 31, 2025.

The purpose of this RFP is to invite qualified Consultants to propose to provide all services needed for the preparation of the CEQA/NEPA documentation and permitting for the imported water conveyance system. The contract will be administered on a task-order basis. These services are anticipated to include, but are not limited to, the following:

- Preparing CEQA/NEPA documentation
- Evaluating need for and preparing all necessary Technical Studies and surveys
- Environmental review and investigations, and permitting requirements
- Fieldwork, as needed
- Attendance and coordination of presentations and meetings, as requested, including:
 - IWVGA Board and Technical Advisory Committee meetings
 - At least two scoping meetings in the City of Ridgecrest and California City
 - Monthly coordination meetings with the project's Design Consultant and IWVGA Water Resources Manager (WRM)
 - Coordination meetings with any leading agencies for NEPA

C. Minimum Qualifications

The Respondent's business shall have been in existence for at least ten (10) years providing the type of services required by the Scope of Services. In addition, the Respondent's proposed Project Manager must be a registered civil engineer of the State of California with a minimum of fifteen (15) years of experience on similar projects.

D. Request for Clarification

Respondents requesting clarification pertaining to this RFP must submit all requests by 3:00 pm, PST, on Wednesday, December 28, 2022. Pre-proposal questions and clarifications will be accepted via email to the RFP Manager (see Section III.A). All questions received will be answered electronically via email to all participating Respondents. Respondents interested in submitting a proposal may attend a **non-mandatory pre-proposal meeting** on Wednesday, December 21, 2022; the list of pre-proposal meeting attendees and RFP recipients will be used to distribute the IWVGA's answers to all pre-proposal questions and requests for clarification. Respondents must acknowledge receipt of pre-proposal questions and clarifications in their proposal.

II. Scope of Services

Attachment A provides the Scope of Services listing major work tasks that may be requested on a Task Order Basis. The list may not be comprehensive.

III. Proposal Information

A. RFP Manager

All questions and correspondence regarding the proposal documents and proposal should be directed in writing referencing "IWVGA Imported Water Pipeline CEQA/NEPA Documents and Permit Documentation" to:

April Keigwin, Clerk of the Board of Directors
100 W. California Ave., Ridgecrest, CA 93555
Telephone: 805-764-5452
E-mail: akeigwin@rgs.ca.gov

B. Timetable

A virtual **non-mandatory pre-proposal meeting** will be held on **Wednesday, December 21, 2022 at 1:00 p.m. PST**, to introduce the RFP and Scope of Services to interested respondents. **Interested respondents should email the RFP Manager prior to the meeting date to receive an invitation to the virtual meeting.** Responses to this RFP with sealed proposals are due and must be received in the IWVGA's office (see address above) no later than **3:00 p.m., Pacific Time, on Monday, January 16, 2023**. No proposals shall be accepted after that time. IWVGA assumes no responsibility for delays caused by delivery service. Postmarking by the due date will not substitute for actual receipt. Hand delivery before the deadline is recommended. Proposals received after the time and date listed above shall be returned to the Respondent unopened.

The following tentative schedule has been established for this RFP:

RFP Release Date	Thursday, December 15, 2022
Mandatory Pre-Proposal Meeting	Wednesday, December 21, 2022
Pre-Proposal Questions Due	Wednesday, December 28, 2022
Responses to Pre-Proposal Questions Issued	Monday, January 2, 2023
Proposals Due	Monday, January 16, 2023
Consultant Selected	Early February 2023
IWVGA Board Approval of Contract	Mid- February 2023
Final Contract Negotiations	Mid- February 2023
Projected Contract Start Date	Late February 2023

C. Proposal Submission Instructions

All proposals must meet the content requirements and format guidelines listed below in the “Proposal Content Guidelines” section. The complete proposal shall be submitted by the due date in a sealed envelope marked “Proposal for IWVGA Imported Water Pipeline CEQA/NEPA Documents and Permit Documentation”. A total of two (2) complete double-sided copies on paper containing a minimum of 20% post-consumer recycled content and one (1) electronic copy of the proposal must be submitted. Proposals must be submitted in a sealed envelope, which details the business name, business address and contact person of the respondent. Responses must be addressed to the attention of April Keigwin, Clerk of the Board for the IWVGA.

D. Proposal Content Guidelines

Proposals must be submitted with all documents required by this RFP. Proposals not submitted with all the required information may be considered incomplete and rejected by the IWVGA. Proposals may be rejected if they show any alterations of form, additions not called for, conditional or alternative proposals, incomplete proposals, erasures, or irregularities of any kind. Any statement or qualification in proposal form (or attached to, or included therewith) serving to qualify said proposal, or containing conflicting statements, or otherwise rendering proposal ambiguous or uncertain, will disqualify the proposal. IWVGA reserves the rights to reject any or all proposals.

Proposals should include the following items:

1. Introduction

- a) A letter of introduction briefly describing an understanding of the requested scope of work and qualifications to undertake this work such as experience in providing like

services, background of the firm(s), and qualifications of the key team members involved.

- b) Signature by an individual authorized by the firm or partnership to bind the firm or partnership to the proposal.

2. Proposing Firm(s)

- a) Provide the name of the entity submitting the proposal, its mailing address, telephone number, facsimile number, email address, and the name of the contact individual. Describe the business and background of the firm, including the size, location, capacity, type of firm, and year established. Describe the organization and management of the firm.
- b) If applicable, list subcontractors with individual addresses, telephone numbers, facsimile numbers, email addresses, and areas of expertise.
- c) Briefly describe the project responsibility of the primary consultant and each subcontractor.

3. Project Personnel

Provide a description of the project team's organization and identify the personnel to be assigned to each task. The project manager and the day-to-day contact person for the project should be clearly identified. Contract terms will not permit substitution of lead personnel without prior written approval by IWVGA. Description of qualifications of the professional personnel to be employed with a summary of similar works performed and a resume for each professional.

4. References, Related Experience and Examples of Work

Provide at least three client references (contact name, title, company name, address, phone number, and e-mail address) for comparable engagements. Specify the client, location comparable work performed, implementation results or status, , and other relevant information as needed. Specify the team members that performed work on similar projects for each reference and the team members' roles and responsibilities on the work performed.

5. Statement of Financial Capacity

In addition to the information required in the previous sections, proposals must include a statement that the firm is financially sound and has financial resources sufficient to successfully execute the contract.

6. Schedule

Provide a schedule for the scope of work provided with the proposal.

7. Fee Schedule

Provide a fee structure and schedule for the included services. Include year one and subsequent years. If there is an initial service setup fee, it must be stated. Provide an itemized fee list with hourly rates, staff hours, and direct expenses in the proposal.

8. Proposed Scope of Work

Provide a proposed approach and scope of work to accomplish the tasks outlined in the Scope of Services in detail (see Attachment A). Include all relevant subtasks, suggested additional tasks, and/or suggested modifications to the Scope of Services, if any.

IV. Selection Process

A. Overview

All proposals received by the due date will be evaluated by IWVGA. Only information which is received in response to the RFP and input from references will be evaluated. IWVGA will judge responses of each proposing firm in several critical areas.

The selection process shall proceed as follows:

1. After receipt of responses to this RFP, the IWVGA selection panel will review and rank the responses based on the selection criteria discussed in Section IV.B. The IWVGA selection panel may then select up to three qualified Consultants to interview.
2. At the interview, the Consultants will be expected to present their qualifications and experience to the selection panel. The project manager/primary contact for this program must be present for the interview. The presentation will be followed by a question and answer period by the selection panel. IWVGA will conduct interviews by conference call and screen sharing, and/or in face-to-face meetings based on the availability of the Respondent selected for interviews. IWVGA will not discriminate against any interested firm or individual on the grounds of race, creed, color, sex, age, disability, or national origin in the contract award. IWVGA reserves the right to reject any and all proposals at its discretion, thus not awarding the contract to any firm. IWVGA reserves the right to modify this RFP or the criteria for selection in any manner, to cancel this RFP, or to reject any one or more or all submittals.

IWVGA retains sole discretion to evaluate proposals and make an award to the Respondent that IWVGA deems to have the most responsive proposal. IWVGA reserves the right

to invite the top candidate(s) for an oral interview, or to request additional clarifying information. The firm with the highest rating may be invited to negotiate a final agreement. If an agreement is not reached, negotiations may be terminated and commenced with the next most qualified firm. The recommendation of IWVGA shall be submitted to the IWVGA Board for award of contract.

Upon the approval of the IWVGA Board, IWVGA will issue the Notice of Award and deliver the signed contract to the awarded Respondent.

B. Selection Criteria

IWVGA will select the most qualified proposal based on the following factors.

1. Relevant qualifications and experience for comparable CEQA/NEPA document and permitting preparation, based on but not limited to the following:
 - Strength and stability of the firm and any subcontractors
 - Past performance on comparable engagements including from input that will be obtained from references provided
 - Qualifications, education, technical competence, licensing, and experience of the primary consultant's and subcontractors' personnel assigned to the project
 - Key personnel's level of involvement in performing related work and or close oversight
 - Adequacy of labor commitment
 - Demonstrated knowledge of the scope of work required, capability of performing specific tasks outlined in the RFP based on similar work experience
2. Conceptual and proposed solutions. The proposal must clearly indicate that the submitter has performed adequate planning to accomplish the tasks as defined in the Scope of Work.
 - Proposal must be logical and laid out in a clear and thoughtful manner
 - Proposal includes a complete plan to accomplish the requirements, including subcontracting
 - Plan demonstrates that appropriate personnel and equipment will be positioned efficiently to carry out the requirements
 - Innovative approaches and ideas, specific methods and techniques to be employed by the contractor
 - Considerate of time constraints within the job
 - Meets all applicable guidelines as set forth in the RFP.
3. Total Fee, while not determinative, may be considered in the selection process. The selected firm will be expected to maintain the proposed billing rates throughout the term of the contract.
 - Value provided

- Reasonableness of the hourly rates, labor hours, and fees required to perform the work in relation to the scope of work and other proposals received, as well as reasonableness based on project costs for recently completed projects of similar scope and size. Travel time, if applicable, may be considered when evaluating reasonableness of rates.
 - Responsiveness to RFP and exceptions to or deviations from the RFP requirements
 - Quality of materials used
4. Willingness to Comply with the Proposed Agreement Terms, attached as Attachment C.

V. Conditions and Information for Respondents

A. General Conditions

IWVGA reserves the right to cancel or reject all or a portion(s) of the request for proposals without notice. Further, IWVGA makes no representations that any agreement will be awarded to any organization submitting a proposal. IWVGA reserves the right to reject any and all proposals submitted in response to this request or any addenda thereto. Any changes to the proposal requirements will be made by written addendum.

B. Limitations

All reports and pertinent data or materials shall be the sole property of the IWVGA, and may not be used or reproduced in any form without the explicit written permission of IWVGA. IWVGA reserves the right to extend the time allotted for the proposal, to verbally examine the Respondent in person, request copies of previous work prepared by the Consultant, and to request a best and final offer, should IWVGA deem that it is in its best interests to do so.

This RFP does not commit IWVGA to award a contract, or to pay any costs incurred in the preparation of the proposal. IWVGA reserves the right to accept or reject any or all proposals received as a result of this request, to negotiate with any Consultant, or to cancel this request in part or in its entirety. IWVGA may require the selected Consultant to participate in negotiations and to submit such technical, price, or other revisions of their proposals as may result from negotiations. IWVGA reserves the right to negotiate all final terms and conditions of any contract entered into.

C. Liability of Costs and Responsibility

IWVGA shall not be liable for any costs incurred in response to this request for proposals. All costs shall be borne by the person or organization responding to the request. Respondents are liable for all errors and omissions contained in their proposals. The person or organization responding to the request shall hold IWVGA harmless from any and all liability, claim or expense

whatsoever incurred by or on behalf of that person or organization. All submitted material becomes the property of IWVGA.

The selected Consultant will be required to assume responsibility for all services offered in the proposal whether or not they possess them within their organization. The selected Consultant will be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the contract.

D. Validity

The Respondent agrees to be bound by its proposal for a period of ninety (90) days commencing Monday, January 16, 2023, during which time IWVGA may request clarification or correction of the proposal for the purpose of evaluation. Amendments or clarifications shall not affect the remainder of the proposal, but only that portion so amended or clarified.

E. Permits and Licenses

Respondents and all subcontractors, at its and/or their sole expense, shall obtain and maintain during the term of any agreement, all appropriate permits, certificates and licenses including, but not limited to, a City Business License which will be required in connection with the performance of services hereunder.

F. Oral and Written Explanations

The IWVGA shall not be bound by oral explanations or instructions given at any time during the process or after the award. Oral explanations given during the review process and after award become binding when confirmed in writing by an authorized IWVGA official. Written responses to question(s) asked by one Respondent will be provided to all Respondents who received Requests for Proposals.

G. Respondent's Representative

The individual signing the proposal must be a legal representative of the firm authorized to bind the firm to an agreement in the event of the award.

H. Deliverables

Deliverables depend upon the task assigned. In general, 2 copies of administrative draft reports are required upon completion of each task. Following approval by the staff, 3 copies of each final report are required. One unbound copy of each final document and an electronic file containing all final documents and all information are to be provided. The Consultant will develop a system to assemble, organize, store and utilize data in an electronic format. At the outset of the agreement, the Consultant will submit a description of the software to be used in preparation of the reports and graphics.

I. Insurance

General Liability, Automobile, Professional Liability, and Worker's compensation insurance are required in the amount set forth in the contractor agreement.

J. Rights Reserved to IWVGA

In addition to rights established elsewhere in this RFP, the IWVGA reserves the right to:

- Reject any or all proposals;
- Confirm at any time during the solicitation process that the Respondent is able and responsible to perform the requested services in the manner desired, taking into consideration information in the proposal, any interviews conducted, or additional information acquired by the IWVGA;
- Verify all information submitted in the proposals;
- Withdraw this solicitation at any time without prior notice;
- Negotiate the final agreement, including the Scope of Work and Budget, with any Respondent as necessary to serve the best interests of the IWVGA;
- Amend the RFP;
- Amend the final agreement(s) to incorporate necessary attachments and exhibits or to reflect negotiations between the IWVGA and the successful Respondent; and

K. Confidentiality

The IWVGA is subject to the Public Records Act, California Government Code Section 6250 et. seq. As such, all required submittal information is subject to disclosure to the general public. Consequently, unless specifically required by the solicitation, Respondents should not submit personal data such as driver's license information, social security numbers, etc. to avoid the possibility of inadvertent disclosure of this personal information. Please note that the IWVGA cannot consider proposals marked confidential in their entirety.

Respondent may provide supplemental information exempt from public disclosure under Gov. Code § 6254, including "trade secrets" under Evidence Code § 1060. Such supplemental information shall not be material to the required submittal information and The IWVGA shall be under no obligation to consider such supplemental information in its evaluation.

If submitting confidential, supplemental information, such information should be sectioned separately from the rest of the submittal and clearly marked "Confidential." Upon completion of its evaluation, the IWVGA will destroy any confidential, supplemental information submitted, or return such information to Respondent if so requested.

ATTACHMENT A

SCOPE OF SERVICES FOR IMPORTED WATER PIPELINE CEQA/NEPA DOCUMENTS AND PERMIT DOCUMENTATION

The Consultant shall provide all the services needed for preparation of required CEQA/NEPA environmental documentation and evaluation of potential impacts for the project including any needed technical studies and surveys. All CEQA/NEPA documents must be prepared in accordance with State and local CEQA Guidelines and CEQA-related legislation. For compliance with NEPA, all Environmental Assessments/Findings of No Significant Impacts (EA/FONSI) and Environmental Impact Statements (EISs) shall be prepared in accordance with Federal NEPA Guidelines and NEPA-related legislation. NEPA documents will normally be prepared as joint CEQA/NEPA documents and may involve oversight by and coordination with the Federal Lead Agency.

The environmental analyses shall focus on the project, as delineated in the project description, preliminary engineering designs, and other information provided by the IWVGA or gathered during the preparation of the CEQA/NEPA document. Special Studies may be necessary to assess project impacts. Consultant should be prepared to conduct technical analyses/ Special Studies upon written Notice-to-Proceed in Spring 2023.

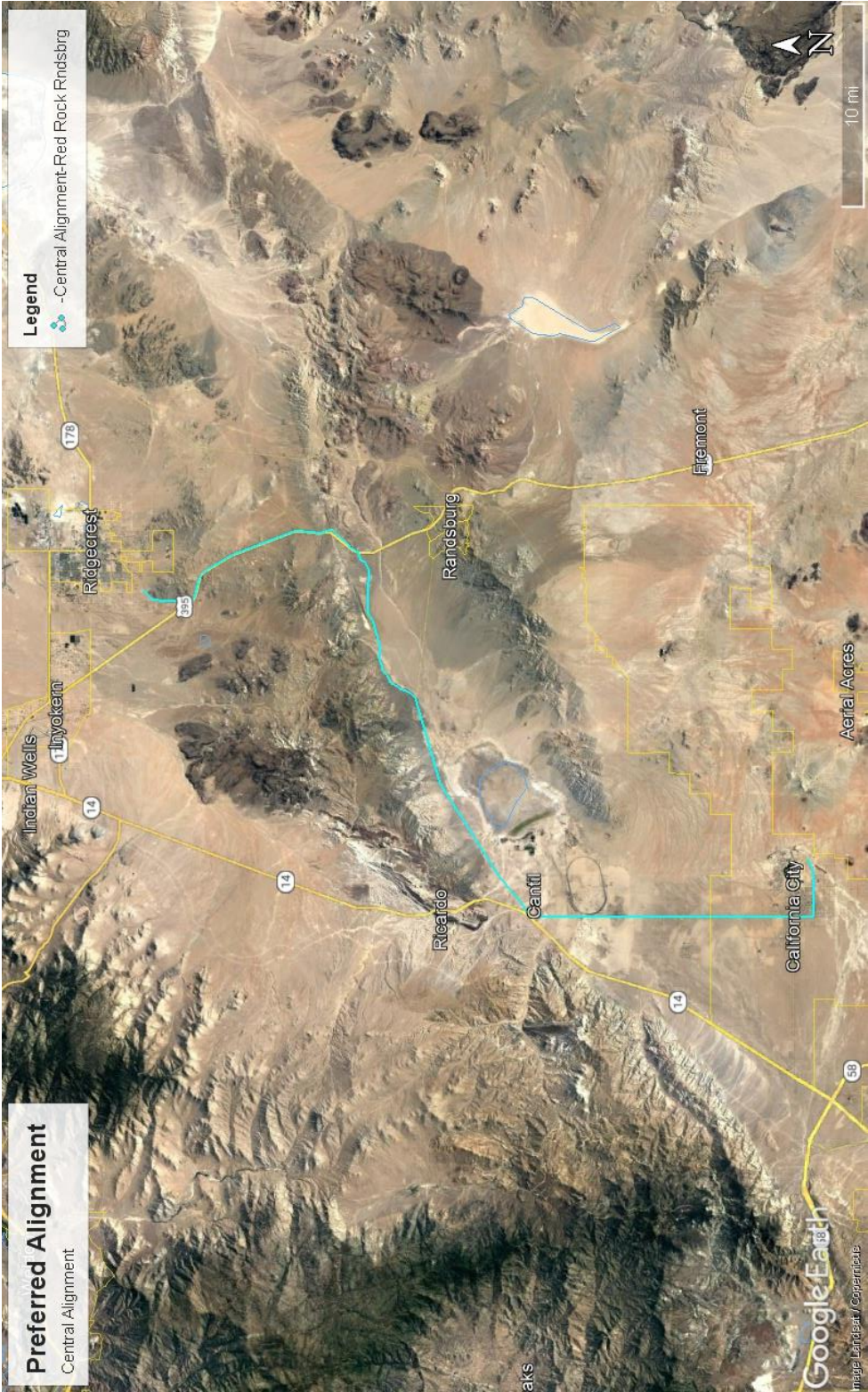
Specialized expertise will be required in assessing impacts, as well as assessing a range of feasible project alternatives and feasible mitigation measures to reduce or avoid impacts. Consultant will be expected to identify concerns and recommend analyses for inclusion in all CEQA/NEPA documents.

The Consultant will provide all services necessary to complete a project-level CEQA/NEPA analysis including all documentation, public notifications, public hearings, etc. Additional environmental services that may be required in order to complete full environmental impacts analyses include, but is not limited to, jurisdictional delineation, biological surveys, archaeology records search, sensitive species habitat mapping, vegetation mapping, etc. The anticipated Scope of Work for preparing the CEQA/NEPA documentation and permitting includes several tasks. Each task or component should be included as a line item in the overall budget in a manner that is easy to follow. If, in the Consultant's professional opinion, an additional task or tasks may need effort not specifically detailed in this RFP, please include those tasks and associated costs and hourly rates as its own task or tasks. The anticipated Scope of Work includes, but is not limited, to the following tasks:

- A. Kick-Off Meeting: The Consultant will coordinate a virtual or in-person kick-off meeting.
- B. Attendance and coordination of presentations and meetings, as requested, including:
 - 1. IWVGA Board, WRM, and Technical Advisory Committee meetings
 - 2. At least two scoping meetings in the City of Ridgecrest and California City
 - 3. Monthly coordination meetings with IWVGA staff, the WRM, and potentially the project's Design Consultant
 - 4. Coordination meetings with any lead agencies for NEPA

- 5. Meetings as needed with Federal, State, and local agencies.
- C. Project Schedule: The Consultant shall develop and commit to a schedule for the preparation of the Initial Study, CEQA/NEPA documentation, and permitting. The schedule shall be no longer than October 2024, unless otherwise authorized by the IWVGA.
- D. Information Requests: The Consultant shall provide the IWVGA with information requests.
- E. Complete EA / Initial Study (IS) documents as required per CEQA and NEPA guidelines and any other required environmental documents, including preparation of an Environmental Impact Report (EIR), and EIS.
- F. Permit Requirement Documentation
 - 1. Technical Report: The Consultant shall fully investigate the need for Permits for the new imported water pipeline, booster pump stations, and storage facilities, and prepare a documentation Technical Report.
 - 2. Acquire Permits: The Consultant shall coordinate with the WRM to identify environmental permits, environmental regulations and processes, and other environmental considerations that may be applicable to design and construct the project. In addition, the Consultant shall conduct necessary studies, as required by resource agencies, and prepare applications for state and federal permits, as well as provide application packages to the WRM. The WRM will submit applications and pay fees.

ATTACHMENT B
FIGURE OF PREFERRED ALIGNMENT



ATTACHMENT C
SAMPLE CONTRACT AGREEMENT

CONTRACT SERVICES AGREEMENT

By and Between

Indian Wells Valley Groundwater Authority

and

for _____

**AGREEMENT FOR CONTRACT SERVICES
BETWEEN THE INDIAN WELLS VALLEY GROUNDWATER AUTHORITY**

AND

FOR _____

THIS AGREEMENT FOR CONTRACT SERVICES (herein "Agreement") is made and entered into this ____ day of _____, 202_ by and between the Indian Wells Valley Groundwater Authority, ("Authority") and _____ ("Contractor"). Authority and Contractor may be referred to, individually or collectively, as "Party" or "Parties."

RECITALS

- A. Whereas, The Authority has recently secured a SGMA-Implementation grant funding opportunity through DWR for planning and design-level activities intended to bring new imported water supplies into the Basin. The _____ represents the ____ phase of these activities for the Authority to begin design, environmental compliance, right-of-way acquisition, and other tasks that will occur prior to construction;
- B. Whereas, in _____ 2022 the Authority released a Request for Proposals ("RFP") for an _____;
- C. Whereas, Contractor responded to the RFP and Authority and Contractor desire to enter into this Agreement for the completion of _____.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1. SERVICES OF CONTRACTOR/CONSULTANT

1.1 Scope of Services.

In compliance with all terms and conditions of this Agreement, the Contractor shall provide those services specified in the "Scope of Services" attached hereto as Exhibit "A" and incorporated herein by this reference, which may be referred to herein as the "services" or "work" hereunder. As a material inducement to the Authority entering into this Agreement, Contractor represents and warrants that it has the qualifications, experience, and facilities necessary to properly perform the services required under this Agreement in a thorough, competent, and professional manner, and is experienced in performing the work and services contemplated herein. Contractor shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. Contractor covenants that it shall follow the highest professional standards in

performing the work and services required hereunder and that all materials will be both of good quality as well as fit for the purpose intended. For purposes of this Agreement, the phrase “highest professional standards” shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

1.2 Contractor’s Proposal.

The Scope of Services shall include the Contractor’s scope of work in its proposal or bid, which shall be incorporated herein by this reference as though fully set forth herein as Exhibit “D”. In the event of any inconsistency between the terms of such proposal and this Agreement, the terms of this Agreement shall govern.

1.3 Compliance with Law.

Contractor shall keep itself informed concerning, and shall render all services hereunder in accordance with, all ordinances, resolutions, statutes, rules, and regulations of the Authority and any Federal, State or local governmental entity having jurisdiction in effect at the time service is rendered.

1.4 Licenses, Permits, Fees and Assessments.

Contractor shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Contractor shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Contractor’s performance of the services required by this Agreement, and shall indemnify, defend and hold harmless Authority, its officers, employees or agents of Authority, against any such fees, assessments, taxes, penalties or interest levied, assessed or imposed against Authority hereunder.

1.5 Familiarity with Work.

By executing this Agreement, Contractor warrants that Contractor (i) has thoroughly investigated and considered the scope of services to be performed, (ii) has carefully considered how the services should be performed, and (iii) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Contractor warrants that Contractor has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should the Contractor discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Contractor shall immediately inform the Authority of such fact and shall not proceed except at Contractor’s risk until written instructions are received from the Water Resource Manager.

1.6 Care of Work.

The Contractor shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies

and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by Authority, except such losses or damages as may be caused by Authority's own negligence.

1.7 Further Responsibilities of Parties.

Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other.

ARTICLE 2. COMPENSATION AND METHOD OF PAYMENT.

2.1 Contract Sum.

Subject to any limitations set forth in this Agreement, Authority agrees to pay Contractor the amounts specified in the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed _____ (\$____.__) (the "Contract Sum").

2.2 Method of Compensation.

The method of compensation may include: (i) a lump sum payment upon completion; (ii) payment in accordance with specified tasks or the percentage of completion of the services, less contract retention; (iii) payment for time and materials based upon the Contractor's rates as specified in the Schedule of Compensation, provided that (a) time estimates are provided for the performance of sub tasks, (b) contract retention is maintained, and (c) the Contract Sum is not exceeded; or (iv) such other methods as may be specified in the Schedule of Compensation.

2.3 Reimbursable Expenses.

Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expenses, and travel expenses approved by the Water Resource Manager in advance, or actual subcontractor expenses of an approved subcontractor pursuant to Section 4.5, and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Contractor at all project meetings reasonably deemed necessary by the Authority. Coordination of the performance of the work with Authority is a critical component of the services. If Contractor is required to attend additional meetings to facilitate such coordination, Contractor shall not be entitled to any additional compensation for attending said meetings.

2.4 Invoices.

Each month Contractor shall furnish to Authority an original invoice for all work performed and expenses incurred during the preceding month in a form approved by Authority. By submitting an invoice for payment under this Agreement, Contractor is certifying compliance with all provisions of the Agreement. The invoice shall contain all information specified in Exhibit "B", and shall detail charges for all necessary and actual expenses by the following categories:

labor (by sub-category), travel, materials, equipment, supplies, and sub-contractor contracts. Sub-contractor charges shall also be detailed by such categories. Contractor shall not invoice Authority for any duplicate services performed by more than one person.

Authority shall independently review each invoice submitted by the Contractor to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Contractor which are disputed by Authority, or as provided in Section 7.3, Authority will use its best efforts to cause Contractor to be paid within forty-five (45) days of receipt of Contractor's correct and undisputed invoice; however, Contractor acknowledges and agrees that due to Authority warrant run procedures, the Authority cannot guarantee that payment will occur within this time period. In the event any charges or expenses are disputed by Authority, the original invoice shall be returned by Authority to Contractor for correction and resubmission. Review and payment by Authority for any invoice provided by the Contractor shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

2.5 Waiver.

Payment to Contractor for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Contractor.

ARTICLE 3. PERFORMANCE SCHEDULE

3.1 Time of Essence.

Time is of the essence in the performance of this Agreement.

3.2 Schedule of Performance.

Contractor shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "C" and incorporated herein by this reference. When requested by the Contractor, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Water Resource Manager but not exceeding one hundred eighty (180) days cumulatively.

3.3 Force Majeure.

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the Authority, if the Contractor shall within ten (10) days of the commencement of such delay notify the Water Resource Manager in writing of the causes of the delay. The Water Resource Manager shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Water Resource Manager such delay is justified. The Water

Resource Manager’s determination shall be final and conclusive upon the parties to this Agreement. In no event shall Contractor be entitled to recover damages against the Authority for any delay in the performance of this Agreement, however caused, Contractor’s sole remedy being extension of the Agreement pursuant to this Section.

3.4 Term.

Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding one (1) year from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit “C”).

ARTICLE 4. COORDINATION OF WORK

4.1 Representatives and Personnel of Contractor.

The following principals of Contractor (“Principals”) are hereby designated as being the principals and representatives of Contractor authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

_____	Principal In Charge
_____	Project Manager
_____	Project Engineer

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for Authority to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Contractor and devoting sufficient time to personally supervise the services hereunder. All personnel of Contractor, and any authorized agents, shall at all times be under the exclusive direction and control of the Principals. For purposes of this Agreement, the foregoing Principals may not be replaced nor may their responsibilities be substantially reduced by Contractor without the express written approval of Authority. Additionally, Contractor shall utilize only competent personnel to perform services pursuant to this Agreement. Contractor shall make every reasonable effort to maintain the stability and continuity of Contractor’s staff and subcontractors, if any, assigned to perform the services required under this Agreement. Contractor shall notify Authority of any changes in Contractor’s staff and subcontractors, if any, assigned to perform the services required under this Agreement, prior to and during any such performance.

4.2 Status of Contractor.

Contractor shall have no authority to bind Authority in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against Authority, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by Authority. Contractor shall not at any time or in any manner

represent that Contractor or any of Contractor's officers, employees, or agents are in any manner officials, officers, employees or agents of Authority. Neither Contractor, nor any of Contractor's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to Authority's employees. Contractor expressly waives any claim Contractor may have to any such rights.

4.3 Water Resource Manager.

The Water Resource Manager shall be such person as may be designated by the Authority. It shall be the Contractor's responsibility to assure that the Water Resource Manager is kept informed of the progress of the performance of the services and the Contractor shall refer any decisions which must be made by Authority to the Water Resource Manager. Unless otherwise specified herein, any approval of Authority required hereunder shall mean the approval of the Water Resource Manager. The Water Resource Manager shall have authority, if specified in writing by the Authority Manager, to sign all documents on behalf of the Authority required hereunder to carry out the terms of this Agreement.

4.4 Independent Contractor.

Neither the Authority nor any of its employees shall have any control over the manner, mode or means by which Contractor, its agents or employees, perform the services required herein, except as otherwise set forth herein. Authority shall have no voice in the selection, discharge, supervision or control of Contractor's employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. Contractor shall perform all services required herein as an independent contractor of Authority and shall remain at all times as to Authority a wholly independent contractor with only such obligations as are consistent with that role. Contractor shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of Authority. Authority shall not in any way or for any purpose become or be deemed to be a partner of Contractor in its business or otherwise or a joint venturer or a member of any joint enterprise with Contractor.

4.5 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability and reputation of Contractor, its principals and employees were a substantial inducement for the Authority to enter into this Agreement. Therefore, Contractor shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the Authority. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of Authority. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Contractor, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Contractor or any surety of Contractor of any liability hereunder without the express consent of Authority.

ARTICLE 5. INSURANCE AND INDEMNIFICATION

5.1 Insurance Coverages.

Without limiting Contractor's indemnification of Authority, and prior to commencement of any services under this Agreement, Contractor shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to Authority.

(a) General liability insurance. Contractor shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$2,000,000 per occurrence, \$4,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

(b) Automobile liability insurance. Contractor shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Contractor arising out of or in connection with Services to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

(c) Professional liability (errors & omissions) insurance. Contractor shall maintain professional liability insurance that covers the Services to be performed in connection with this Agreement, in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement and Contractor agrees to maintain continuous coverage through a period no less than three (3) years after completion of the services required by this Agreement.

(d) Workers' compensation insurance. Contractor shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000).

(e) Subcontractors. Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall include all of the requirements stated herein.

5.2 General Insurance Requirements.

(a) Proof of insurance. Contractor shall provide certificates of insurance to Authority as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by the Authority prior to commencement of performance. Current certification of insurance shall be kept on file with Authority at all times during the term of this Agreement. Authority reserves the right to require complete, certified copies of all required insurance policies, at any time.

(b) Duration of coverage. Contractor shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Services hereunder by Contractor, its agents, representatives, employees or subcontractors.

(c) Primary/noncontributing. Coverage provided by Contractor shall be primary and any insurance or self-insurance procured or maintained by Authority shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of Authority before the Authority's own insurance or self-insurance shall be called upon to protect it as a named insured.

(d) Authority's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, Authority has the right but not the duty to obtain the insurance it deems necessary and any premium paid by Authority will be promptly reimbursed by Contractor or Authority will withhold amounts sufficient to pay premium from Contractor payments. In the alternative, Authority may cancel this Agreement.

(e) Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or that is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VI (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the Authority.

(f) Waiver of subrogation. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against Authority, its member agencies, elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Contractor or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Contractor hereby waives its own right of recovery against Authority, and shall require similar written express waivers and insurance clauses from each of its subcontractors.

(g) Enforcement of contract provisions (non-estoppel). Contractor acknowledges and agrees that any actual or alleged failure on the part of the Authority to inform Contractor of non-compliance with any requirement imposes no additional obligations on the Authority nor does it waive any rights hereunder.

(h) Requirements not limiting. Requirements of specific coverage features or limits contained in this section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Contractor maintains higher limits than the minimums shown above, the Authority requires and shall be entitled to coverage for the higher limits maintained by the

Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Authority.

(i) Notice of cancellation. Contractor agrees to oblige its insurance agent or broker and insurers to provide to Authority with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

(j) Additional insured status. General liability policies shall provide or be endorsed to provide that Authority and its officers, officials, employees, and agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

(k) Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to Authority and approved of in writing.

(l) Separation of insureds. A severability of interests provision must apply for all additional insureds ensuring that Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

(m) Pass through clause. Contractor agrees to ensure that its subcontractors, subcontractors, and any other party involved with the project who is brought onto or involved in the project by Contractor, provide the same minimum insurance coverage and endorsements required of Contractor. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Contractor agrees that upon request, all agreements with Contractors, subcontractors, and others engaged in the project will be submitted to Authority for review.

(n) Authority's right to revise specifications. The Authority reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Contractor ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Contractor, the Authority and Contractor may renegotiate Contractor's compensation.

(o) Self-insured retentions. Any self-insured retentions must be declared to and approved by Authority. Authority reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by Authority.

(p) Timely notice of claims. Contractor shall give Authority prompt and timely notice of claims made or suits instituted that arise out of or result from Contractor's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

(q) Additional insurance. Contractor shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

5.3 Indemnification.

To the full extent permitted by law, Contractor agrees to indemnify, defend and hold harmless the Authority, its member agencies, its officers, employees and agents (“Indemnified Parties”) against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein “claims or liabilities”) that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein of Contractor, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which Contractor is legally liable (“indemnitors”), or arising from Contractor’s or indemnitors’ reckless or willful misconduct, or arising from Contractor’s or indemnitors’ negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, and in connection therewith:

- (a) Contractor will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys' fees incurred in connection therewith;
- (b) Contractor will promptly pay any judgment rendered against the Authority, its officers, agents or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of Contractor hereunder; and Contractor agrees to save and hold the Authority, its officers, agents, and employees harmless therefrom;
- (c) In the event the Authority, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Contractor for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Contractor hereunder, Contractor agrees to pay to the Authority, its member agencies, its officers, agents or employees, any and all costs and expenses incurred by the Authority, its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys' fees.

Contractor shall incorporate similar indemnity agreements with its subcontractors and if it fails to do so Contractor shall be fully responsible to indemnify Authority hereunder therefore, and failure of Authority to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes claims or liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of Contractor in the performance of professional services hereunder. The provisions of this Section do not apply to claims or liabilities occurring as a result of Authority's sole negligence or willful acts or omissions, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from Authority's negligence, except that design professionals' indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness or willful misconduct of the design professional. The indemnity obligation shall be binding on successors and assigns of Contractor and shall survive termination of this Agreement.

ARTICLE 6. RECORDS, REPORTS, AND RELEASE OF INFORMATION

6.1 Records.

Contractor shall keep, and require subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to Authority and services performed hereunder (the "books and records"),

as shall be necessary to perform the services required by this Agreement and enable the Water Resource Manager to evaluate the performance of such services. Any and all such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Water Resource Manager shall have full and free access to such books and records at all times during normal business hours of Authority, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the Authority shall have access to such records in the event any audit is required. In the event of dissolution of Contractor's business, custody of the books and records may be given to Authority, and access shall be provided by Contractor's successor in interest. Notwithstanding the above, the Contractor shall fully cooperate with the Authority in providing access to the books and records if a public records request is made and disclosure is required by law including but not limited to the California Public Records Act.

6.2 Reports.

Contractor shall periodically prepare and submit to the Water Resource Manager such reports concerning the performance of the services required by this Agreement as the Water Resource Manager shall require. Contractor hereby acknowledges that the Authority is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Contractor agrees that if Contractor becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Contractor is providing design services, the cost of the project being designed, Contractor shall promptly notify the Water Resource Manager of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Contractor is providing design services, the estimated increased or decreased cost estimate for the project being designed.

6.3 Ownership of Documents.

All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the "documents and materials") prepared by Contractor, its employees, subcontractors and agents in the performance of this Agreement shall be the property of Authority and shall be delivered to Authority upon request of the Water Resource Manager or upon the termination of this Agreement, and Contractor shall have no claim for further employment or additional compensation as a result of the exercise by Authority of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Contractor will be at the Authority's sole risk and without liability to Contractor, and Contractor's guarantee and warranties shall not extend to such use, reuse or assignment. Contractor may retain copies of such documents for its own use. Contractor shall have the right to use the concepts embodied therein. All subcontractors shall provide for assignment to Authority of any documents or materials prepared by them, and in the event Contractor fails to secure such assignment, Contractor shall indemnify Authority for all damages resulting therefrom. Moreover, Contractor with respect to any documents and materials that may qualify as "works made for hire" as defined in 17 U.S.C. § 101, such documents and materials are hereby deemed "works made for hire" for the Authority.

6.4 Confidentiality and Release of Information.

(a) All information gained or work product produced by Contractor in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Contractor. Contractor shall not release or disclose any such information or work product to persons or entities other than Authority without prior written authorization from the Water Resource Manager.

(b) Contractor, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the Water Resource Manager or unless requested by the Authority Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered “voluntary” provided Contractor gives Authority notice of such court order or subpoena.

(c) If Contractor, or any officer, employee, agent or subcontractor of Contractor, provides any information or work product in violation of this Agreement, then Authority shall have the right to reimbursement and indemnity from Contractor for any damages, costs and fees, including attorney’s fees, caused by or incurred as a result of Contractor’s conduct.

(d) Contractor shall promptly notify Authority should Contractor, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under. Authority retains the right, but has no obligation, to represent Contractor or be present at any deposition, hearing or similar proceeding. Contractor agrees to cooperate fully with Authority and to provide Authority with the opportunity to review any response to discovery requests provided by Contractor. However, this right to review any such response does not imply or mean the right by Authority to control, direct, or rewrite said response.

ARTICLE 7. ENFORCEMENT OF AGREEMENT AND TERMINATION

7.1 California Law.

This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Kern, State of California, or any other appropriate court in such county, and Contractor covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Eastern District of California, in the City of Fresno, State of California.

7.2 Disputes; Default.

In the event that Contractor is in default under the terms of this Agreement, the Authority shall not have any obligation or duty to continue compensating Contractor for any work performed after the date of default. Instead, the Authority may give notice to Contractor of the default and the reasons for the default. The notice shall include the timeframe in which Contractor may cure

the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Contractor is in default, the Authority shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the Authority may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Contractor does not cure the default, the Authority may take necessary steps to terminate this Agreement under this Article. Any failure on the part of the Authority to give notice of the Contractor's default shall not be deemed to result in a waiver of the Authority's legal rights or any rights arising out of any provision of this Agreement.

7.3 Retention of Funds.

Contractor hereby authorizes Authority to deduct from any amount payable to Contractor (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate Authority for any losses, costs, liabilities, or damages suffered by Authority, and (ii) all amounts for which Authority may be liable to third parties, by reason of Contractor's acts or omissions in performing or failing to perform Contractor's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Contractor, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, Authority may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of Authority to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Contractor to insure, indemnify, and protect Authority as elsewhere provided herein.

7.4 Waiver.

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by Authority of any work or services by Contractor shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

7.5 Rights and Remedies are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

7.6 Legal Action.

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel

specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement. Notwithstanding any contrary provision herein, Contractor shall file a statutory claim pursuant to Government Code Sections 905 et seq. and 910 et seq., in order to pursue a legal action under this Agreement.

7.7 Termination Prior to Expiration of Term.

This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. The Authority reserves the right to terminate this Contract at any time, with or without cause, upon thirty (30) days' written notice to Contractor, except that where termination is due to the fault of the Contractor, the period of notice may be such shorter time as may be determined by the Water Resource Manager. In addition, the Contractor reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60) days' written notice to Authority, except that where termination is due to the fault of the Authority, the period of notice may be such shorter time as the Contractor may determine. Upon receipt of any notice of termination, Contractor shall immediately cease all services hereunder except such as may be specifically approved by the Water Resource Manager. Except where the Contractor has initiated termination, the Contractor shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Water Resource Manager thereafter in accordance with the Schedule of Compensation or such as may be approved by the Water Resource Manager, except as provided in Section 7.3. In the event the Contractor has initiated termination, the Contractor shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

7.8 Termination for Default of Contractor.

If termination is due to the failure of the Contractor to fulfill its obligations under this Agreement, Authority may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the Authority shall use reasonable efforts to mitigate such damages), and Authority may withhold any payments to the Contractor for the purpose of set-off or partial payment of the amounts owed the Authority as previously stated.

7.9 Attorneys' Fees.

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

ARTICLE 8. AUTHORITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

8.1 Non-liability of Authority Officers and Employees.

No officer or employee of the Authority shall be personally liable to the Contractor, or any successor in interest, in the event of any default or breach by the Authority or for any amount which may become due to the Contractor or to its successor, or for breach of any obligation of the terms of this Agreement.

8.2 Conflict of Interest.

Contractor covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of Authority or which would in any way hinder Contractor's performance of services under this Agreement. Contractor further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the Water Resource Manager. Contractor agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of Authority in the performance of this Agreement.

No officer or employee of the Authority shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects her/his financial interest or the financial interest of any corporation, partnership or association in which (s)he is, directly or indirectly, interested, in violation of any State statute or regulation. The Contractor warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

8.3 Covenant Against Discrimination.

Contractor covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class in the performance of this Agreement. Contractor shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class.

8.4 Unauthorized Aliens.

Contractor hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C. § 1101 *et seq.*, as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Contractor so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any liability or sanctions be imposed against Authority for such use of unauthorized aliens, Contractor hereby agrees to and shall reimburse Authority for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by Authority.

ARTICLE 9. MISCELLANEOUS PROVISIONS

9.1 Notices.

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the Authority, to the attention of the Water Resource Manager (with her/his name and Authority title), Indian Wells Valley Groundwater Authority, 100 West California Avenue, Ridgecrest California 93555 and in the case of the Contractor, to the person(s) at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

9.2 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.3 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

9.4 Integration; Amendment.

This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Contractor and by the Authority Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

9.5 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

9.6 Warranty & Representation of Non-Collusion.

No official, officer, or employee of Authority has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of Authority participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of “financial interest” shall be consistent with State law and shall not include interests found to be “remote” or “noninterests” pursuant to Government Code Sections 1091 or 1091.5. Contractor warrants and represents that it has not paid or given, and will not pay or give, to any third party including, but not limited to, any Authority official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded any agreement. Contractor further warrants and represents that (s)he/it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any Authority official, officer, or employee, as a result of consequence of obtaining or being awarded any agreement. Contractor is aware of and understands that any such act(s), omission(s) or other conduct resulting in such payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

Contractor’s Authorized Initials _____

9.7 Corporate Authority.

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) that entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

AUTHORITY:

Indian Wells Valley Groundwater Authority

Carol Thomas-Keefer, Acting General Manager

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

Keith Lemieux, Board Counsel

CONTRACTOR:

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Address: _____

Two corporate officer signatures required when Contractor is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. CONTRACTOR’S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONTRACTOR’S BUSINESS ENTITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

STATE OF CALIFORNIA

COUNTY OF KERN

On _____, 2022 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(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.

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPAAUTHORITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL	_____
<input type="checkbox"/> CORPORATE OFFICER	TITLE OR TYPE OF DOCUMENT

<input type="checkbox"/> PARTNER(S) <input type="checkbox"/> LIMITED	_____
<input type="checkbox"/> GENERAL	NUMBER OF PAGES
<input type="checkbox"/> ATTORNEY-IN-FACT	_____
<input type="checkbox"/> TRUSTEE(S)	DATE OF DOCUMENT
<input type="checkbox"/> GUARDIAN/CONSERVATOR	_____
<input type="checkbox"/> OTHER _____	SIGNER(S) OTHER THAN NAMED ABOVE

SIGNER IS REPRESENTING:

(NAME OF PERSON(S) OR ENTITY(IES))

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

STATE OF CALIFORNIA

COUNTY OF KERN

On _____, 2022 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(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.

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPAAUTHORITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL	_____
<input type="checkbox"/> CORPORATE OFFICER	TITLE OR TYPE OF DOCUMENT
_____	_____
<input type="checkbox"/> PARTNER(S) <input type="checkbox"/> LIMITED	NUMBER OF PAGES
<input type="checkbox"/> GENERAL	_____
<input type="checkbox"/> ATTORNEY-IN-FACT	DATE OF DOCUMENT
<input type="checkbox"/> TRUSTEE(S)	_____
<input type="checkbox"/> GUARDIAN/CONSERVATOR	SIGNER(S) OTHER THAN NAMED ABOVE
<input type="checkbox"/> OTHER _____	_____

SIGNER IS REPRESENTING:

(NAME OF PERSON(S) OR ENTITY(IES))

EXHIBIT "A"

SCOPE OF SERVICES

EXHIBIT "B"

SCHEDULE OF COMPENSATION

EXHIBIT "C"

SCHEDULE OF PERFORMANCE

- I. Contractor shall perform all services in a timely manner such that the final task deliverable shall be presented to the Authority within 180 days.**

- II. The Water Resource Manager may approve extensions for performance of the services in accordance with Section 3.2.**

EXHIBIT "D"

CONTRACTOR'S PROPOSAL

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INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

REQUEST FOR PROPOSALS

Imported Water Pipeline

Right-of-Way and Parcel Acquisition Services

Proposal Submission Deadline:

Monday, January 16, 2023 – 3:00 PM PT

Make all inquiries and send all questions to:

April Keigwin, Clerk of the Board of Directors
100 W. California Ave., Ridgecrest, CA 93555
Telephone: 805-764-5452
E-mail: akeigwin@rgs.ca.gov

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Attachments

Attachment A: Scope of Services

Attachment B: Figure of Initial Preferred Alignment

Attachment C: Sample Contract Agreement

I. Introduction

The Indian Wells Valley Groundwater Authority (IWVGA) is requesting proposals from qualified firms for right-of-way (ROW), easement, and parcel acquisition services of the new imported water supply pipeline, at least two pump stations and any additional facilities. This Request for Proposals (RFP) outlines the requirements and minimum qualifications, selection process, and documentation necessary to submit a Proposal.

A. About IWVGA

In July 2016, the IWVGA was formed through a Joint Exercise of Powers Agreement for the purpose of forming a Groundwater Sustainability Agency (GSA) to manage the Indian Wells Valley Groundwater Basin (Basin) and to implement Sustainable Groundwater Management Act (SGMA) requirements, including the development of a Groundwater Sustainability Plan (GSP). The IWVGA consists of the following voting member agencies:

1. City of Ridgecrest (a public agency)
2. Indian Wells Valley Water District (a public agency and California Special District)
3. County of Kern (a public agency)
4. County of Inyo (a public agency)
5. County of San Bernardino (a public agency)

The United States Department of the Interior Bureau of Land Management and the United States Navy, Naval Air Weapons Station China Lake serve as non-voting associate members.

The Basin is located east of the southern Sierra Nevada Range in California with an area of approximately 382,000 acres underlying portions of Inyo, Kern, and San Bernardino Counties. The Indian Wells Valley groundwater basin is identified by the California Department of Water Resources (DWR) as Basin No. 6-054 in Bulletin 118. The Basin has been designated by DWR as a critically overdrafted basin. The Basin serves as the sole source of potable water supply for residents and other water users; there are currently no imported water supply sources available to the Basin.

Pursuant to SGMA requirements, the IWVGA adopted and submitted its GSP to DWR in January 2020. In January 2022, DWR issued an “approval” determination of the IWVGA’s GSP, and the IWVGA is currently implementing its GSP projects and management actions, including acquisition of new imported water supplies and planning and design of an imported water conveyance system.

B. Background

Planning activities for the imported water conveyance facilities have commenced with the Pipeline Alternative Alignments Study, which has provided the initial preferred alignment for environmental review included in this RFP. The report for the Alternative Alignments Study is anticipated to be completed in January 2023. The pipeline is expected to be approximately 50

miles in length and up to 24 inches in diameter. Two pump stations, with required power facilities and controls, one 1 million gallon (MG) storage reservoir, and appurtenant facilities will be needed. Attachment B of this RFP shows the initial preferred pipeline alignment. A KMZ file may be provided upon request.

The initial preferred alignment runs adjacent to Redwood Boulevard and Neuralia Road in California City, continues north from Munsey Road and turns east at Redrock Randsburg Road. It follows this road to Garlock Road and under Highway 395. From there it parallels Highway 395 on the east side along a power line service road outside of the Caltrans right-of-way to China Lake Boulevard, where it turns to the northeast toward the Ridgecrest Heights Reservoir. The peak elevation of this alignment is 3,514 feet.

The IWVGA has recently secured a SGMA-Implementation grant through DWR for planning and design-level activities intended to bring new imported water supplies into the Basin. All activities funded by the grant must be completed by March 31, 2025.

The purpose of this RFP is to invite qualified Consultants to propose for ROW, easement, and parcel acquisition services for the new imported water conveyance system. The contract will be administered on a task-order basis. These services are anticipated to include, but are not limited to, the following:

- Right-of-way Acquisition
- Appraisals
- Negotiations of terms and fees
- Tracking of parcels and acquisition efforts
- Coordination with the engineering design team
- Title and escrow services
- Utility relocation coordination
- Attendance at presentations and meetings, as requested including:
 - IWVGA Board and Technical Advisory Committee meetings
 - At least two scoping meetings in the City of Ridgecrest and California City
 - Monthly coordination meetings with the IWVGA Water Resources Manager (WRM) and the project's Environmental Consultant and Design Consultant

C. Minimum Qualifications

The Respondent's business shall have been in existence for at least ten (10) years providing the type of services required by the Scope of Services. In addition, the Respondent's

proposed Project Manager must have a minimum of fifteen (15) years of experience on similar ROW projects.

D. Request for Clarification

Respondents requesting clarification pertaining to this RFP must submit all requests by 3:00 pm, PST, on Wednesday, December 28, 2022. Pre-proposal questions and clarifications will be accepted via email to the RFP Manager (see Section III.A). All questions received will be answered electronically via email to all participating Respondents. Respondents interested in submitting a proposal may attend a **non-mandatory pre-proposal meeting** on Wednesday, December 21, 2022; the list of pre-proposal meeting attendees and RFP recipients will be used to distribute the IWVGA's answers to all pre-proposal questions and requests for clarification. Respondents must acknowledge receipt of pre-proposal questions and clarifications in their proposal.

II. Scope of Services

Attachment A provides the Scope of Services listing major work tasks that may be requested on a Task Order Basis. The list may not be comprehensive.

III. Proposal Information

A. RFP Manager

All questions and correspondence regarding the proposal documents and proposal should be directed in writing referencing "IWVGA Imported Water Pipeline Right-of-Way and Parcel Acquisition Services" to:

April Keigwin, Clerk of the Board of Directors
100 W. California Ave., Ridgecrest, CA 93555
Telephone: 805-764-5452
E-mail: akeigwin@rgs.ca.gov

B. Timetable

A virtual **non-mandatory pre-proposal meeting** will be held on **Wednesday, December 21, 2022 at 3:00 p.m. PST**, to introduce the RFP and Scope of Services to interested respondents. **Interested respondents should email the RFP Manager prior to the meeting date to receive an invitation to the virtual meeting.** Responses to this RFP must submit sealed proposals due and must be received in the IWVGA's office (see address above) no later than **3:00 p.m., Pacific Time, on Monday, January 16, 2023**. No proposals shall be accepted after that time. IWVGA assumes no responsibility for delays caused by delivery service. Postmarking by the due date will not substitute for actual receipt. Hand delivery before the deadline is

recommended. Proposals received after the time and date listed above shall be returned to the Respondent unopened.

The following tentative schedule has been established for this RFP:

RFP Release Date	Thursday, December 15, 2022
Mandatory Pre-Proposal Meeting	Wednesday, December 21, 2022
Pre-Proposal Questions Due	Wednesday, December 28, 2022
Responses to Pre-Proposal Questions Issued	Monday, January 2, 2023
Proposals Due	Monday, January 16, 2023
Consultant Selected	Early February 2023
IWVGA Board Approval of Contract	Mid- February 2023
Final Contract Negotiations	Mid- February 2023
Projected Contract Start Date	Late February 2023

C. Proposal Submission Instructions

All proposals must meet the content requirements and format guidelines listed below in the “Proposal Content Guidelines” section. The complete proposal shall be submitted by the due date in a sealed envelope marked “Proposal for IWVGA Imported Water Pipeline Right-of-Way and Parcel Acquisition Services”. A total of two (2) complete double-sided copies on paper containing a minimum of 20% post-consumer recycled content and one (1) electronic copy of the proposal must be submitted. Proposals must be submitted in a sealed envelope, which details the business name, business address and contact person of the respondent. Responses must be addressed to the attention of April Keigwin, Clerk of the Board for the IWVGA.

D. Proposal Content Guidelines

Proposals must be submitted with all documents required by this RFP. Proposals not submitted with all the required information may be considered incomplete and rejected by the IWVGA. Proposals may be rejected if they show any alterations of form, additions not called for, conditional or alternative proposals, incomplete proposals, erasures, or irregularities of any kind. Any statement or qualification in proposal form (or attached to, or included therewith) serving to qualify said proposal, or containing conflicting statements, or otherwise rendering proposal ambiguous or uncertain, will disqualify the proposal. IWVGA reserves the rights to reject any or all proposals.

Proposals should include the following items:

1. Introduction

- a) A letter of introduction briefly describing an understanding of the requested scope of work and qualifications to undertake this work such as experience in providing like services, background of the firm(s), and qualifications of the key team members involved.
- b) Signature by an individual authorized by the firm or partnership to bind the firm or partnership to the proposal.

2. Proposing Firm(s)

- a) Provide the name of the entity submitting the proposal, its mailing address, telephone number, facsimile number, email address, and the name of contact individual. Describe the business and background of the firm, including the size, location, capacity, type of firm, and year established. Describe the organization and management of the firm.
- b) If applicable, list subcontractors with individual addresses, telephone numbers, facsimile numbers, email addresses, and areas of expertise.
- c) Briefly describe the project responsibility of the primary consultant and each subcontractor.

3. Project Personnel

Provide a description of the project team's organization and identify the personnel to be assigned to each task. The project manager and the day-to-day contact person for the project should be clearly identified. Contract terms will not permit substitution of lead personnel without prior written approval by IWVGA. Description of qualifications of the professional personnel to be employed with a summary of similar works performed and a resume for each professional.

4. References, Related Experience and Examples of Work

Provide at least three client references (contact name, title, company name, address, phone number, and e-mail address) for comparable engagements. Specify the client, location, comparable work performed, implementation results or status, and other relevant information as needed. Specify the team members that performed work on similar projects for each reference and the team members' roles and responsibilities on the work performed.

5. Statement of Financial Capacity

In addition to the information required in the previous sections, proposals must include a statement that the firm is financially sound and has financial resources sufficient to successfully execute the contract.

6. Schedule

Provide a schedule for the scope of work provided with the proposal.

7. Fee Schedule

Provide fee structure and schedule for the included services. Include year one and subsequent years. If there is an initial service setup fee, it must be stated. Provide an itemized fee list with hourly rates, staff hours, and direct expenses in the proposal.

8. Proposed Scope of Work

Provide a proposed approach and scope of work to accomplish the tasks outlined in the Scope of Services in detail (see Attachment A). Include all relevant subtasks, suggested additional tasks, and/or suggested modifications to the Scope of Services, if any.

IV. Selection Process

A. Overview

All proposals received by the due date will be evaluated by IWVGA. Only information which is received in response to the RFP and input from references will be evaluated. IWVGA will judge responses of each proposing firm in several critical areas.

The selection process shall proceed as follows:

1. After receipt of responses to this RFP, the IWVGA selection panel will review and rank the responses based on the selection criteria discussed in Section IV.B. The IWVGA selection panel may then select up to three qualified Consultants to interview.
2. At the interview, the Consultants will be expected to present their qualifications and experience to the selection panel. The project manager/primary contact for this program must be present for the interview. The presentation will be followed by a question and answer period by the selection panel. IWVGA will conduct interviews by conference call and screen sharing, and/or in face-to-face meetings based on the availability of the Respondent selected for interviews. IWVGA will not discriminate against any interested firm or individual on the grounds of race, creed, color, sex, age, disability, or national origin in the contract award. IWVGA reserves the right to reject any and all proposals at its discretion, thus not awarding the contract to any firm. IWVGA reserves the right to modify this RFP or the criteria for selection in any manner, to cancel this RFP, or to reject any one or more or all submittals.

IWVGA retains sole discretion to evaluate proposals and make an award to the Respondent that IWVGA deems to have the most responsive proposal. IWVGA reserves the right to invite the top candidate(s) for an oral interview, or to request additional clarifying information. The firm with the highest rating may be invited to negotiate a final agreement. If an agreement is not reached, negotiations may be terminated and commenced with the next most qualified firm. The recommendation of IWVGA shall be submitted to the IWVGA Board for award of contract.

Upon the approval of the IWVGA Board, IWVGA will issue the Notice of Award and deliver the signed contract to the awarded Respondent.

B. Selection Criteria

IWVGA will select the most qualified proposal based on the following factors.

1. Relevant qualifications and experience for comparable ROW, easement, and parcel acquisition services, based on but not limited to the following:
 - Strength and stability of the firm and any subcontractors
 - Past performance on comparable engagements including from input that will be obtained from references provided
 - Qualifications, education, technical competence, licensing, and experience of the primary consultant's and subcontractors' personnel assigned to the project
 - Key personnel's level of involvement in performing related work and or close oversight
 - Adequacy of labor commitment
 - Demonstrated knowledge of the scope of work required, capability of performing specific tasks outlined in the RFP based on similar work experience
2. Conceptual and proposed solutions. The proposal must clearly indicate that the submitter has performed adequate planning to accomplish the tasks as defined in the Scope of Work.
 - Proposal must be logical and laid out in a clear and thoughtful manner
 - Proposal includes a complete plan to accomplish the requirements, including subcontracting
 - Plan demonstrates that appropriate personnel and equipment will be positioned efficiently to carry out the requirements
 - Innovative approaches and ideas, specific methods and techniques to be employed by the contractor
 - Considerate of time constraints within the job
 - Meets all applicable guidelines as set forth in the RFP.
3. Total Fee, while not determinative, may be considered in the selection process. The selected firm will be expected to maintain the proposed billing rates throughout the term of the contract.

- Value provided
 - Reasonableness of the hourly rates, labor hours, and fees required to perform the work in relation to the scope of work and other proposals received, as well as reasonableness based on project costs for recently completed projects of similar scope and size. Travel time, if applicable, may be considered when evaluating reasonableness of rates.
 - Responsiveness to RFP and exceptions to or deviations from the RFP requirements
 -
4. Willingness to Comply with the Proposed Agreement Terms attached as Attachment C.

V. Conditions and Information for Respondents

A. General Conditions

IWVGA reserves the right to cancel or reject all or a portion(s) of the request for proposals without notice. Further, IWVGA makes no representations that any agreement will be awarded to any organization submitting a proposal. IWVGA reserves the right to reject any and all proposals submitted in response to this request or any addenda thereto. Any changes to the proposal requirements will be made by written addendum.

B. Limitations

All reports and pertinent data or materials shall be the sole property of the IWVGA, and may not be used or reproduced in any form without the explicit written permission of IWVGA. IWVGA reserves the right to extend the time allotted for the proposal, to verbally examine the Respondent in person, request copies of previous work prepared by the Consultant, and to request a best and final offer, should IWVGA deem that it is in its best interests to do so.

This RFP does not commit IWVGA to award a contract, or to pay any costs incurred in the preparation of the proposal. IWVGA reserves the right to accept or reject any or all proposals received as a result of this request, to negotiate with any Consultant, or to cancel this request in part or in its entirety. IWVGA may require the selected Consultant to participate in negotiations and to submit such technical, price, or other revisions of their proposals as may result from negotiations. IWVGA reserves the right to negotiate all final terms and conditions of any contract entered into.

C. Liability of Costs and Responsibility

IWVGA shall not be liable for any costs incurred in response to this request for proposals. All costs shall be borne by the person or organization responding to the request. Respondents are liable for all errors and omissions contained in their proposals. The person or organization responding to the request shall hold IWVGA harmless from any and all liability, claim or expense

whatsoever incurred by or on behalf of that person or organization. All submitted material becomes the property of IWVGA.

The selected Consultant will be required to assume responsibility for all services offered in the proposal whether or not they possess them within their organization. The selected Consultant will be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the contract.

D. Validity

The Respondent agrees to be bound by its proposal for a period of ninety (90) days commencing Monday, January 16, 2023, during which time IWVGA may request clarification or correction of the proposal for the purpose of evaluation. Amendments or clarifications shall not affect the remainder of the proposal, but only that portion so amended or clarified.

E. Permits and Licenses

Respondents and all subcontractors, at its and/or their sole expense, shall obtain and maintain during the term of any agreement, all appropriate permits, certificates and licenses including, but not limited to, a City Business License which will be required in connection with the performance of services hereunder.

F. Oral and Written Explanations

The IWVGA shall not be bound by oral explanations or instructions given at any time during the process or after the award. Oral explanations given during the review process and after award become binding when confirmed in writing by an authorized IWVGA official. Written responses to question(s) asked by one Respondent will be provided to all Respondents who received Requests for Proposals.

G. Respondent's Representative

The individual signing the proposal must be a legal representative of the firm authorized to bind the firm to an agreement in the event of the award.

H. Deliverables

Deliverables depend upon the task assigned. In general, 2 copies of administrative draft reports are required upon completion of each task. Following approval by the staff, 3 copies of each final report are required. One unbound copy of each final document and an electronic file containing all final documents and all information are to be provided. The Consultant will develop a system to assemble, organize, store and utilize data in an electronic format. At the outset of the agreement, the Consultant will submit a description of the software to be used in preparation of the reports and graphics.

I. Insurance

General Liability, Automobile, Professional Liability, and Worker's compensation insurance are required in the amount set forth in the contractor agreement.

J. Rights Reserved to IWVGA

In addition to rights established elsewhere in this RFP, the IWVGA reserves the right to:

- Reject any or all proposals;
- Confirm at any time during the solicitation process that the Respondent is able and responsible to perform the requested services in the manner desired, taking into consideration information in the proposal, any interviews conducted, or additional information acquired by the IWVGA;
- Verify all information submitted in the proposals;
- Withdraw this solicitation at any time without prior notice;
- Negotiate the final agreement, including the Scope of Work and Budget, with any Respondent as necessary to serve the best interests of the IWVGA;
- Amend the RFP;
- Amend the final agreement(s) to incorporate necessary attachments and exhibits or to reflect negotiations between the IWVGA and the successful Respondent; and

K. Confidentiality

The IWVGA is subject to the Public Records Act, California Government Code Section 6250 et. seq. As such, all required submittal information is subject to disclosure to the general public. Consequently, unless specifically required by the solicitation, Respondents should not submit personal data such as driver's license information, social security numbers, etc. to avoid the possibility of inadvertent disclosure of this personal information. Please note that the IWVGA cannot consider proposals marked confidential in their entirety.

Respondent may provide supplemental information exempt from public disclosure under Gov. Code § 6254, including "trade secrets" under Evidence Code § 1060. Such supplemental information shall not be material to the required submittal information and The IWVGA shall be under no obligation to consider such supplemental information in its evaluation.

If submitting confidential, supplemental information, such information should be sectioned separately from the rest of the submittal and clearly marked "Confidential." Upon completion of its evaluation, the IWVGA will destroy any confidential, supplemental information submitted, or return such information to Respondent if so requested.

ATTACHMENT A
SCOPE OF SERVICES
FOR
IMPORTED WATER PIPELINE
RIGHT-OF-WAY AND PARCEL ACQUISITION SERVICES

The Consultant shall provide all the services required, including but not limited to research, review, coordination, document and exhibit preparation, appraisal, negotiation, and acquisition for the rights-of-way, easements, and parcel acquisitions needed for the imported water pipeline and pump stations. The anticipated Scope of Work for the ROW and parcel acquisition services needed for the new imported water pipeline and pump stations includes, but is not limited, to the following tasks:

Task 1. Project Management

The Consultant will manage project tasks including work needed to:

- Prepare for, attend, and document team meetings and action items
- Prepare, coordinate, and maintain a critical path method schedule
- Miscellaneous coordination and support
- Prepare monthly invoices including summary of specific work completed (progress reports)
- Attendance and coordination of presentations and meetings, as requested, including:
 - a. IWVGA Board and Technical Advisory Committee meetings
 - b. At least two scoping meetings in the City of Ridgecrest and California City
 - c. Monthly coordination meetings with the IWVGA Water Resources Manager (WRM) and the project's Environmental Consultant and Design Consultant

Task 2. Identify Needed Rights-of-Way

- Review project plans prepared by the Design Consultant and conduct the research and investigation necessary to identify all right-of-way needed and the entities from which the rights-of-way must be obtained
- Prepare maps and drawings for the entire pipeline clearly showing the needed right-of-way (public ROW, easements for title, etc.). Also provide in table form with discussion of the needed rights-of-way

Task 3. Prepare a Right-of-Way Acquisition Plan

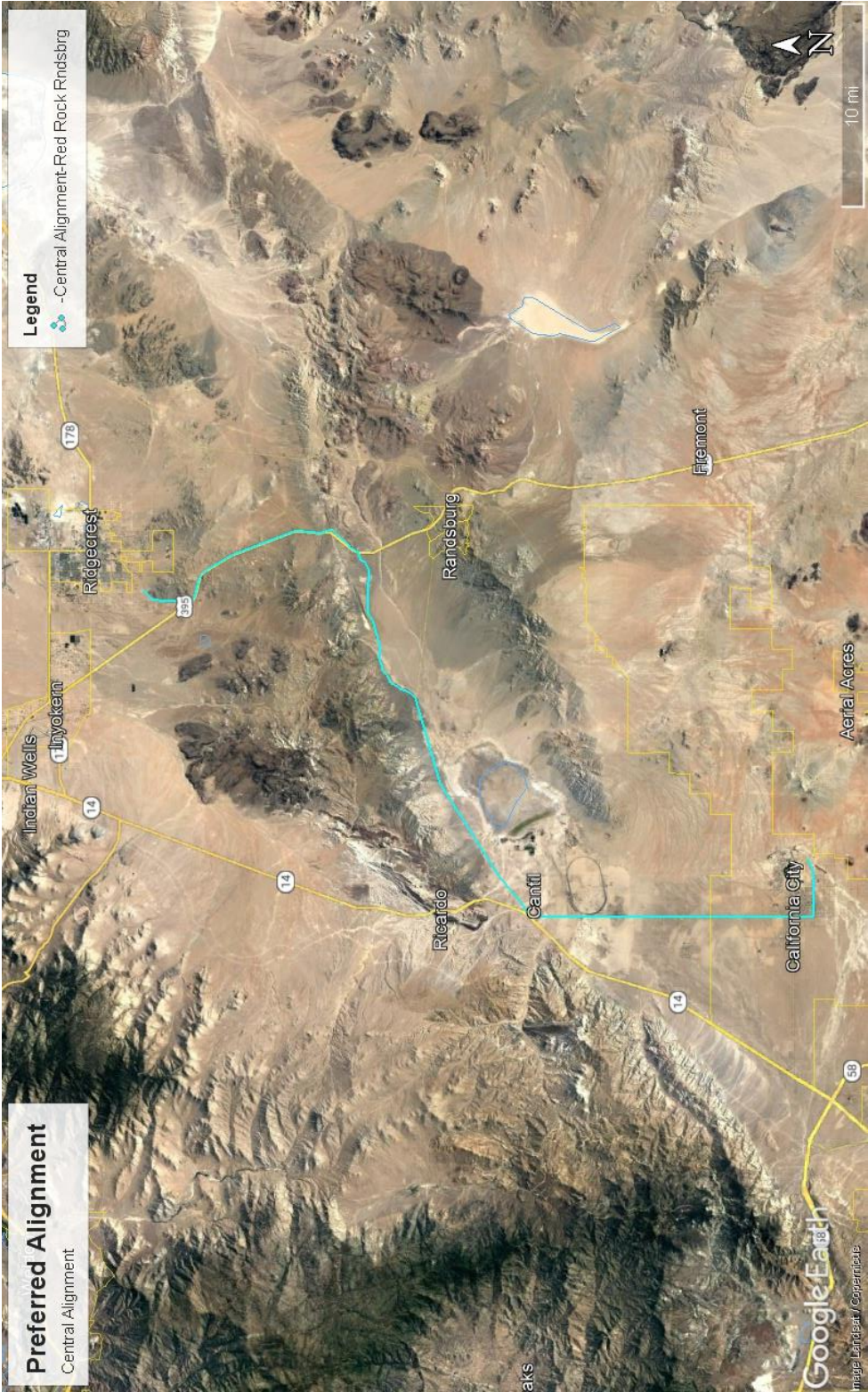
- Prepare a draft plan with the approach, required steps, schedule, and approximate cost to acquire all the needed rights-of-way
- Incorporate comments on the draft plan and prepare a final plan

Task 4. Acquisition Services

The Consultant shall implement the Acquisition Plan including, but not limited to:

- Conduct any appraisals, research, or investigation needed to initiate each acquisition
- Prepare all documents, exhibits, or other submittals needed to start each acquisition
- Working with IWVGA staff, coordinate, meet, and negotiate as needed to acquire the rights-of-way

ATTACHMENT B
FIGURE OF PREFERRED ALIGNMENT



ATTACHMENT C

SAMPLE CONTRACT AGREEMENT

CONTRACT SERVICES AGREEMENT

By and Between

Indian Wells Valley Groundwater Authority

and

for _____

**AGREEMENT FOR CONTRACT SERVICES
BETWEEN THE INDIAN WELLS VALLEY GROUNDWATER AUTHORITY**

AND

FOR _____

THIS AGREEMENT FOR CONTRACT SERVICES (herein “Agreement”) is made and entered into this ____ day of _____, 202_ by and between the Indian Wells Valley Groundwater Authority, (“Authority”) and _____ (“Contractor”). Authority and Contractor may be referred to, individually or collectively, as “Party” or “Parties.”

RECITALS

- A. Whereas, The Authority has recently secured a SGMA-Implementation grant funding opportunity through DWR for planning and design-level activities intended to bring new imported water supplies into the Basin. The _____ represents the ____ phase of these activities for the Authority to begin design, environmental compliance, right-of-way acquisition, and other tasks that will occur prior to construction;
- B. Whereas, in _____ 2022 the Authority released a Request for Proposals (“RFP”) for an _____;
- C. Whereas, Contractor responded to the RFP and Authority and Contractor desire to enter into this Agreement for the completion of _____.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1. SERVICES OF CONTRACTOR/CONSULTANT

1.1 Scope of Services.

In compliance with all terms and conditions of this Agreement, the Contractor shall provide those services specified in the “Scope of Services” attached hereto as Exhibit “A” and incorporated herein by this reference, which may be referred to herein as the “services” or “work” hereunder. As a material inducement to the Authority entering into this Agreement, Contractor represents and warrants that it has the qualifications, experience, and facilities necessary to properly perform the services required under this Agreement in a thorough, competent, and professional manner, and is experienced in performing the work and services contemplated herein. Contractor shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. Contractor covenants that it shall follow the highest professional standards in

performing the work and services required hereunder and that all materials will be both of good quality as well as fit for the purpose intended. For purposes of this Agreement, the phrase “highest professional standards” shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

1.2 Contractor’s Proposal.

The Scope of Services shall include the Contractor’s scope of work in its proposal or bid, which shall be incorporated herein by this reference as though fully set forth herein as Exhibit “D”. In the event of any inconsistency between the terms of such proposal and this Agreement, the terms of this Agreement shall govern.

1.3 Compliance with Law.

Contractor shall keep itself informed concerning, and shall render all services hereunder in accordance with, all ordinances, resolutions, statutes, rules, and regulations of the Authority and any Federal, State or local governmental entity having jurisdiction in effect at the time service is rendered.

1.4 Licenses, Permits, Fees and Assessments.

Contractor shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Contractor shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Contractor’s performance of the services required by this Agreement, and shall indemnify, defend and hold harmless Authority, its officers, employees or agents of Authority, against any such fees, assessments, taxes, penalties or interest levied, assessed or imposed against Authority hereunder.

1.5 Familiarity with Work.

By executing this Agreement, Contractor warrants that Contractor (i) has thoroughly investigated and considered the scope of services to be performed, (ii) has carefully considered how the services should be performed, and (iii) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Contractor warrants that Contractor has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should the Contractor discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Contractor shall immediately inform the Authority of such fact and shall not proceed except at Contractor’s risk until written instructions are received from the Water Resource Manager.

1.6 Care of Work.

The Contractor shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies

and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by Authority, except such losses or damages as may be caused by Authority's own negligence.

1.7 Further Responsibilities of Parties.

Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other.

ARTICLE 2. COMPENSATION AND METHOD OF PAYMENT.

2.1 Contract Sum.

Subject to any limitations set forth in this Agreement, Authority agrees to pay Contractor the amounts specified in the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed _____ (\$____.__) (the "Contract Sum").

2.2 Method of Compensation.

The method of compensation may include: (i) a lump sum payment upon completion; (ii) payment in accordance with specified tasks or the percentage of completion of the services, less contract retention; (iii) payment for time and materials based upon the Contractor's rates as specified in the Schedule of Compensation, provided that (a) time estimates are provided for the performance of sub tasks, (b) contract retention is maintained, and (c) the Contract Sum is not exceeded; or (iv) such other methods as may be specified in the Schedule of Compensation.

2.3 Reimbursable Expenses.

Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expenses, and travel expenses approved by the Water Resource Manager in advance, or actual subcontractor expenses of an approved subcontractor pursuant to Section 4.5, and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Contractor at all project meetings reasonably deemed necessary by the Authority. Coordination of the performance of the work with Authority is a critical component of the services. If Contractor is required to attend additional meetings to facilitate such coordination, Contractor shall not be entitled to any additional compensation for attending said meetings.

2.4 Invoices.

Each month Contractor shall furnish to Authority an original invoice for all work performed and expenses incurred during the preceding month in a form approved by Authority. By submitting an invoice for payment under this Agreement, Contractor is certifying compliance with all provisions of the Agreement. The invoice shall contain all information specified in Exhibit "B", and shall detail charges for all necessary and actual expenses by the following categories:

labor (by sub-category), travel, materials, equipment, supplies, and sub-contractor contracts. Sub-contractor charges shall also be detailed by such categories. Contractor shall not invoice Authority for any duplicate services performed by more than one person.

Authority shall independently review each invoice submitted by the Contractor to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Contractor which are disputed by Authority, or as provided in Section 7.3, Authority will use its best efforts to cause Contractor to be paid within forty-five (45) days of receipt of Contractor's correct and undisputed invoice; however, Contractor acknowledges and agrees that due to Authority warrant run procedures, the Authority cannot guarantee that payment will occur within this time period. In the event any charges or expenses are disputed by Authority, the original invoice shall be returned by Authority to Contractor for correction and resubmission. Review and payment by Authority for any invoice provided by the Contractor shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

2.5 Waiver.

Payment to Contractor for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Contractor.

ARTICLE 3. PERFORMANCE SCHEDULE

3.1 Time of Essence.

Time is of the essence in the performance of this Agreement.

3.2 Schedule of Performance.

Contractor shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "C" and incorporated herein by this reference. When requested by the Contractor, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Water Resource Manager but not exceeding one hundred eighty (180) days cumulatively.

3.3 Force Majeure.

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the Authority, if the Contractor shall within ten (10) days of the commencement of such delay notify the Water Resource Manager in writing of the causes of the delay. The Water Resource Manager shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Water Resource Manager such delay is justified. The Water

Resource Manager’s determination shall be final and conclusive upon the parties to this Agreement. In no event shall Contractor be entitled to recover damages against the Authority for any delay in the performance of this Agreement, however caused, Contractor’s sole remedy being extension of the Agreement pursuant to this Section.

3.4 Term.

Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding one (1) year from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit “C”).

ARTICLE 4. COORDINATION OF WORK

4.1 Representatives and Personnel of Contractor.

The following principals of Contractor (“Principals”) are hereby designated as being the principals and representatives of Contractor authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

_____	Principal In Charge
_____	Project Manager
_____	Project Engineer

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for Authority to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Contractor and devoting sufficient time to personally supervise the services hereunder. All personnel of Contractor, and any authorized agents, shall at all times be under the exclusive direction and control of the Principals. For purposes of this Agreement, the foregoing Principals may not be replaced nor may their responsibilities be substantially reduced by Contractor without the express written approval of Authority. Additionally, Contractor shall utilize only competent personnel to perform services pursuant to this Agreement. Contractor shall make every reasonable effort to maintain the stability and continuity of Contractor’s staff and subcontractors, if any, assigned to perform the services required under this Agreement. Contractor shall notify Authority of any changes in Contractor’s staff and subcontractors, if any, assigned to perform the services required under this Agreement, prior to and during any such performance.

4.2 Status of Contractor.

Contractor shall have no authority to bind Authority in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against Authority, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by Authority. Contractor shall not at any time or in any manner

represent that Contractor or any of Contractor's officers, employees, or agents are in any manner officials, officers, employees or agents of Authority. Neither Contractor, nor any of Contractor's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to Authority's employees. Contractor expressly waives any claim Contractor may have to any such rights.

4.3 Water Resource Manager.

The Water Resource Manager shall be such person as may be designated by the Authority. It shall be the Contractor's responsibility to assure that the Water Resource Manager is kept informed of the progress of the performance of the services and the Contractor shall refer any decisions which must be made by Authority to the Water Resource Manager. Unless otherwise specified herein, any approval of Authority required hereunder shall mean the approval of the Water Resource Manager. The Water Resource Manager shall have authority, if specified in writing by the Authority Manager, to sign all documents on behalf of the Authority required hereunder to carry out the terms of this Agreement.

4.4 Independent Contractor.

Neither the Authority nor any of its employees shall have any control over the manner, mode or means by which Contractor, its agents or employees, perform the services required herein, except as otherwise set forth herein. Authority shall have no voice in the selection, discharge, supervision or control of Contractor's employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. Contractor shall perform all services required herein as an independent contractor of Authority and shall remain at all times as to Authority a wholly independent contractor with only such obligations as are consistent with that role. Contractor shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of Authority. Authority shall not in any way or for any purpose become or be deemed to be a partner of Contractor in its business or otherwise or a joint venturer or a member of any joint enterprise with Contractor.

4.5 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability and reputation of Contractor, its principals and employees were a substantial inducement for the Authority to enter into this Agreement. Therefore, Contractor shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the Authority. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of Authority. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Contractor, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Contractor or any surety of Contractor of any liability hereunder without the express consent of Authority.

ARTICLE 5. INSURANCE AND INDEMNIFICATION

5.1 Insurance Coverages.

Without limiting Contractor's indemnification of Authority, and prior to commencement of any services under this Agreement, Contractor shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to Authority.

(a) General liability insurance. Contractor shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$2,000,000 per occurrence, \$4,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

(b) Automobile liability insurance. Contractor shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Contractor arising out of or in connection with Services to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

(c) Professional liability (errors & omissions) insurance. Contractor shall maintain professional liability insurance that covers the Services to be performed in connection with this Agreement, in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement and Contractor agrees to maintain continuous coverage through a period no less than three (3) years after completion of the services required by this Agreement.

(d) Workers' compensation insurance. Contractor shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000).

(e) Subcontractors. Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall include all of the requirements stated herein.

5.2 General Insurance Requirements.

(a) Proof of insurance. Contractor shall provide certificates of insurance to Authority as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by the Authority prior to commencement of performance. Current certification of insurance shall be kept on file with Authority at all times during the term of this Agreement. Authority reserves the right to require complete, certified copies of all required insurance policies, at any time.

(b) Duration of coverage. Contractor shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Services hereunder by Contractor, its agents, representatives, employees or subcontractors.

(c) Primary/noncontributing. Coverage provided by Contractor shall be primary and any insurance or self-insurance procured or maintained by Authority shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of Authority before the Authority's own insurance or self-insurance shall be called upon to protect it as a named insured.

(d) Authority's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, Authority has the right but not the duty to obtain the insurance it deems necessary and any premium paid by Authority will be promptly reimbursed by Contractor or Authority will withhold amounts sufficient to pay premium from Contractor payments. In the alternative, Authority may cancel this Agreement.

(e) Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or that is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VI (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the Authority.

(f) Waiver of subrogation. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against Authority, its member agencies, elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Contractor or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Contractor hereby waives its own right of recovery against Authority, and shall require similar written express waivers and insurance clauses from each of its subcontractors.

(g) Enforcement of contract provisions (non-estoppel). Contractor acknowledges and agrees that any actual or alleged failure on the part of the Authority to inform Contractor of non-compliance with any requirement imposes no additional obligations on the Authority nor does it waive any rights hereunder.

(h) Requirements not limiting. Requirements of specific coverage features or limits contained in this section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Contractor maintains higher limits than the minimums shown above, the Authority requires and shall be entitled to coverage for the higher limits maintained by the

Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Authority.

(i) Notice of cancellation. Contractor agrees to oblige its insurance agent or broker and insurers to provide to Authority with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

(j) Additional insured status. General liability policies shall provide or be endorsed to provide that Authority and its officers, officials, employees, and agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

(k) Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to Authority and approved of in writing.

(l) Separation of insureds. A severability of interests provision must apply for all additional insureds ensuring that Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

(m) Pass through clause. Contractor agrees to ensure that its subcontractors, subcontractors, and any other party involved with the project who is brought onto or involved in the project by Contractor, provide the same minimum insurance coverage and endorsements required of Contractor. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Contractor agrees that upon request, all agreements with Contractors, subcontractors, and others engaged in the project will be submitted to Authority for review.

(n) Authority's right to revise specifications. The Authority reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Contractor ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Contractor, the Authority and Contractor may renegotiate Contractor's compensation.

(o) Self-insured retentions. Any self-insured retentions must be declared to and approved by Authority. Authority reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by Authority.

(p) Timely notice of claims. Contractor shall give Authority prompt and timely notice of claims made or suits instituted that arise out of or result from Contractor's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

(q) Additional insurance. Contractor shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

5.3 Indemnification.

To the full extent permitted by law, Contractor agrees to indemnify, defend and hold harmless the Authority, its member agencies, its officers, employees and agents (“Indemnified Parties”) against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein “claims or liabilities”) that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein of Contractor, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which Contractor is legally liable (“indemnitors”), or arising from Contractor’s or indemnitors’ reckless or willful misconduct, or arising from Contractor’s or indemnitors’ negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, and in connection therewith:

- (a) Contractor will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys' fees incurred in connection therewith;
- (b) Contractor will promptly pay any judgment rendered against the Authority, its officers, agents or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of Contractor hereunder; and Contractor agrees to save and hold the Authority, its officers, agents, and employees harmless therefrom;
- (c) In the event the Authority, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Contractor for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Contractor hereunder, Contractor agrees to pay to the Authority, its member agencies, its officers, agents or employees, any and all costs and expenses incurred by the Authority, its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys' fees.

Contractor shall incorporate similar indemnity agreements with its subcontractors and if it fails to do so Contractor shall be fully responsible to indemnify Authority hereunder therefore, and failure of Authority to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes claims or liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of Contractor in the performance of professional services hereunder. The provisions of this Section do not apply to claims or liabilities occurring as a result of Authority's sole negligence or willful acts or omissions, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from Authority's negligence, except that design professionals' indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness or willful misconduct of the design professional. The indemnity obligation shall be binding on successors and assigns of Contractor and shall survive termination of this Agreement.

ARTICLE 6. RECORDS, REPORTS, AND RELEASE OF INFORMATION

6.1 Records.

Contractor shall keep, and require subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to Authority and services performed hereunder (the "books and records"),

as shall be necessary to perform the services required by this Agreement and enable the Water Resource Manager to evaluate the performance of such services. Any and all such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Water Resource Manager shall have full and free access to such books and records at all times during normal business hours of Authority, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the Authority shall have access to such records in the event any audit is required. In the event of dissolution of Contractor's business, custody of the books and records may be given to Authority, and access shall be provided by Contractor's successor in interest. Notwithstanding the above, the Contractor shall fully cooperate with the Authority in providing access to the books and records if a public records request is made and disclosure is required by law including but not limited to the California Public Records Act.

6.2 Reports.

Contractor shall periodically prepare and submit to the Water Resource Manager such reports concerning the performance of the services required by this Agreement as the Water Resource Manager shall require. Contractor hereby acknowledges that the Authority is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Contractor agrees that if Contractor becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Contractor is providing design services, the cost of the project being designed, Contractor shall promptly notify the Water Resource Manager of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Contractor is providing design services, the estimated increased or decreased cost estimate for the project being designed.

6.3 Ownership of Documents.

All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the "documents and materials") prepared by Contractor, its employees, subcontractors and agents in the performance of this Agreement shall be the property of Authority and shall be delivered to Authority upon request of the Water Resource Manager or upon the termination of this Agreement, and Contractor shall have no claim for further employment or additional compensation as a result of the exercise by Authority of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Contractor will be at the Authority's sole risk and without liability to Contractor, and Contractor's guarantee and warranties shall not extend to such use, reuse or assignment. Contractor may retain copies of such documents for its own use. Contractor shall have the right to use the concepts embodied therein. All subcontractors shall provide for assignment to Authority of any documents or materials prepared by them, and in the event Contractor fails to secure such assignment, Contractor shall indemnify Authority for all damages resulting therefrom. Moreover, Contractor with respect to any documents and materials that may qualify as "works made for hire" as defined in 17 U.S.C. § 101, such documents and materials are hereby deemed "works made for hire" for the Authority.

6.4 Confidentiality and Release of Information.

(a) All information gained or work product produced by Contractor in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Contractor. Contractor shall not release or disclose any such information or work product to persons or entities other than Authority without prior written authorization from the Water Resource Manager.

(b) Contractor, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the Water Resource Manager or unless requested by the Authority Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered “voluntary” provided Contractor gives Authority notice of such court order or subpoena.

(c) If Contractor, or any officer, employee, agent or subcontractor of Contractor, provides any information or work product in violation of this Agreement, then Authority shall have the right to reimbursement and indemnity from Contractor for any damages, costs and fees, including attorney’s fees, caused by or incurred as a result of Contractor’s conduct.

(d) Contractor shall promptly notify Authority should Contractor, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under. Authority retains the right, but has no obligation, to represent Contractor or be present at any deposition, hearing or similar proceeding. Contractor agrees to cooperate fully with Authority and to provide Authority with the opportunity to review any response to discovery requests provided by Contractor. However, this right to review any such response does not imply or mean the right by Authority to control, direct, or rewrite said response.

ARTICLE 7. ENFORCEMENT OF AGREEMENT AND TERMINATION

7.1 California Law.

This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Kern, State of California, or any other appropriate court in such county, and Contractor covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Eastern District of California, in the City of Fresno, State of California.

7.2 Disputes; Default.

In the event that Contractor is in default under the terms of this Agreement, the Authority shall not have any obligation or duty to continue compensating Contractor for any work performed after the date of default. Instead, the Authority may give notice to Contractor of the default and the reasons for the default. The notice shall include the timeframe in which Contractor may cure

the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Contractor is in default, the Authority shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the Authority may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Contractor does not cure the default, the Authority may take necessary steps to terminate this Agreement under this Article. Any failure on the part of the Authority to give notice of the Contractor's default shall not be deemed to result in a waiver of the Authority's legal rights or any rights arising out of any provision of this Agreement.

7.3 Retention of Funds.

Contractor hereby authorizes Authority to deduct from any amount payable to Contractor (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate Authority for any losses, costs, liabilities, or damages suffered by Authority, and (ii) all amounts for which Authority may be liable to third parties, by reason of Contractor's acts or omissions in performing or failing to perform Contractor's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Contractor, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, Authority may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of Authority to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Contractor to insure, indemnify, and protect Authority as elsewhere provided herein.

7.4 Waiver.

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by Authority of any work or services by Contractor shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

7.5 Rights and Remedies are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

7.6 Legal Action.

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel

specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement. Notwithstanding any contrary provision herein, Contractor shall file a statutory claim pursuant to Government Code Sections 905 et seq. and 910 et seq., in order to pursue a legal action under this Agreement.

7.7 Termination Prior to Expiration of Term.

This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. The Authority reserves the right to terminate this Contract at any time, with or without cause, upon thirty (30) days' written notice to Contractor, except that where termination is due to the fault of the Contractor, the period of notice may be such shorter time as may be determined by the Water Resource Manager. In addition, the Contractor reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60) days' written notice to Authority, except that where termination is due to the fault of the Authority, the period of notice may be such shorter time as the Contractor may determine. Upon receipt of any notice of termination, Contractor shall immediately cease all services hereunder except such as may be specifically approved by the Water Resource Manager. Except where the Contractor has initiated termination, the Contractor shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Water Resource Manager thereafter in accordance with the Schedule of Compensation or such as may be approved by the Water Resource Manager, except as provided in Section 7.3. In the event the Contractor has initiated termination, the Contractor shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

7.8 Termination for Default of Contractor.

If termination is due to the failure of the Contractor to fulfill its obligations under this Agreement, Authority may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the Authority shall use reasonable efforts to mitigate such damages), and Authority may withhold any payments to the Contractor for the purpose of set-off or partial payment of the amounts owed the Authority as previously stated.

7.9 Attorneys' Fees.

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

ARTICLE 8. AUTHORITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

8.1 Non-liability of Authority Officers and Employees.

No officer or employee of the Authority shall be personally liable to the Contractor, or any successor in interest, in the event of any default or breach by the Authority or for any amount which may become due to the Contractor or to its successor, or for breach of any obligation of the terms of this Agreement.

8.2 Conflict of Interest.

Contractor covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of Authority or which would in any way hinder Contractor's performance of services under this Agreement. Contractor further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the Water Resource Manager. Contractor agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of Authority in the performance of this Agreement.

No officer or employee of the Authority shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects her/his financial interest or the financial interest of any corporation, partnership or association in which (s)he is, directly or indirectly, interested, in violation of any State statute or regulation. The Contractor warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

8.3 Covenant Against Discrimination.

Contractor covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class in the performance of this Agreement. Contractor shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class.

8.4 Unauthorized Aliens.

Contractor hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C. § 1101 *et seq.*, as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Contractor so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any liability or sanctions be imposed against Authority for such use of unauthorized aliens, Contractor hereby agrees to and shall reimburse Authority for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by Authority.

ARTICLE 9. MISCELLANEOUS PROVISIONS

9.1 Notices.

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the Authority, to the attention of the Water Resource Manager (with her/his name and Authority title), Indian Wells Valley Groundwater Authority, 100 West California Avenue, Ridgecrest California 93555 and in the case of the Contractor, to the person(s) at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

9.2 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.3 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

9.4 Integration; Amendment.

This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Contractor and by the Authority Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

9.5 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

9.6 Warranty & Representation of Non-Collusion.

No official, officer, or employee of Authority has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of Authority participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of “financial interest” shall be consistent with State law and shall not include interests found to be “remote” or “noninterests” pursuant to Government Code Sections 1091 or 1091.5. Contractor warrants and represents that it has not paid or given, and will not pay or give, to any third party including, but not limited to, any Authority official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded any agreement. Contractor further warrants and represents that (s)he/it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any Authority official, officer, or employee, as a result of consequence of obtaining or being awarded any agreement. Contractor is aware of and understands that any such act(s), omission(s) or other conduct resulting in such payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

Contractor’s Authorized Initials _____

9.7 Corporate Authority.

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) that entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

AUTHORITY:

Indian Wells Valley Groundwater Authority

Carol Thomas-Keefer, Acting General Manager

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

Keith Lemieux, Board Counsel

CONTRACTOR:

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Address: _____

Two corporate officer signatures required when Contractor is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. CONTRACTOR'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONTRACTOR'S BUSINESS ENTITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

STATE OF CALIFORNIA

COUNTY OF KERN

On _____, 2022 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(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.

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPAAUTHORITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL	_____
<input type="checkbox"/> CORPORATE OFFICER	TITLE OR TYPE OF DOCUMENT

<input type="checkbox"/> PARTNER(S) <input type="checkbox"/> LIMITED	_____
<input type="checkbox"/> GENERAL	NUMBER OF PAGES
<input type="checkbox"/> ATTORNEY-IN-FACT	_____
<input type="checkbox"/> TRUSTEE(S)	DATE OF DOCUMENT
<input type="checkbox"/> GUARDIAN/CONSERVATOR	_____
<input type="checkbox"/> OTHER _____	SIGNER(S) OTHER THAN NAMED ABOVE

SIGNER IS REPRESENTING:

(NAME OF PERSON(S) OR ENTITY(IES))

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

STATE OF CALIFORNIA

COUNTY OF KERN

On _____, 2022 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(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.

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPAAUTHORITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL	_____
<input type="checkbox"/> CORPORATE OFFICER	TITLE OR TYPE OF DOCUMENT

<input type="checkbox"/> PARTNER(S) <input type="checkbox"/> LIMITED	_____
<input type="checkbox"/> GENERAL	NUMBER OF PAGES
<input type="checkbox"/> ATTORNEY-IN-FACT	_____
<input type="checkbox"/> TRUSTEE(S)	DATE OF DOCUMENT
<input type="checkbox"/> GUARDIAN/CONSERVATOR	_____
<input type="checkbox"/> OTHER _____	SIGNER(S) OTHER THAN NAMED ABOVE

SIGNER IS REPRESENTING:

(NAME OF PERSON(S) OR ENTITY(IES))

EXHIBIT "A"

SCOPE OF SERVICES

EXHIBIT "B"

SCHEDULE OF COMPENSATION

EXHIBIT "C"

SCHEDULE OF PERFORMANCE

- I. Contractor shall perform all services in a timely manner such that the final task deliverable shall be presented to the Authority within 180 days.**

- II. The Water Resource Manager may approve extensions for performance of the services in accordance with Section 3.2.**

EXHIBIT "D"

CONTRACTOR'S PROPOSAL

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INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

REQUEST FOR PROPOSALS

Imported Water Conveyance System

Design Services

Proposal Submission Deadline:

Monday, January 16, 2023 – 3:00 PM PT

Make all inquiries and send all questions to:

April Keigwin, Clerk of the Board of Directors
100 W. California Ave., Ridgecrest, CA 93555
Telephone: 805-764-5452
E-mail: akeigwin@rgs.ca.gov

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Attachments

Attachment A: Scope of Services

Attachment B: Figure of the Initial Preferred Alignment

Attachment C: Sample Contract Agreement

I. Introduction

The Indian Wells Valley Groundwater Authority (IWVGA) is requesting proposals from qualified firms for development of the preliminary and final design of facilities to convey water from the Antelope-East Kern Water Agency's California City Pipeline to the Indian Wells Valley Water District's Ridgecrest Heights Reservoir. This Request for Proposals (RFP) outlines the requirements and minimum qualifications, selection process, and documentation necessary to submit a Proposal.

A. About IWVGA

In July 2016, the IWVGA was formed through a Joint Exercise of Powers Agreement for the purpose of forming a Groundwater Sustainability Agency (GSA) to manage the Indian Wells Valley Groundwater Basin (Basin) and to implement Sustainable Groundwater Management Act (SGMA) requirements, including the development of a Groundwater Sustainability Plan (GSP). The IWVGA consists of the following voting member agencies:

1. City of Ridgecrest (a public agency)
2. Indian Wells Valley Water District (a public agency and California Special District)
3. County of Kern (a public agency)
4. County of Inyo (a public agency)
5. County of San Bernardino (a public agency)

The United States Department of the Interior Bureau of Land Management and the United States Navy, Naval Air Weapons Station China Lake serve as non-voting associate members.

The Basin is located east of the southern Sierra Nevada Range in California with an area of approximately 382,000 acres underlying portions of Inyo, Kern, and San Bernardino Counties. The Indian Wells Valley groundwater basin is identified by the California Department of Water Resources (DWR) as Basin No. 6-054 in Bulletin 118. The Basin has been designated by DWR as a critically overdrafted basin. The Basin serves as the sole source of potable water supply for residents and other water users; there are currently no imported water supply sources available to the Basin.

Pursuant to SGMA requirements, the IWVGA adopted and submitted its GSP to DWR in January 2020. In January 2022, DWR issued an "approval" determination of the IWVGA's GSP, and the IWVGA is currently implementing its GSP projects and management actions, including acquisition of new imported water supplies and planning and design of an imported water conveyance system.

B. Background

Planning activities for the imported water conveyance facilities have commenced with the Pipeline Alternative Alignments Study, which has provided the preferred initial alignment included for environmental review in the RFP. The report for the Alternative Alignments Study is anticipated

to be completed in January 2023. The pipeline is expected to be approximately 50 miles in length and up to 24 inches in diameter. Two pump stations with required power facilities and controls, one 1 million gallon (MG) storage reservoir, and appurtenant facilities will be needed. Attachment B of this RFP shows the preferred pipeline alignment. A KMZ file may be provided upon request.

The initial preferred alignment runs adjacent to Redwood Boulevard and Neuralia Road in California City, continues north from Munsey Road and turns east at Redrock Randsburg Road. It follows this road to Garlock Road and under Highway 395. From there it parallels Highway 395 on the east side along a power line service road outside of the Caltrans right-of-way to China Lake Boulevard, where it turns to the northeast toward the Ridgecrest Heights Reservoir. The peak elevation of this alignment is 3,514 feet.

The IWVGA has secured a SGMA-Implementation grant through DWR for planning and design activities intended to bring new imported water supplies into the Basin. All activities funded by the grant must be completed by March 31, 2025.

The purpose of this RFP is to invite qualified Consultants to propose to provide all services needed for the development of the preliminary and final design documents for the imported water conveyance system. The contract will be administered on a task-order basis. These services are anticipated to include, but are not limited to, the following:

- Water facilities planning
- Surveying, geotechnical investigations, and utility research
- Hydraulic analysis
- Preparation of Plans and Specifications for the imported water conveyance system
- Cost Estimation
- Technical support for the IWVGA's consultants conducting environmental review of the project and providing right of way services for the project.
- Attendance at presentations and meetings, as requested including:
 - IWVGA Board and Technical Advisory Committee meetings
 - At least two scoping meetings in the City of Ridgecrest and California City
 - Monthly coordination meetings with the project's Environmental and ROW Consultants and IWVGA Water Resources Manager (WRM).

C. Minimum Qualifications

The Respondent's business shall have been in existence for at least ten (10) years providing the type of services required by the Scope of Services. In addition, the Respondent's proposed Project Manager must be a registered civil engineer of the State of California with a minimum of fifteen (15) years of experience on similar design projects.

D. Request for Clarification

Respondents requesting clarification pertaining to this RFP must submit all requests by 3:00 pm, PST, on Wednesday, December 28, 2022. Pre-proposal questions and clarifications will be accepted via email to the RFP Manager (see Section III.A). All questions received will be

answered electronically via email to all participating Respondents. Respondents interested in submitting a proposal may attend a **non-mandatory pre-proposal meeting** on Wednesday, December 21, 2022; the list of pre-proposal meeting attendees and RFP recipients will be used to distribute the IWVGA's answers to all pre-proposal questions and requests for clarification. Respondents must acknowledge receipt of pre-proposal questions and clarifications in their proposal.

II. Scope of Services

Attachment A provides the Scope of Services listing major work tasks that may be requested on a task-order basis. The list may not be comprehensive.

III. Proposal Information

A. RFP Manager

All questions and correspondence regarding the proposal documents and proposal should be directed in writing referencing "IWVGA Imported Water Conveyance System Design Services" to:

April Keigwin, Clerk of the Board of Directors
100 W. California Ave., Ridgecrest, CA 93555
Telephone: 805-764-5452
E-mail: akeigwin@rgs.ca.gov

B. Timetable

A virtual **non-mandatory pre-proposal meeting** will be held on **Wednesday, December 21, 2022 at 10:00 a.m. PST**, to introduce the RFP and Scope of Services to interested respondents. **Interested respondents should email the RFP Manager prior to the meeting date to receive an invitation to the virtual meeting.** Responses to this RFP with sealed proposals are due and must be received in the IWVGA's office (see address above) no later than **3:00 p.m., Pacific Time, on Monday, January 16, 2023**. No proposals shall be accepted after that time. IWVGA assumes no responsibility for delays caused by delivery service. Postmarking by the due date will not substitute for actual receipt. Hand delivery before the deadline is recommended. Proposals received after the time and date listed above shall be returned to the Respondent unopened.

The following tentative schedule has been established for this RFP:

RFP Release Date	Thursday, December 15, 2022
Mandatory Pre-Proposal Meeting	Wednesday, December 21, 2022
Pre-Proposal Questions Due	Wednesday, December 28, 2022
Responses to Pre-Proposal Questions Issued	Monday, January 2, 2023
Proposals Due	Monday, January 16, 2023
Consultant Selected	Early February 2023
IWVGA Board Approval of Contract	Mid- February 2023
Final Contract Negotiations	Mid- February 2023
Projected Contract Start Date	Late February 2023

C. Proposal Submission Instructions

All proposals must meet the content requirements and format guidelines listed below in the “Proposal Content Guidelines” section. The complete proposal shall be submitted by the due date in a sealed envelope marked “Proposal for IWVGA Imported Water Conveyance System Design Services”. A total of two (2) complete double-sided copies on paper containing a minimum of 20% post-consumer recycled content and one (1) electronic copy of the proposal must be submitted. Proposals must be submitted in a sealed envelope, which details the business name, business address and contact person of the respondent. Responses must be addressed to the attention of April Keigwin, Clerk of the Board for the IWVGA.

D. Proposal Content Guidelines

Proposals must be submitted with all documents required by this RFP. Proposals not submitted with all the required information may be considered incomplete and rejected by the IWVGA. Proposals may be rejected if they show any alterations of form, additions not called for, conditional or alternative proposals, incomplete proposals, erasures, or irregularities of any kind. Any statement or qualification in proposal form (or attached to, or included therewith) serving to qualify said proposal, or containing conflicting statements, or otherwise rendering proposal ambiguous or uncertain, will disqualify the proposal. IWVGA reserves the rights to reject any or all proposals.

Proposals should include the following items:

1. Introduction

- a) A letter of introduction briefly describing an understanding of the requested scope of work and qualifications to undertake this work such as experience in providing like

services, background of the firm(s), and qualifications of the key team members involved.

- b) Signature by an individual authorized by the firm or partnership to bind the firm or partnership to the proposal.

2. Proposing Firm(s)

- a) Provide the name of the entity submitting the proposal, its mailing address, telephone number, facsimile number, email address, and the name of the contact individual. Describe the business and background of the firm, including the size, location, capacity, type of firm, and year established. Describe the organization and management of the firm
- b) If applicable, list subcontractors with individual addresses, telephone numbers, facsimile numbers, email addresses, and areas of expertise.
- c) Briefly describe the project responsibility of the primary consultant and each subcontractor.

3. Project Personnel

Provide a description of the project team's organization and identify the personnel to be assigned to each task. The project manager and the day-to-day contact person for the project should be clearly identified. Contract terms will not permit substitution of lead personnel without prior written approval by IWVGA. Description of qualifications of the professional personnel to be employed with a summary of similar works performed and a resume for each professional.

4. References, Related Experience and Examples of Work

Provide at least three client references (contact name, title, company name, address, phone number, and e-mail address) for comparable engagements . Specify the client, location, comparable work performed, implementation results or status, and other relevant information as needed. Specify the team members that performed work on similar projects for each reference and the team members' roles and responsibilities on the work performed.

5. Statement of Financial Capacity

In addition to the information required in the previous sections, proposals must include a statement that the firm is financially sound and has financial resources sufficient to successfully execute the contract.

6. Schedule

Provide a schedule for the scope of work provided with the proposal.

7. Fee Schedule

Provide a fee structure and schedule for the included services. Include year one and subsequent years. If there is an initial service setup fee, it must be stated. Provide an itemized fee list with hourly rates, staff hours, and direct expenses in the proposal.

8. Proposed Scope of Work

Provide a proposed approach and scope of work to accomplish the tasks outlined in the Scope of Services in detail (see Attachment A). Include all relevant subtasks, suggested additional tasks, and/or suggested modifications to the Scope of Services, if any.

IV. Selection Process

A. Overview

All proposals received by the due date will be evaluated by IWVGA. Only information which is received in response to the RFP and input from references will be evaluated. IWVGA will judge responses of each proposing firm in several critical areas.

The selection process shall proceed as follows:

1. After receipt of responses to this RFP, the IWVGA selection panel will review and rank the responses based on the selection criteria discussed in Section IV.B. The IWVGA selection panel may then select up to three qualified Consultants to interview.
2. At the interview, the Consultants will be expected to present their qualifications and experience to the selection panel. The project manager/primary contact for this program must be present for the interview. The presentation will be followed by a question and answer period by the selection panel. IWVGA will conduct interviews by conference call and screen sharing, and/or in face-to-face meetings based on the availability of the Respondent selected for interviews. IWVGA will not discriminate against any interested firm or individual on the grounds of race, creed, color, sex, age, disability, or national origin in the contract award. IWVGA reserves the right to reject any and all proposals at its discretion, thus not awarding the contract to any firm. IWVGA reserves the right to modify this RFP or the criteria for selection in any manner, to cancel this RFP, or to reject any one or more or all submittals.

IWVGA retains sole discretion to evaluate proposals and make an award to the Respondent that IWVGA deems to have the most responsive proposal. IWVGA reserves the right to invite the top candidate(s) for an oral interview, or to request additional clarifying information.

The firm with the highest rating may be invited to negotiate a final agreement. If an agreement is not reached, negotiations may be terminated and commenced with the next most qualified firm. The recommendation of IWVGA shall be submitted to the IWVGA Board for award of contract.

Upon the approval of the IWVGA Board, IWVGA will issue the Notice of Award and deliver the signed contract to the awarded Respondent.

B. Selection Criteria

IWVGA will select the most qualified proposal based on the following factors.

1. Relevant qualifications and experience for comparable water facility design, based on but not limited to the following:
 - Strength and stability of the firm and any subcontractors
 - Past performance on comparable engagements including from input that will be obtained from references provided
 - Qualifications, education, technical competence, licensing, and experience of the primary consultant's and subcontractors' personnel assigned to the project
 - Key personnel's level of involvement in performing related work and or close oversight
 - Adequacy of labor commitment
 - Demonstrated knowledge of the scope of work required, capability of performing specific tasks outlined in the RFP based on similar work experience
2. Conceptual and proposed solutions. The proposal must clearly indicate that the submitter has performed adequate planning to accomplish the tasks as defined in the Scope of Work.
 - Proposal must be logical and laid out in a clear and thoughtful manner
 - Proposal includes a complete plan to accomplish the requirements, including subcontracting
 - Plan demonstrates that appropriate personnel and equipment will be positioned efficiently to carry out the requirements
 - Innovative approaches and ideas, specific methods and techniques to be employed by the contractor
 - Considerate of time constraints within the job
 - Meets all applicable guidelines as set forth in the RFP.
3. Total Fee, while not determinative, may be considered in the selection process. The selected firm will be expected to maintain the proposed billing rates throughout the term of the contract.
 - Value provided
 - Reasonableness of the hourly rates, labor hours, and fees required to perform the work in relation to the scope of work and other proposals

received, as well as reasonableness based on project costs for recently completed projects of similar scope and size. Travel time, if applicable, may be considered when evaluating reasonableness of rates.

- Responsiveness to RFP and exceptions to or deviations from the RFP requirements

4. Willingness to Comply with the Proposed Agreement Terms.

V. Conditions and Information for Respondents

A. General Conditions

IWVGA reserves the right to cancel or reject all or a portion(s) of the request for proposals without notice. Further, IWVGA makes no representations that any agreement will be awarded to any organization submitting a proposal. IWVGA reserves the right to reject any and all proposals submitted in response to this request or any addenda thereto. Any changes to the proposal requirements will be made by written addendum.

B. Limitations

All reports and pertinent data or materials shall be the sole property of the IWVGA, and may not be used or reproduced in any form without the explicit written permission of IWVGA. IWVGA reserves the right to extend the time allotted for the proposal, to verbally examine the Respondent in person, request copies of previous work prepared by the Consultant, and to request a best and final offer, should IWVGA deem that it is in its best interests to do so.

This RFP does not commit IWVGA to award a contract, or to pay any costs incurred in the preparation of the proposal. IWVGA reserves the right to accept or reject any or all proposals received as a result of this request, to negotiate with any Consultant, or to cancel this request in part or in its entirety. IWVGA may require the selected Consultant to participate in negotiations and to submit such technical, price, or other revisions of their proposals as may result from negotiations. IWVGA reserves the right to negotiate all final terms and conditions of any contract entered into.

C. Liability of Costs and Responsibility

IWVGA shall not be liable for any costs incurred in response to this request for proposals. All costs shall be borne by the person or organization responding to the request. Respondents are liable for all errors and omissions contained in their proposals. The person or organization responding to the request shall hold IWVGA harmless from any and all liability, claim or expense whatsoever incurred by or on behalf of that person or organization. All submitted material becomes the property of IWVGA.

The selected consultant will be required to assume responsibility for all services offered in the proposal whether or not they possess them within their organization. The selected PA will be

the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the contract.

D. Validity

The Respondent agrees to be bound by its proposal for a period of ninety (90) days commencing Monday, January 16, 2023, during which time IWVGA may request clarification or correction of the proposal for the purpose of evaluation. Amendments or clarifications shall not affect the remainder of the proposal, but only that portion so amended or clarified.

E. Permits and Licenses

Respondents and all subcontractors, at its and/or their sole expense, shall obtain and maintain during the term of any agreement, all appropriate permits, certificates and licenses including, but not limited to, a City Business License which will be required in connection with the performance of services hereunder.

F. Oral and Written Explanations

The IWVGA shall not be bound by oral explanations or instructions given at any time during the process or after the award. Oral explanations given during the review process and after award become binding when confirmed in writing by an authorized IWVGA official. Written responses to question(s) asked by one Respondent will be provided to all Respondents who received Requests for Proposals.

G. Respondent's Representative

The individual signing the proposal must be a legal representative of the firm authorized to bind the firm to an agreement in the event of the award.

H. Deliverables

Deliverables depend upon the task assigned. In general, 2 copies of administrative draft reports are required upon completion of each task. Following approval by the staff, 3 copies of each final report are required. One unbound copy of each final document and an electronic file containing all final documents and all information are to be provided. The Consultant will develop a system to assemble, organize, store and utilize data in an electronic format. At the outset of the agreement, the Consultant will submit a description of the software to be used in preparation of the reports and graphics.

I. Insurance

General Liability, Automobile, Professional Liability, and Worker's compensation insurance are required in the amount set forth in the contractor agreement.

J. Rights Reserved to IWVGA

In addition to rights established elsewhere in this RFP, the IWVGA reserves the right to:

- Reject any or all proposals;
- Confirm at any time during the solicitation process that the Respondent is able and responsible to perform the requested services in the manner desired, taking into consideration information in the proposal, any interviews conducted, or additional information acquired by the IWVGA;
- Verify all information submitted in the proposals;
- Withdraw this solicitation at any time without prior notice;
- Negotiate the final agreement, including the Scope of Work and Budget, with any Respondent as necessary to serve the best interests of the IWVGA;
- Amend the RFP;
- Amend the final agreement(s) to incorporate necessary attachments and exhibits or to reflect negotiations between the IWVGA and the successful Respondent; and

K. Confidentiality

The IWVGA is subject to the Public Records Act, California Government Code Section 6250 et. seq. As such, all required submittal information is subject to disclosure to the general public. Consequently, unless specifically required by the solicitation, Respondents should not submit personal data such as driver's license information, social security numbers, etc. to avoid the possibility of inadvertent disclosure of this personal information. Please note that the IWVGA cannot consider proposals marked confidential in their entirety.

Respondent may provide supplemental information exempt from public disclosure under Gov. Code § 6254, including "trade secrets" under Evidence Code § 1060. Such supplemental information shall not be material to the required submittal information and The IWVGA shall be under no obligation to consider such supplemental information in its evaluation.

If submitting confidential, supplemental information, such information should be sectioned separately from the rest of the submittal and clearly marked "Confidential." Upon completion of its evaluation, the IWVGA will destroy any confidential, supplemental information submitted, or return such information to Respondent if so requested.

ATTACHMENT A
SCOPE OF SERVICES
FOR
IMPORTED WATER PIPELINE
DESIGN SERVICES FOR AN IMPORTED WATER CONVEYANCE SYSTEM

The Consultant shall provide engineering services related to the development of the preliminary and final design of an imported water conveyance system, including a pipeline, two pump stations, and a storage reservoir. The consultant will be required to perform all the investigations, studies, technical reviews, and calculations necessary to finalize the design and prepare the specifications. The consultant will be required to submit a package for review at Preliminary Design, 30%, 60%, 90%, and Final Design. Each review cycle will require the Design Consultant to attend review meetings with the reviewing parties as well as several as-needed intermediate meetings to resolve questions and conflicts. Contract will be administered on a task-order basis.

The anticipated Scope of Work for the development of the design of the imported water conveyance system includes, but is not limited to, the following tasks:

Task 1. Project Management

At a minimum, Task 1 shall include the following subtasks:

- 1.1. Kickoff Meeting:** Consultant shall organize and attend one (1) project kickoff meeting with IWVGA.
- 1.2. Attendance and coordination of presentations and meetings, as requested, including:**
 - a. IWVGA Board, WRM, and Technical Advisory Committee meetings.
 - b. At least two scoping meetings in the City of Ridgecrest and California City.
 - c. Monthly coordination meetings with the project's Environmental and ROW Consultant.
 - d. Coordination meetings with IWVGA and WRM.

Task 2. Preliminary Design

At a minimum, Task 2 shall include the following subtasks:

- 2.1. AVEK and IWVGA Coordination:** Gather necessary AVEK and IWVGA existing water system information in the project areas. Clearly identify the locations of existing water facilities, water mains, gate valves, connection points to new pipelines, and services. Identify any requirements associated with easements, encroachment permits, parcel acquisitions, etc.
- 2.2. Environmental and ROW Consultant Coordination:** The consultant shall work in conjunction with the Environmental and ROW Consultant in order to provide the 60% Design Submittals by March 2024 in order to comply with the overall project schedule.

2.3. Professional Surveying: The Consultant shall provide all survey services needed and shall describe the services to be provided in the Proposal.

2.4. Utility Research/Coordination: Research and identify all existing facilities in the project areas. Coordinate with all affected utility agencies in the area and appropriately show all utilities on the plans.

2.5. Geotechnical Services: The Consultant shall provide all geotechnical services needed and shall describe the services to be provided in the Proposal.

2.6. Permits: Obtain all required permits which may include encroachment, construction, and permit approvals from affected agencies with the exception of City of Ridgecrest's Street Cut Permit and Kern County Street Cut Permit which will be obtained by the Construction Contractor. Permits may include, but are not limited to, those from California Department of Parks and Recreation, Bureau of Land Management, Kern County, the City of Ridgecrest, California Department of Fish and Wildlife, United States Fish and Wildlife Service, United States Army Corps of Engineers, the California Department of Water Resources, and the State Water Resources Control Board.

2.7. Construction Schedule and Cost Estimate: Prepare a detailed itemized construction schedule and Engineer's estimate of probable cost . The schedule shall indicate that 60% Design Submittals will be complete by March 2024 in order to comply with the overall project schedule. The Design Consultant's schedule shall not exceed past March 31, 2025.

2.8. Preliminary Design Report: The Design Consultant shall submit Preliminary alignment drawings and a technical memorandum for review and approval. The preliminary alignment design will at a minimum discuss alternative alignments investigated and issues considered and include the following:

- Completed Preliminary Design Report and conceptual design drawings
- Preliminary Alignment Design Drawings
- Digital file submittal for QA/QC review
- Preliminary Alignment Estimated of Probable Cost of Construction and Specifications
- Outline

Task 3. Final Design

A complete set of project plans shall be prepared to indicate all construction elements, including the pipeline plan and profiles, valves, fittings, vaults, water service laterals, meters, and all other related facilities and details. Plans will be prepared on size 22" x 34" sheets with plan and profile sheets prepared at scales of 1" = 40' (horizontal) and 1" = 4'

(profile). Each project plan set is expected to include a title sheet, general notes, construction notes, estimated quantities and legend, abbreviations and survey information, pipeline plans and profiles, pumpstation plans and profiles, and any additional facilities plans and profiles, and civil details.

Construction Schedule and Cost Estimate: Prepare a detailed itemized construction schedule and Engineer's estimate of probable cost. The schedule shall indicate that 60% Design Submittals will be complete by March 2024 in order to comply with the overall project schedule. The Design Consultant's schedule shall exceed past March 31, 2025.

30 Percent Submittal – Thirty Percent (30%) Design Submittal. The Design Consultant shall submit 30 percent level design drawings and a design technical memoranda for review and approval. The 30% design will at a minimum follow the selected alignment alternative and the recommended specifications outline and should include the following:

- Completed Design Technical Studies
- Completed Geotechnical Report
- 30 Percent Design Drawings
- Specification outline with narrative
- Estimate of Probable Cost of Construction
- Preliminary permitting requirements
- Recommendations for potholing, if any, including recommended pothole locations on a copy of the 30% design plans.

60 Percent Submittal – The Design Consultant shall advance the 30 Percent Design to 60% design level. Design Consultant shall incorporate agreed upon Comments from the 60% submittal review. Technical specifications at 60% level along with the 60% Design drawings shall be prepared and submitted by the Design Consultant as well as the following:

- 60% Design Drawings
- Specifications (Greenbook based recommended Specifications to be per Greenbook Format)
- Written responses to the District's 30% design review comments
- Written report documenting finding of utility research and potholing information
- Updated Estimate of Probable Cost of Construction
- Complete project description by March 2024
 - Materials
 - Equipment
 - Construction logistics based on tie-in locations, power transmission, etc.
 - Schedule of construction
 - Transportation of materials
 - Maximum sizes, lengths, number, etc. of facilities
- Develop special provisions, special conditions, and technical specifications using the bid proposal sections (front ends) will be provided by IWVGA.

90 Percent Submittal – The Design Consultant shall advance the 60 Percent

Design to 90% design level. Design Consultant shall incorporate agreed upon Comments from the 60% submittal review. Technical specifications at 90% level along with the 90% Design drawings shall be prepared and submitted by the Design Consultant as well as the following:

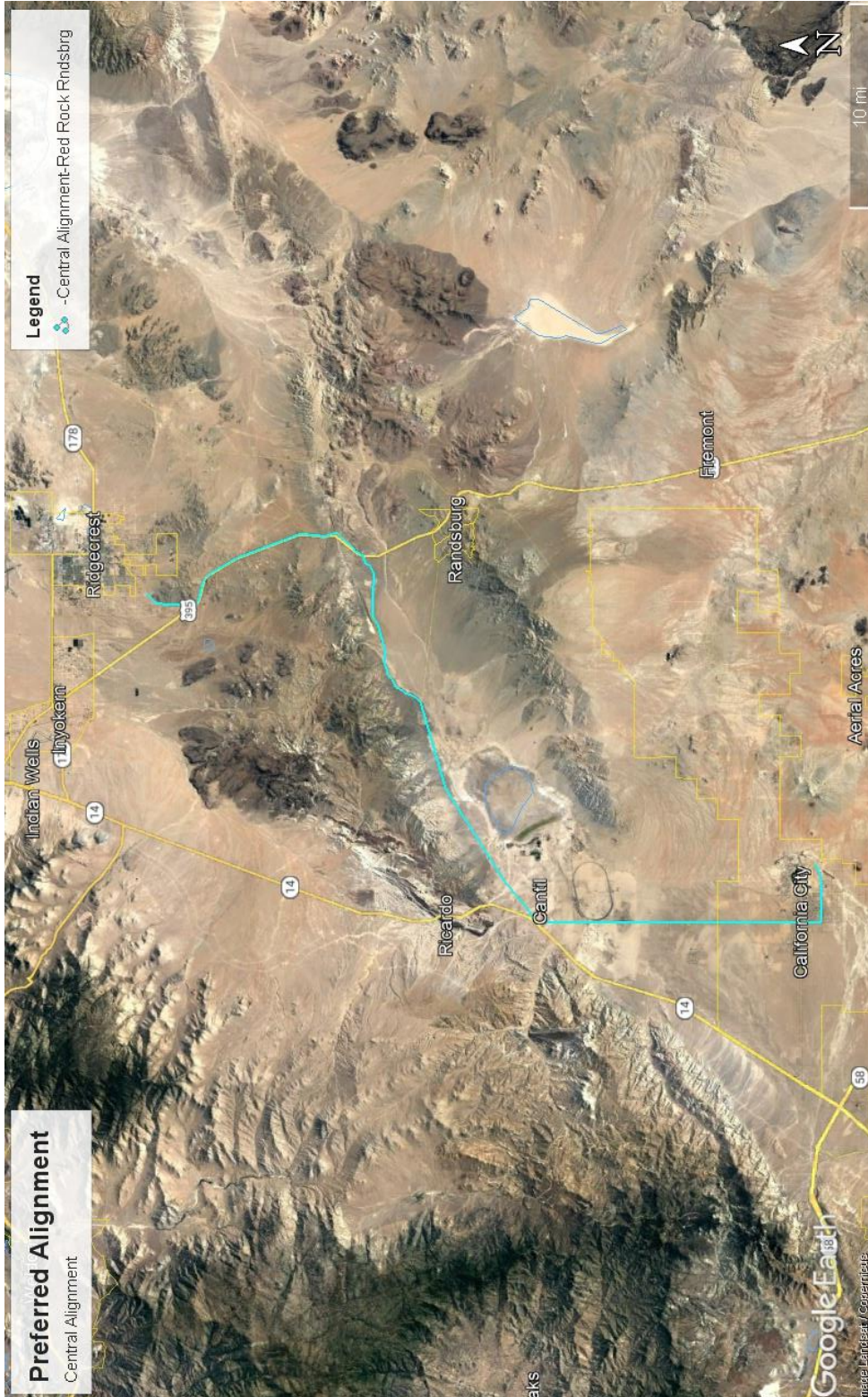
- 90% Design Drawings
- Specifications (Greenbook based recommended Specifications to be per Greenbook Format)
- Written responses to the District's 60% design review comments
- Updated Estimate of Probable Cost of Construction
- Final permitting requirements

Final Submittal –The 100% Final Design is to be fully complete in all aspects in details, notes and all aspects and is considered the Final Design and bid ready. All review comments are addressed and all disagreements and open issues are resolved prior to submittal of these documents and should consist of:

- 100% Final Design Drawings
- Completed Specifications with all applicable sections and appendix information
- Written responses to the District's 90% Design review comments
- QA/QC package submitted for review
- Final Design memo stating completeness of the Final Design and Bid Package documents
- Field Constructability review package
- Six (6) copies of the Final Design and specifications. One set of reproducible Mylar drawings with Engineer of Record Stamp and Signature and One Final Design with Engineer of Record Stamp and Signature electronic media copy in AutoCAD and PDF format. Final Specifications with a signed and stamped statement that they were prepared by the Engineer of Record shall be provided on Microsoft WORD files with hard copies delivered.
- A final Estimate of Probable Cost of Construction
- A suggested sequence of work incorporating the acquisition of all permits, moratoriums, project coordination issues and phasing requirements for proceeding with construction

ATTACHMENT B

FIGURE OF PREFERRED ALIGNMENT



ATTACHMENT C
SAMPLE CONTRACT AGREEMENT

CONTRACT SERVICES AGREEMENT

By and Between

Indian Wells Valley Groundwater Authority

and

for _____

**AGREEMENT FOR CONTRACT SERVICES
BETWEEN THE INDIAN WELLS VALLEY GROUNDWATER AUTHORITY**

AND

FOR _____

THIS AGREEMENT FOR CONTRACT SERVICES (herein "Agreement") is made and entered into this ____ day of _____, 202_ by and between the Indian Wells Valley Groundwater Authority, ("Authority") and _____ ("Contractor"). Authority and Contractor may be referred to, individually or collectively, as "Party" or "Parties."

RECITALS

- A. Whereas, The Authority has recently secured a SGMA-Implementation grant funding opportunity through DWR for planning and design-level activities intended to bring new imported water supplies into the Basin. The _____ represents the ____ phase of these activities for the Authority to begin design, environmental compliance, right-of-way acquisition, and other tasks that will occur prior to construction;
- B. Whereas, in _____ 2022 the Authority released a Request for Proposals ("RFP") for an _____;
- C. Whereas, Contractor responded to the RFP and Authority and Contractor desire to enter into this Agreement for the completion of _____.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1. SERVICES OF CONTRACTOR/CONSULTANT

1.1 Scope of Services.

In compliance with all terms and conditions of this Agreement, the Contractor shall provide those services specified in the "Scope of Services" attached hereto as Exhibit "A" and incorporated herein by this reference, which may be referred to herein as the "services" or "work" hereunder. As a material inducement to the Authority entering into this Agreement, Contractor represents and warrants that it has the qualifications, experience, and facilities necessary to properly perform the services required under this Agreement in a thorough, competent, and professional manner, and is experienced in performing the work and services contemplated herein. Contractor shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. Contractor covenants that it shall follow the highest professional standards in

performing the work and services required hereunder and that all materials will be both of good quality as well as fit for the purpose intended. For purposes of this Agreement, the phrase “highest professional standards” shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

1.2 Contractor’s Proposal.

The Scope of Services shall include the Contractor’s scope of work in its proposal or bid, which shall be incorporated herein by this reference as though fully set forth herein as Exhibit “D”. In the event of any inconsistency between the terms of such proposal and this Agreement, the terms of this Agreement shall govern.

1.3 Compliance with Law.

Contractor shall keep itself informed concerning, and shall render all services hereunder in accordance with, all ordinances, resolutions, statutes, rules, and regulations of the Authority and any Federal, State or local governmental entity having jurisdiction in effect at the time service is rendered.

1.4 Licenses, Permits, Fees and Assessments.

Contractor shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Contractor shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Contractor’s performance of the services required by this Agreement, and shall indemnify, defend and hold harmless Authority, its officers, employees or agents of Authority, against any such fees, assessments, taxes, penalties or interest levied, assessed or imposed against Authority hereunder.

1.5 Familiarity with Work.

By executing this Agreement, Contractor warrants that Contractor (i) has thoroughly investigated and considered the scope of services to be performed, (ii) has carefully considered how the services should be performed, and (iii) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Contractor warrants that Contractor has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should the Contractor discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Contractor shall immediately inform the Authority of such fact and shall not proceed except at Contractor’s risk until written instructions are received from the Water Resource Manager.

1.6 Care of Work.

The Contractor shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies

and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by Authority, except such losses or damages as may be caused by Authority's own negligence.

1.7 Further Responsibilities of Parties.

Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other.

ARTICLE 2. COMPENSATION AND METHOD OF PAYMENT.

2.1 Contract Sum.

Subject to any limitations set forth in this Agreement, Authority agrees to pay Contractor the amounts specified in the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed _____ (\$_____.__) (the "Contract Sum").

2.2 Method of Compensation.

The method of compensation may include: (i) a lump sum payment upon completion; (ii) payment in accordance with specified tasks or the percentage of completion of the services, less contract retention; (iii) payment for time and materials based upon the Contractor's rates as specified in the Schedule of Compensation, provided that (a) time estimates are provided for the performance of sub tasks, (b) contract retention is maintained, and (c) the Contract Sum is not exceeded; or (iv) such other methods as may be specified in the Schedule of Compensation.

2.3 Reimbursable Expenses.

Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expenses, and travel expenses approved by the Water Resource Manager in advance, or actual subcontractor expenses of an approved subcontractor pursuant to Section 4.5, and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Contractor at all project meetings reasonably deemed necessary by the Authority. Coordination of the performance of the work with Authority is a critical component of the services. If Contractor is required to attend additional meetings to facilitate such coordination, Contractor shall not be entitled to any additional compensation for attending said meetings.

2.4 Invoices.

Each month Contractor shall furnish to Authority an original invoice for all work performed and expenses incurred during the preceding month in a form approved by Authority. By submitting an invoice for payment under this Agreement, Contractor is certifying compliance with all provisions of the Agreement. The invoice shall contain all information specified in Exhibit "B", and shall detail charges for all necessary and actual expenses by the following categories:

labor (by sub-category), travel, materials, equipment, supplies, and sub-contractor contracts. Sub-contractor charges shall also be detailed by such categories. Contractor shall not invoice Authority for any duplicate services performed by more than one person.

Authority shall independently review each invoice submitted by the Contractor to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Contractor which are disputed by Authority, or as provided in Section 7.3, Authority will use its best efforts to cause Contractor to be paid within forty-five (45) days of receipt of Contractor's correct and undisputed invoice; however, Contractor acknowledges and agrees that due to Authority warrant run procedures, the Authority cannot guarantee that payment will occur within this time period. In the event any charges or expenses are disputed by Authority, the original invoice shall be returned by Authority to Contractor for correction and resubmission. Review and payment by Authority for any invoice provided by the Contractor shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

2.5 Waiver.

Payment to Contractor for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Contractor.

ARTICLE 3. PERFORMANCE SCHEDULE

3.1 Time of Essence.

Time is of the essence in the performance of this Agreement.

3.2 Schedule of Performance.

Contractor shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "C" and incorporated herein by this reference. When requested by the Contractor, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Water Resource Manager but not exceeding one hundred eighty (180) days cumulatively.

3.3 Force Majeure.

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the Authority, if the Contractor shall within ten (10) days of the commencement of such delay notify the Water Resource Manager in writing of the causes of the delay. The Water Resource Manager shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Water Resource Manager such delay is justified. The Water

Resource Manager’s determination shall be final and conclusive upon the parties to this Agreement. In no event shall Contractor be entitled to recover damages against the Authority for any delay in the performance of this Agreement, however caused, Contractor’s sole remedy being extension of the Agreement pursuant to this Section.

3.4 Term.

Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding one (1) year from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit “C”).

ARTICLE 4. COORDINATION OF WORK

4.1 Representatives and Personnel of Contractor.

The following principals of Contractor (“Principals”) are hereby designated as being the principals and representatives of Contractor authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

_____	Principal In Charge
_____	Project Manager
_____	Project Engineer

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for Authority to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Contractor and devoting sufficient time to personally supervise the services hereunder. All personnel of Contractor, and any authorized agents, shall at all times be under the exclusive direction and control of the Principals. For purposes of this Agreement, the foregoing Principals may not be replaced nor may their responsibilities be substantially reduced by Contractor without the express written approval of Authority. Additionally, Contractor shall utilize only competent personnel to perform services pursuant to this Agreement. Contractor shall make every reasonable effort to maintain the stability and continuity of Contractor’s staff and subcontractors, if any, assigned to perform the services required under this Agreement. Contractor shall notify Authority of any changes in Contractor’s staff and subcontractors, if any, assigned to perform the services required under this Agreement, prior to and during any such performance.

4.2 Status of Contractor.

Contractor shall have no authority to bind Authority in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against Authority, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by Authority. Contractor shall not at any time or in any manner

represent that Contractor or any of Contractor's officers, employees, or agents are in any manner officials, officers, employees or agents of Authority. Neither Contractor, nor any of Contractor's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to Authority's employees. Contractor expressly waives any claim Contractor may have to any such rights.

4.3 Water Resource Manager.

The Water Resource Manager shall be such person as may be designated by the Authority. It shall be the Contractor's responsibility to assure that the Water Resource Manager is kept informed of the progress of the performance of the services and the Contractor shall refer any decisions which must be made by Authority to the Water Resource Manager. Unless otherwise specified herein, any approval of Authority required hereunder shall mean the approval of the Water Resource Manager. The Water Resource Manager shall have authority, if specified in writing by the Authority Manager, to sign all documents on behalf of the Authority required hereunder to carry out the terms of this Agreement.

4.4 Independent Contractor.

Neither the Authority nor any of its employees shall have any control over the manner, mode or means by which Contractor, its agents or employees, perform the services required herein, except as otherwise set forth herein. Authority shall have no voice in the selection, discharge, supervision or control of Contractor's employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. Contractor shall perform all services required herein as an independent contractor of Authority and shall remain at all times as to Authority a wholly independent contractor with only such obligations as are consistent with that role. Contractor shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of Authority. Authority shall not in any way or for any purpose become or be deemed to be a partner of Contractor in its business or otherwise or a joint venturer or a member of any joint enterprise with Contractor.

4.5 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability and reputation of Contractor, its principals and employees were a substantial inducement for the Authority to enter into this Agreement. Therefore, Contractor shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the Authority. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of Authority. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Contractor, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Contractor or any surety of Contractor of any liability hereunder without the express consent of Authority.

ARTICLE 5. INSURANCE AND INDEMNIFICATION

5.1 Insurance Coverages.

Without limiting Contractor's indemnification of Authority, and prior to commencement of any services under this Agreement, Contractor shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to Authority.

(a) General liability insurance. Contractor shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$2,000,000 per occurrence, \$4,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

(b) Automobile liability insurance. Contractor shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Contractor arising out of or in connection with Services to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

(c) Professional liability (errors & omissions) insurance. Contractor shall maintain professional liability insurance that covers the Services to be performed in connection with this Agreement, in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement and Contractor agrees to maintain continuous coverage through a period no less than three (3) years after completion of the services required by this Agreement.

(d) Workers' compensation insurance. Contractor shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000).

(e) Subcontractors. Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall include all of the requirements stated herein.

5.2 General Insurance Requirements.

(a) Proof of insurance. Contractor shall provide certificates of insurance to Authority as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by the Authority prior to commencement of performance. Current certification of insurance shall be kept on file with Authority at all times during the term of this Agreement. Authority reserves the right to require complete, certified copies of all required insurance policies, at any time.

(b) Duration of coverage. Contractor shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Services hereunder by Contractor, its agents, representatives, employees or subcontractors.

(c) Primary/noncontributing. Coverage provided by Contractor shall be primary and any insurance or self-insurance procured or maintained by Authority shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of Authority before the Authority's own insurance or self-insurance shall be called upon to protect it as a named insured.

(d) Authority's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, Authority has the right but not the duty to obtain the insurance it deems necessary and any premium paid by Authority will be promptly reimbursed by Contractor or Authority will withhold amounts sufficient to pay premium from Contractor payments. In the alternative, Authority may cancel this Agreement.

(e) Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or that is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VI (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the Authority.

(f) Waiver of subrogation. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against Authority, its member agencies, elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Contractor or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Contractor hereby waives its own right of recovery against Authority, and shall require similar written express waivers and insurance clauses from each of its subcontractors.

(g) Enforcement of contract provisions (non-estoppel). Contractor acknowledges and agrees that any actual or alleged failure on the part of the Authority to inform Contractor of non-compliance with any requirement imposes no additional obligations on the Authority nor does it waive any rights hereunder.

(h) Requirements not limiting. Requirements of specific coverage features or limits contained in this section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Contractor maintains higher limits than the minimums shown above, the Authority requires and shall be entitled to coverage for the higher limits maintained by the

Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Authority.

(i) Notice of cancellation. Contractor agrees to oblige its insurance agent or broker and insurers to provide to Authority with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

(j) Additional insured status. General liability policies shall provide or be endorsed to provide that Authority and its officers, officials, employees, and agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

(k) Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to Authority and approved of in writing.

(l) Separation of insureds. A severability of interests provision must apply for all additional insureds ensuring that Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

(m) Pass through clause. Contractor agrees to ensure that its subcontractors, subcontractors, and any other party involved with the project who is brought onto or involved in the project by Contractor, provide the same minimum insurance coverage and endorsements required of Contractor. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Contractor agrees that upon request, all agreements with Contractors, subcontractors, and others engaged in the project will be submitted to Authority for review.

(n) Authority's right to revise specifications. The Authority reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Contractor ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Contractor, the Authority and Contractor may renegotiate Contractor's compensation.

(o) Self-insured retentions. Any self-insured retentions must be declared to and approved by Authority. Authority reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by Authority.

(p) Timely notice of claims. Contractor shall give Authority prompt and timely notice of claims made or suits instituted that arise out of or result from Contractor's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

(q) Additional insurance. Contractor shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

5.3 Indemnification.

To the full extent permitted by law, Contractor agrees to indemnify, defend and hold harmless the Authority, its member agencies, its officers, employees and agents (“Indemnified Parties”) against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein “claims or liabilities”) that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein of Contractor, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which Contractor is legally liable (“indemnitors”), or arising from Contractor’s or indemnitors’ reckless or willful misconduct, or arising from Contractor’s or indemnitors’ negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, and in connection therewith:

- (a) Contractor will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys' fees incurred in connection therewith;
- (b) Contractor will promptly pay any judgment rendered against the Authority, its officers, agents or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of Contractor hereunder; and Contractor agrees to save and hold the Authority, its officers, agents, and employees harmless therefrom;
- (c) In the event the Authority, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Contractor for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Contractor hereunder, Contractor agrees to pay to the Authority, its member agencies, its officers, agents or employees, any and all costs and expenses incurred by the Authority, its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys' fees.

Contractor shall incorporate similar indemnity agreements with its subcontractors and if it fails to do so Contractor shall be fully responsible to indemnify Authority hereunder therefore, and failure of Authority to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes claims or liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of Contractor in the performance of professional services hereunder. The provisions of this Section do not apply to claims or liabilities occurring as a result of Authority's sole negligence or willful acts or omissions, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from Authority's negligence, except that design professionals' indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness or willful misconduct of the design professional. The indemnity obligation shall be binding on successors and assigns of Contractor and shall survive termination of this Agreement.

ARTICLE 6. RECORDS, REPORTS, AND RELEASE OF INFORMATION

6.1 Records.

Contractor shall keep, and require subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to Authority and services performed hereunder (the "books and records"),

as shall be necessary to perform the services required by this Agreement and enable the Water Resource Manager to evaluate the performance of such services. Any and all such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Water Resource Manager shall have full and free access to such books and records at all times during normal business hours of Authority, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the Authority shall have access to such records in the event any audit is required. In the event of dissolution of Contractor's business, custody of the books and records may be given to Authority, and access shall be provided by Contractor's successor in interest. Notwithstanding the above, the Contractor shall fully cooperate with the Authority in providing access to the books and records if a public records request is made and disclosure is required by law including but not limited to the California Public Records Act.

6.2 Reports.

Contractor shall periodically prepare and submit to the Water Resource Manager such reports concerning the performance of the services required by this Agreement as the Water Resource Manager shall require. Contractor hereby acknowledges that the Authority is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Contractor agrees that if Contractor becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Contractor is providing design services, the cost of the project being designed, Contractor shall promptly notify the Water Resource Manager of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Contractor is providing design services, the estimated increased or decreased cost estimate for the project being designed.

6.3 Ownership of Documents.

All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the "documents and materials") prepared by Contractor, its employees, subcontractors and agents in the performance of this Agreement shall be the property of Authority and shall be delivered to Authority upon request of the Water Resource Manager or upon the termination of this Agreement, and Contractor shall have no claim for further employment or additional compensation as a result of the exercise by Authority of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Contractor will be at the Authority's sole risk and without liability to Contractor, and Contractor's guarantee and warranties shall not extend to such use, reuse or assignment. Contractor may retain copies of such documents for its own use. Contractor shall have the right to use the concepts embodied therein. All subcontractors shall provide for assignment to Authority of any documents or materials prepared by them, and in the event Contractor fails to secure such assignment, Contractor shall indemnify Authority for all damages resulting therefrom. Moreover, Contractor with respect to any documents and materials that may qualify as "works made for hire" as defined in 17 U.S.C. § 101, such documents and materials are hereby deemed "works made for hire" for the Authority.

6.4 Confidentiality and Release of Information.

(a) All information gained or work product produced by Contractor in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Contractor. Contractor shall not release or disclose any such information or work product to persons or entities other than Authority without prior written authorization from the Water Resource Manager.

(b) Contractor, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the Water Resource Manager or unless requested by the Authority Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered “voluntary” provided Contractor gives Authority notice of such court order or subpoena.

(c) If Contractor, or any officer, employee, agent or subcontractor of Contractor, provides any information or work product in violation of this Agreement, then Authority shall have the right to reimbursement and indemnity from Contractor for any damages, costs and fees, including attorney’s fees, caused by or incurred as a result of Contractor’s conduct.

(d) Contractor shall promptly notify Authority should Contractor, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under. Authority retains the right, but has no obligation, to represent Contractor or be present at any deposition, hearing or similar proceeding. Contractor agrees to cooperate fully with Authority and to provide Authority with the opportunity to review any response to discovery requests provided by Contractor. However, this right to review any such response does not imply or mean the right by Authority to control, direct, or rewrite said response.

ARTICLE 7. ENFORCEMENT OF AGREEMENT AND TERMINATION

7.1 California Law.

This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Kern, State of California, or any other appropriate court in such county, and Contractor covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Eastern District of California, in the City of Fresno, State of California.

7.2 Disputes; Default.

In the event that Contractor is in default under the terms of this Agreement, the Authority shall not have any obligation or duty to continue compensating Contractor for any work performed after the date of default. Instead, the Authority may give notice to Contractor of the default and the reasons for the default. The notice shall include the timeframe in which Contractor may cure

the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Contractor is in default, the Authority shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the Authority may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Contractor does not cure the default, the Authority may take necessary steps to terminate this Agreement under this Article. Any failure on the part of the Authority to give notice of the Contractor's default shall not be deemed to result in a waiver of the Authority's legal rights or any rights arising out of any provision of this Agreement.

7.3 Retention of Funds.

Contractor hereby authorizes Authority to deduct from any amount payable to Contractor (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate Authority for any losses, costs, liabilities, or damages suffered by Authority, and (ii) all amounts for which Authority may be liable to third parties, by reason of Contractor's acts or omissions in performing or failing to perform Contractor's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Contractor, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, Authority may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of Authority to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Contractor to insure, indemnify, and protect Authority as elsewhere provided herein.

7.4 Waiver.

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by Authority of any work or services by Contractor shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

7.5 Rights and Remedies are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

7.6 Legal Action.

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel

specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement. Notwithstanding any contrary provision herein, Contractor shall file a statutory claim pursuant to Government Code Sections 905 et seq. and 910 et seq., in order to pursue a legal action under this Agreement.

7.7 Termination Prior to Expiration of Term.

This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. The Authority reserves the right to terminate this Contract at any time, with or without cause, upon thirty (30) days' written notice to Contractor, except that where termination is due to the fault of the Contractor, the period of notice may be such shorter time as may be determined by the Water Resource Manager. In addition, the Contractor reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60) days' written notice to Authority, except that where termination is due to the fault of the Authority, the period of notice may be such shorter time as the Contractor may determine. Upon receipt of any notice of termination, Contractor shall immediately cease all services hereunder except such as may be specifically approved by the Water Resource Manager. Except where the Contractor has initiated termination, the Contractor shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Water Resource Manager thereafter in accordance with the Schedule of Compensation or such as may be approved by the Water Resource Manager, except as provided in Section 7.3. In the event the Contractor has initiated termination, the Contractor shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

7.8 Termination for Default of Contractor.

If termination is due to the failure of the Contractor to fulfill its obligations under this Agreement, Authority may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the Authority shall use reasonable efforts to mitigate such damages), and Authority may withhold any payments to the Contractor for the purpose of set-off or partial payment of the amounts owed the Authority as previously stated.

7.9 Attorneys' Fees.

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

ARTICLE 8. AUTHORITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

8.1 Non-liability of Authority Officers and Employees.

No officer or employee of the Authority shall be personally liable to the Contractor, or any successor in interest, in the event of any default or breach by the Authority or for any amount which may become due to the Contractor or to its successor, or for breach of any obligation of the terms of this Agreement.

8.2 Conflict of Interest.

Contractor covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of Authority or which would in any way hinder Contractor's performance of services under this Agreement. Contractor further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the Water Resource Manager. Contractor agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of Authority in the performance of this Agreement.

No officer or employee of the Authority shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects her/his financial interest or the financial interest of any corporation, partnership or association in which (s)he is, directly or indirectly, interested, in violation of any State statute or regulation. The Contractor warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

8.3 Covenant Against Discrimination.

Contractor covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class in the performance of this Agreement. Contractor shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class.

8.4 Unauthorized Aliens.

Contractor hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C. § 1101 *et seq.*, as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Contractor so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any liability or sanctions be imposed against Authority for such use of unauthorized aliens, Contractor hereby agrees to and shall reimburse Authority for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by Authority.

ARTICLE 9. MISCELLANEOUS PROVISIONS

9.1 Notices.

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the Authority, to the attention of the Water Resource Manager (with her/his name and Authority title), Indian Wells Valley Groundwater Authority, 100 West California Avenue, Ridgecrest California 93555 and in the case of the Contractor, to the person(s) at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

9.2 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.3 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

9.4 Integration; Amendment.

This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Contractor and by the Authority Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

9.5 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

9.6 Warranty & Representation of Non-Collusion.

No official, officer, or employee of Authority has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of Authority participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of “financial interest” shall be consistent with State law and shall not include interests found to be “remote” or “noninterests” pursuant to Government Code Sections 1091 or 1091.5. Contractor warrants and represents that it has not paid or given, and will not pay or give, to any third party including, but not limited to, any Authority official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded any agreement. Contractor further warrants and represents that (s)he/it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any Authority official, officer, or employee, as a result of consequence of obtaining or being awarded any agreement. Contractor is aware of and understands that any such act(s), omission(s) or other conduct resulting in such payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

Contractor’s Authorized Initials _____

9.7 Corporate Authority.

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) that entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

AUTHORITY:

Indian Wells Valley Groundwater Authority

Carol Thomas-Keefer, Acting General Manager

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

Keith Lemieux, Board Counsel

CONTRACTOR:

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Address: _____

Two corporate officer signatures required when Contractor is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. CONTRACTOR'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONTRACTOR'S BUSINESS ENTITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

STATE OF CALIFORNIA

COUNTY OF KERN

On _____, 2022 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(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.

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPAAUTHORITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL	_____
<input type="checkbox"/> CORPORATE OFFICER	TITLE OR TYPE OF DOCUMENT

<input type="checkbox"/> PARTNER(S) <input type="checkbox"/> LIMITED	_____
<input type="checkbox"/> GENERAL	NUMBER OF PAGES
<input type="checkbox"/> ATTORNEY-IN-FACT	_____
<input type="checkbox"/> TRUSTEE(S)	DATE OF DOCUMENT
<input type="checkbox"/> GUARDIAN/CONSERVATOR	_____
<input type="checkbox"/> OTHER _____	SIGNER(S) OTHER THAN NAMED ABOVE

SIGNER IS REPRESENTING:

(NAME OF PERSON(S) OR ENTITY(IES))

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

STATE OF CALIFORNIA

COUNTY OF KERN

On _____, 2022 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(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.

OPTIONAL

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<input type="checkbox"/> INDIVIDUAL	_____
<input type="checkbox"/> CORPORATE OFFICER	TITLE OR TYPE OF DOCUMENT

<input type="checkbox"/> PARTNER(S) <input type="checkbox"/> LIMITED	_____
<input type="checkbox"/> GENERAL	NUMBER OF PAGES
<input type="checkbox"/> ATTORNEY-IN-FACT	_____
<input type="checkbox"/> TRUSTEE(S)	DATE OF DOCUMENT
<input type="checkbox"/> GUARDIAN/CONSERVATOR	_____
<input type="checkbox"/> OTHER _____	SIGNER(S) OTHER THAN NAMED ABOVE

SIGNER IS REPRESENTING:

(NAME OF PERSON(S) OR ENTITY(IES))

EXHIBIT "A"

SCOPE OF SERVICES

EXHIBIT "B"

SCHEDULE OF COMPENSATION

EXHIBIT “C”

SCHEDULE OF PERFORMANCE

- I. Contractor shall perform all services in a timely manner such that the final task deliverable shall be presented to the Authority within 180 days.**

- II. The Water Resource Manager may approve extensions for performance of the services in accordance with Section 3.2.**

EXHIBIT "D"

CONTRACTOR'S PROPOSAL

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IWVGA ADMINISTRATIVE OFFICE

STAFF REPORT

TO: IWVGA Board Members **DATE:** December 14, 2022

FROM: IWVGA Staff

SUBJECT: **Agenda Item 15 – Authorize Execution of the Cooperative Agreement for Transfer of Funds to Indian Wells Valley Groundwater Authority for Monitoring and Studying Subsurface Groundwater Flow in Support of Naval Air Weapons Station China Lake**

BACKGROUND AND DISCUSSION

The Authority previously submitted a prioritized list of water security projects for potential funding from the Navy-Coso Royalties. The project selected for funding was the installation of shallow monitoring wells to collect groundwater data on the subsurface flow from Rose Valley basin into IWV basin. The purpose of this project is to provide hydrogeologic information to update the GSP model for preparing the 5-year GSP update.

The Board authorized release of a request for bids for well drilling services at the July 22, 2022, Special Board meeting. On August 10, 2022, the Board approved the Award of Contract to Garrison Bothers Well Service.

The Cooperative Agreement for Transfer of Funds to Indian Wells Valley Groundwater Authority for Monitoring and Studying Subsurface Groundwater Flow in Support of Naval Air Weapons Station China Lake (NAWSCL), attached to your Board packet, will allow for the Navy to provide the Navy-Coso Royalty funds (Energy Support Budget funds under the authority of 10 U.S.C. § 2916) to the IWVGA for the project. The agreement provides up to \$300,000.00 as payment to IWVGA to install two (2) groundwater monitoring wells and acquire access to one (1) groundwater monitoring well, for the purpose of collecting and publishing groundwater levels, and study subsurface groundwater flow. The Authority will coordinate with NAWSCL, Naval Facilities Engineering Systems Command Southwest (NAVFAC SW) and the Bureau of Land Management (BLM) on the installation of the new groundwater monitoring wells on BLM land. The Authority will acquire access to the existing groundwater monitoring well on California State Lands (CSL).

ACTION(S) REQUIRED BY THE BOARD

Staff recommends that the Board approve execution of The Cooperative Agreement for Transfer of Funds to Indian Wells Valley Groundwater Authority for Monitoring and Studying Subsurface Groundwater Flow in Support of Naval Air Weapons Station China Lake.

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**COOPERATIVE AGREEMENT FOR TRANSFER OF FUNDS TO
INDIAN WELLS VALLEY GROUNDWATER AUTHORITY
FOR MONITORING AND STUDYING SUBSURFACE GROUNDWATER FLOW
IN SUPPORT OF NAVAL AIR WEAPONS STATION CHINA LAKE
N62473-23-2-0001**

1. Introduction: This Cooperative Agreement is made by and between the Indian Wells Valley Groundwater Authority (IWVGA) and the Department of the Navy (DON). It is issued to:
Indian Wells Valley Groundwater Authority (IWVGA)
Attn: April Keigwin
100 W California Avenue
Ridgecrest, California 93555
CAGE: 9AAN8 UEI: C1H6EF2KGNB8

2. Purpose: IWVGA shall use this Cooperative Agreement to install two (2) groundwater monitoring wells and acquire access to one (1) groundwater monitoring well, for the purpose of collecting and publishing groundwater levels, and subsurface groundwater flow, in accordance with enclosure (1), Terms and Conditions, to carry out the project further described by enclosure (2), Statement of Objectives (SOO).

3. Authorities: The authority for this Cooperative Agreement is 16 USC §670c-1 (Natural Resources Management - Sikes Act).

4. Period of Performance: The period of performance covered by this agreement is 11 months from award. The proposed period of performance for the Cooperative Agreement consists of one (1) 11-month Base Period.

5. Funding and period of Performance: The total obligated for this Cooperative Agreement is \$300,000.00 for the Base Period.

Item	Approved Budget	Period of Performance
Base Period	\$300,000.00	11 months, anticipated 16 December 2022 through 16 November 2023

6. Accounting and Appropriations Data:

ACRN	CLIN	APPROP	SUBHEA D	OBJ CLS	BUR CONT.	SUB ALLOT	AUTH ACCTG ACTY	TRANS TYPE	PROP ACCTG ACTY	COST CODE/ JOB ORDER	AMOUNT
AA	000101	XXXXXX XX	XXXX	XXX X	XXXX		XXXXXX	XX	XXXXXX	XXXXXXXXXX	\$300,000.00

7. Awarding Office:

Naval Facilities Engineering Systems Command, Southwest
750 Pacific Highway
San Diego, CA 92132

8. Cooperative Agreement Administrative Office / Representative:

Kevin Magennis

Naval Facilities Engineering Systems Command, Southwest
Code ECOMP
750 Pacific Highway
San Diego, CA 92132-5190
(619) 705-5566
E-mail address: kevin.e.magennis.civ@us.navy.mil

9. Paying Office:

DFAS- Cleveland, Norfolk Accounts Payable
1240 E. 9th Street
Cleveland, OH 44199
See Statement of Objectives for Wide Area Work Flow (WAWF) Payment Instructions

10. Delegations: Full administration duties have been delegated to the administrative office (paragraph 8). Upon request the awarding office (paragraph 7) will make the full text of delegated contract administration functions available. Please direct questions to those contacts.

11. Terms and Conditions: Additional Cooperative Agreement terms and conditions are provided at enclosure (1).

12. Signature of representative for the Indian Wells Valley Groundwater Authority.

Carol Thomas-Keefer -
General Manager
IWVGA General Manager

DATE

13. For the United States of America: Signature of awarding Grants Officer.

Samantha Darella
Grants Officer
Naval Facilities Engineering Systems Command, Southwest

DATE

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STATEMENT OF OBJECTIVES

**COOPERATIVE AGREEMENT FOR TRANSFER OF FUNDS TO
INDIAN WELLS VALLEY GROUNDWATER AUTHORITY
FOR MONITORING AND STUDYING SUBSURFACE GROUNDWATER FLOW
IN SUPPORT OF NAVAL AIR WEAPONS STATION CHINA LAKE**

N62473-23-2-0001

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A. INTRODUCTION

The Indian Wells Valley Groundwater Authority (“IWVGA”) is recognized as the operator and supplier of potable water to the public in the vicinity of Naval Air Weapons Station China Lake (NAWSCL).

The Indian Wells Valley Groundwater Basin (IWVGB) is the sole source of potable water for NAWSCL and the neighboring communities. In 2016, the California Department of Water Resources (DWR) listed the IWVGB as a critically over-drafted basin. As such, in accordance with the California Sustainable Groundwater Management Act (SGMA), the IWVGA was formed to be the responsible agency to develop a Groundwater Sustainability Plan (GSP) for the IWVGB. NAWSCL and the Bureau of Land Management (BLM) maintain ex-officio membership on the IWVGA board. Further groundwater monitoring of the IWVGB is necessary.

Per 10 U.S.C. § 2916, Coso Geothermal (COSO) royalties paid to the Navy (also referred to as Energy Support Budget [“ESB”] funds) are available for use by the Installation Commander for either energy or water security projects. The law also requires that all the projects for which the funds are used must be coordinated with local water and energy authorities. One of the drivers for this language was an attempt to access federal funding to attack the groundwater problem in the valley, which is the number one encroachment issue for NAWSCL. As such, each year the IWVGA provides a list of proposed water security projects for the ICO’s consideration. For FY21, the IWVGA submitted a proposed project to drill two new groundwater monitoring wells in Rose Valley, and repair another, all on BLM land or California State Lands (CSL). Because the project was not executed in FY21, it was carried forward to FY22. Due to further delays in scheduling and coordination, the project is now planned for FY23.

The installation of two (2) new shallow groundwater monitoring wells on BLM lands and access to one (1) existing well on CSL will allow the IWVGA to collect data on subsurface flow into the IWVGB. The IWVGA will use this information to update the hydrogeological model used to evaluate and verify the sustainable yield of the IWVGB aquifer and to evaluate various groundwater management strategies necessary to achieve long-term groundwater sustainability in the IWVGB. A scientific study will be performed by measuring the groundwater levels over time in each monitoring well to assess the contribution of subflow from Rose Valley to the water resources in Indian Wells Valley. This is important to the Navy because groundwater resource is a sustainable water supply for NAWSCL’s missions to continue to operate without hindrance and for future community survival, while also preserving the character of the community and quality of life of the basin residents to the greatest extent possible. This information will also benefit NAWSCL in its groundwater management strategies and mitigations. NAWSCL has available funding for this water security project.

The Navy agrees to provide ESB funds to the IWVGA in accordance with and subject to the provisions of this Agreement and for the IWVGA to undertake and complete its obligations. Such ESB funds are provided pursuant to the authority of 10 U.S.C. § 2916, which authorizes the use of geothermal proceeds for water security projects approved by the Installation Commanding Officer. Under this approved water security project, the IWVGA agrees to install two (2) shallow groundwater monitoring wells on BLM lands and acquire access to one (1) existing groundwater monitoring well on CSL in accordance with and subject to the provisions

of this Agreement and consistent with its current mission of providing long-term groundwater sustainability in the IWVGB, and for the benefit of NAWSCL.

B. PURPOSE

Through this Cooperative Agreement, the Navy will provide ESB funds under the authority of 10 U.S.C. § 2916 up to \$300,000.00 as a lump sum payment to IWVGA to install two (2) groundwater monitoring wells and acquire access to one (1) groundwater monitoring well, for the purpose of collecting and publishing groundwater levels, and subsurface groundwater flow, in an attempt to bring the aquifer into a sustainable yield. This will allow the Navy to plan future groundwater management strategies and mitigations.

Under this Cooperative Agreement, IWVGA, in coordination with NAWSCL, and Naval Facilities Engineering Systems Command Southwest (NAVFAC SW) and in consultation with BLM, will coordinate the location and installation of two (2) new groundwater monitoring wells on BLM lands, and gain access to one (1) existing groundwater monitoring well, on CSL.

C. LOCATION

The IWVGA will construct install two (2) groundwater monitoring wells and acquire access to one (1) existing monitoring well south of Little Lake to study subflow from Rose Valley into Indian Wells Valley in the COSO Area at NAWSCL, California. IWVGA will coordinate a conference call with NAVFAC SW and NAWSCL to present and discuss the BLM and CSL access agreements for well locations to meet research objectives.

The IWVGB is a basin located east of the southern Sierra Nevada Range and the sole source of potable water for NAWSCL and the neighboring communities.

D. DESIGNATED REPRESENTATIVES

1. The Cooperative Agreement Administrators (CAA) is Kevin Magennis, Contract Specialist, NAVFAC SW, 750 Pacific Highway, Floor 12, San Diego, CA 92132-5190; telephone (619) 705-5566; and email: kevin.e.magennis.civ@us.navy.mil.
2. The Cooperative Agreement Technical Representative (CATR) is officially designated by the Administrative Grants Officer, and is responsible for monitoring the Cooperator's performance, in accordance with the terms and conditions of the Cooperative Agreement. The CATR is LTJG Muhjaazee Love, Assistant Public Works Officer, NAVFAC SW, China Lake FEAD, 429 E Bowen RD, BLDG. 00978, STOP 4006, China Lake, CA 93555; telephone (760) 939-4474; and email: muhjaazee.p.love.mil@us.navy.mil.
3. The IWVGA Representatives are: Jean Moran, Stetson Engineers, representing WRM for IWVGA, telephone (415) 272-7186, email: jeanm@stetsonengineers.com, and April Keigwin, IWVGA Clerk of the Board of Directors, 100 W California Avenue, Ridgecrest, California 93555, telephone (805) 764-5452, email akeigwin@rgs.ca.gov
4. The NAWSCL Representative is: Donna Ogilvie, Installation Environmental

Program Director NAVFAC, NAWS CHINA LAKE, telephone (760) 939-3213, and email: donna.j.ogilvie2.civ@us.navy.mil.

5. For purposes of this Cooperative Agreement, the term Cooperator shall mean Indian Wells Valley Groundwater Authority (IWVGA) and all its designated representatives.

Recipient of the Agreement: The Cooperator of the Cooperative Agreement is responsible for implementing the scope of the Cooperative Agreement. The Recipient of the Cooperative Agreement shall direct all communications to the CATRs.

E. PERIOD OF PERFORMANCE

The period of performance covered by this Agreement is 11 months upon award for construction. Anticipated award date of 16 **December 2023**. All Energy Support Budget (ESB) COSO funds will be used for construction costs to install and repair the wells only. Any costs for post-construction installation and repair monitoring will be the responsibility of IWVGA. The end date is the anticipated date that the wells are installed and/or repaired, whichever is the latter. However, the parties may extend the period of the Cooperative Agreement by written modification.

Additionally, the IWVGA's long-term obligations, include the requirement to post on its website (IWVGSP.com) all monitoring data collected from the wells, including groundwater levels and other readings, which is required to be available to the public per State law. These monitoring, reporting and posting requirements will continue as long as the wells are in place and operational, and will survive the expiration or earlier termination of this CA. NAWSCS will review the data published to develop groundwater management strategies and mitigations

F. MEETINGS/COORDINATION

Within thirty (30) days after award, the Cooperator will meet with the CATR and NAWSCS Representative to discuss partner engagement.

The Cooperator will coordinate two (2) meetings, one (1) prior to drilling commencement, and one (1) following well construction completion via telephone or via other electronic communications with the CATR and NAWSCS Representative as necessary to discuss implementation progress. The Cooperator will facilitate status updates with NAWSCS Representative, CATR, and BLM during well drilling and construction.

G. DATA and PUBLICATION

1. This Cooperative Agreement is subject to, and the Cooperator shall comply with, 32 CFR Subpart 32.6 concerning "Intangible Property," which includes use of research data. Any information or data protected by federal law will be identified by the Government prior to being provided to the Cooperator, and the Government will notify the Cooperator in advance of applicable limitations on such information. Except as to information so identified and limited, there are no restrictions on reporting or publishing reports based upon the fundamental research that is the subject of this Cooperative Agreement.
2. The Federal Government has the right to obtain, reproduce, publish or otherwise use the

data first produced under this Cooperative Agreement (for three years after awarded) and authorize others to receive, reproduce, publish, or otherwise use such data for Federal purposes. The Department of Navy (DoN) acknowledges and agrees that the Cooperator's fundamental consideration in performing the research under this Cooperative Agreement shall be the Cooperator's right to publish the results of such research for academic and scientific purposes. The Cooperator shall submit to the CATR and NAWSCS Representative, for review and comment, any proposed professional, scientific or non-scientific report, paper or note published or unpublished or be part of any technical or non-technical presentation or be provided to anyone not a party to this Cooperative Agreement. The Cooperator shall retain lead authorship publication rights to the original research for a period of three (3) years following submission of the final EMP.

3. The Cooperator agrees that when releasing information relating to this Cooperative Agreement, the release shall include a statement to the effect that the project or effort undertaken was or is sponsored by the Department of Defense.
4. The Cooperator shall be responsible for ensuring all personnel participating in activities under this Cooperative Agreement have read and acknowledged the DATA AND PUBLICATION provisions of this Cooperative Agreement.

H. RELEASE OF INFORMATION

The Cooperator shall not respond to any inquiries about this Cooperative Agreement from the news media during the term of this Cooperative Agreement (three years after awarded) unless it has first consulted with CATR and NAWSCS Representative, and a determination appropriately made by the DoN concerning release of information pursuant to the authority (Federal) cited by the requestor. All inquiries shall be directed to the CATR and NAWSCS Representative.

I. SAFETY

The Cooperator is not required to develop an Accident Prevention Plan (APP) following the format in Appendix A of the EM 385-1-1, US Army Corps of Engineers Safety & Health Requirements Manual, 30 November 2014 or latest edition. Cooperator will provide, upon request, a copy of the organization's employee handbook safety section in lieu of an APP.

A Site Safety and Health Plan (SSHP) is not required as the work does not involve potential exposure to hazardous, toxic or radioactive waste (HTRW).

J. HOLD HARMLESS

The Government shall not be responsible for the loss of or damage to property of the Cooperator and/or his/her representatives, or for personal injuries to the Cooperator and/or his/her representatives arising from or incident to the use of government facilities or equipment. Cooperator shall indemnify, hold harmless, defend and save Government harmless and shall pay all costs, expenses, and reasonable attorney's fees for all trial and appellate levels and post-judgment proceedings in connection with any fines, suits, actions, damages, liability and causes of action of every nature whatsoever arising or growing out of, or in any manner connected with,

the occupation or use of Government Premises by Cooperator, its employees, servants, agents, guests, invitees, and contractors. This includes, but is not limited to, any fines, claims, demands and causes of action of every nature whatsoever that may be made upon, sustained or incurred by the Government by reason of any breach, violation, omission or non-performance of any term, covenant or condition hereof on the part of the Cooperator, its employees, servants, agents, guests, invitees, or contractors. This indemnification also applies to claims arising out of the furnishings of any utilities or services by the Government or any interruption therein or failure thereof, occasioned by the negligence or lack of diligence of Cooperator or its respective officers, agents, servants or employees. However, this indemnity shall not extend to damages due to the sole fault of the Government or its employees, agents, servants, guests, invitees or contractors. This covenant shall survive the termination of this Cooperative Agreement.

K. INSURANCE

1. At the commencement of this Cooperative Agreement, the Cooperator shall obtain, from a reputable insurance company or companies satisfactory to the Government, comprehensive general liability insurance. The insurance shall provide an amount not less than a minimum combined single limit of \$1,000,000.00 for any number of persons or claims arising from any one incident with respect to bodily injuries or death resulting there from, property damage or both, suffered or alleged to have been suffered by any person or persons resulting from or related to the presence or operations of the Cooperator, its employees, agents or contractors under this Cooperative Agreement. The Cooperator shall require the insurance company or companies to furnish the Government with a certified copy of the policy or policies, or certificates of insurance evidencing the purchase of such insurance. Each policy of insurance required under this Paragraph shall contain an endorsement reading as follows:

“The insurer waives any right of subrogation against the United States of America which might arise by reason of any payment made under this policy.”

2. All insurance required of the Cooperator hereunder shall be in such form, for such periods of time and with such insurers as the Government may require or approve. All policies or certificates issued by the respective insurers for public liability and property insurance shall name the United States of America as an additional insured, and shall provide that no cancellation, reduction in amount or any material change in coverage thereof shall be effective until at least 30 calendar days after receipt by the Government of written notice thereof, regardless of any prior act or failure to act or negligence of the Recipient or the Government or any other person concerning such amount or change in coverage.

3. The Cooperator at its sole cost and expense, may insure its activities in connection with this Cooperative Agreement by maintaining a program of self-insurance that complies with the requirements of Section K, including coverages specified in Attachment A hereof. Recipient shall also provide a copy of the exempting statute cited in support of its claim of self-insurance. (The self-insurance clause is applicable only to appropriate state and local governments and qualifying institutions of higher education.)

“Comprehensive general liability insurance in the amount of \$1,000,000.00.”

4. The Recipient and any of its contractors or agents shall deliver or cause to be delivered promptly to the CAA, a certificate of insurance or a certified copy of each renewal policy

evidencing the insurance required by this Cooperative Agreement and shall also deliver no later than thirty (30) calendar days prior to expiration of any such policy, a certificate of insurance evidencing each renewal policy covering the same risks.

L. PAYMENTS

Any requirement for the payment or obligation of funds, under the terms of this Agreement, shall be subject to the availability of appropriated funds, and no provision herein shall be interpreted to require obligation or payment of funds in violation of the Anti-Deficiency Act, 31 USC §1341 et seq. Nothing in this Agreement shall be construed as implying that Congress will, at a later time, appropriate funds sufficient to meet deficiencies.

M. EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT REPORTING

The Recipient, IWVGA, does not anticipate using subcontractors for values of \$25,000 or more as described in the EMP. Section 2(d) of the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. No. 109-282), as amended by section 6202 of the Government Funding Transparency Act of 2008 (Pub. L. 110-252), requires the Contractor to report information on subcontract awards. The law requires all reported information be made public, therefore, the Contractor is responsible for notifying its subcontractors that the required information will be made public.

Unless otherwise directed by the Contracting Officer, by the end of the month following the month of award of a first-tier subcontract with a value of \$25,000 or more, (and any modifications to these subcontracts that change previously reported data), the Contractor shall report the following information at <http://www.frs.gov> for each first-tier subcontract:

- (a) Unique identifier (DUNS Number) for the subcontractor receiving the award and for the subcontractor's parent company, if the subcontractor has one.
- (b) Name of the subcontractor.
- (c) Amount of the subcontract award.
- (d) Date of the subcontract award.
- (e) A description of the products or services (including construction) being provided under the subcontract, including the overall purpose and expected outcomes or results of the subcontract.
- (f) Subcontract number (the subcontract number assigned by the Contractor).
- (g) Subcontractor's physical address including street address, city, state, and country. Also include the nine-digit zip code and congressional district.
- (h) Subcontractor's primary performance location including street address, city, state, and country. Also include the nine-digit zip code and congressional district.
- (i) The prime contract number, and order number if applicable.
- (j) Awarding agency name and code.
- (k) Funding agency name and code.
- (l) Government contracting office code.
- (m) Treasury account symbol (TAS) as reported in FPDS.
- (n) The applicable North American Industry Classification System (NAICS) code.

By the end of the month following the month of a contract award, and annually thereafter, the

Contractor shall report the names and total compensation of each of the five most highly compensated executives for the Contractor's preceding completed fiscal year at <http://www.ccr.gov>, if –

- (a) In the Contractor's preceding fiscal year, the Contractor received –
 - (i) 80 percent or more of its annual gross revenues from Federal contracts (and subcontracts), loans, grants (and subgrants) and Cooperative Agreements; and
 - (ii) \$25,000,000 or more in annual gross revenues from Federal contracts (and subcontracts), loans, grants (and subgrants) and Cooperative Agreements; and
- (b) The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>).

Unless otherwise directed by the Contracting Officer, by the end of the month following the month of a first-tier subcontract with a value of \$25,000 or more, and annually thereafter, the Contractor shall report the names and total compensation of each of the five most highly compensated executives for each first-tier subcontractor for the subcontractor's preceding completed fiscal year at <http://www.fsr.gov>, if

- (a) In the Subcontractor's preceding fiscal year, the Subcontractor received –
 - (i) 80 percent or more of its annual gross revenues from Federal contracts (and subcontracts), loans, grants (and subgrants) and Cooperative Agreements; and
 - (ii) \$25,000,000 or more in annual gross revenues from Federal contracts (and subcontracts), loans, grants (and subgrants) and Cooperative Agreements; and
- (b) The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>).

If the Contractor in the previous tax year had gross income, from all sources, under \$300,000, the Contractor is exempt from the requirement to report subcontractor awards. Likewise, if a subcontractor in the previous tax year had gross income from all sources under \$300,000, the Contractor does not need to report awards to that subcontractor.

N. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT 2 CFR § 200.216

(a) Recipients and subrecipients are prohibited from obligating or expending loan or grant funds to:

- (1) Procure or obtain;
- (2) Extend or renew a contract to procure or obtain; or
- (3) Enter into a contract (or extend or renew a contract) to procure or obtain equipment,

services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in [Public Law 115-232](#), section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

(i) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).

(ii) Telecommunications or video surveillance services provided by such entities or using such equipment.

(iii) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

(b) In implementing the prohibition under [Public Law 115-232](#), section 889, subsection (f), paragraph (1), heads of executive agencies administering loan, grant, or subsidy programs shall prioritize available funding and technical support to assist affected businesses, institutions and organizations as is reasonably necessary for those affected entities to transition from covered communications equipment and services, to procure replacement equipment and services, and to ensure that communications service to users and customers is sustained.

(c) See [Public Law 115-232](#), section 889 for additional information.

(d) See also [§ 200.471](#).

<https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-C/section-200.216>

END

ATTACHMENT A

SELF-INSURANCE REQUIREMENTS FORM

INSURANCE MUST CONFORM TO ALL THE REQUIREMENTS LISTED BELOW PRIOR TO RECIPIENT BEING PERMITTED TO USE OR OCCUPY GOVERNMENT PREMISES OR PROPERTY PURSUANT TO THE COOPERATIVE AGREEMENT

1. PUBLIC LIABILITY AND PROPERTY DAMAGE

a. Required minimum amounts of insurance listed below:

\$	N/A	Fire and Extended Coverage
\$	1,000,000	Third Party Property Damage
\$	1,000,000	Third Party Personal Injury Per Person
\$	1,000,000	Third Party Personal Injury Per Accident

2. SELF-INSURANCE REQUIREMENTS: If your organization is self-insured, please provide evidence of self-insurance which meets or exceeds the insurance liability amounts in Item # 1.

The following information, written on your organization's letterhead, is also required:

- A brief description of your organization's self-insurance program, with reference to statutory or regulatory authority establishing the self insurance program.
- The name and telephone number of your organization's self-insurance program administrator.
- Reference the appropriate military facility and Cooperative Agreement number.

3. IF YOUR SELF-INSURANCE PROGRAM DOES NOT MEET THE ABOVE MINIMUM REQUIREMENTS:

- Provide evidence of Excess Liability Insurance in the amount necessary to meet or exceed the minimum requirements in Item #1 above.
- The following endorsements are required for Excess Liability insurance policies:
 - a. "The insurer waives any right of subrogation against the United States of America which might arise by reason of any payment made under this policy."
 - b. "The Commanding Officer, Naval Facilities Engineering Command San Diego, CA shall be given thirty (30) days written notice prior to making any material change in or the cancellation of the self insurance program."
 - c. "The United States of America (Department of the Navy) is added as an additional insured in operations of the policyholder at or from the premises licensed/leased from the United States".
 - d. "This insurance certificate is for use of facilities at Marine Corps Base Camp Pendleton under this Cooperative Agreement, No. N62473-23-2-0001."

4. NOTICE: "RIGHT TO USE" DOCUMENTS WILL NOT BE FULLY EXECUTED UNTIL CERTIFICATE IS RECEIVED WITH PROPER ENDORSEMENTS.

ATTACHMENT A (CONT.)
NON SELF-INSURED REQUIREMENTS FORM

INSURANCE MUST CONFORM TO ALL THE REQUIREMENTS LISTED BELOW PRIOR TO RECIPIENT BEING PERMITTED TO USE OR OCCUPY US GOVERNMENT PREMISES OR PROPERTY PURSUANT TO THE COOPERATIVE AGREEMENT

1. PUBLIC LIABILITY AND PROPERTY DAMAGE

a. Required minimum amounts of insurance listed below:

\$	N/A	Fire and Extended Coverage
\$	1,000,000	Third Party Property Damage
\$	1,000,000	Third Party Personal Injury Per Person
\$	1,000,000	Third Party Personal Injury Per Accident

2. THE CERTIFICATE OF INSURANCE MUST CONTAIN THE FOLLOWING ENDORSEMENTS:

a. "The insurer waives any right of subrogation against the United States of America which might arise by reason of any payment made under this policy."

b. "The Commanding Officer, Naval Facilities Engineering Command, Facilities Engineering Command, shall be given thirty (30) days written notice prior to making any material change in or the cancellation of the policy."

c. "The United States of America (Dept. of the Navy) is added as an additional insured in operations of the policyholder at or from the premises licensed/leased from the United States."

d. "This insurance certificate is for use of facilities at Marine Corps Base Camp Pendleton under this Cooperative Agreement, No. N62473-23-2-0001."

e. Loss, if any, under this policy shall be adjusted with Recipient and the proceeds, at the direction of the US Government, shall be payable to Recipient, and proceeds not paid to Recipient shall be payable to the Treasurer of the United States of America."

3. NOTICE: "RIGHT TO USE" DOCUMENTS WILL NOT BE FULLY EXECUTED UNTIL CERTIFICATE IS RECEIVED WITH PROPER ENDORSEMENTS.

ATTACHMENT B
WAWF INSTRUCTIONS

252.232-7006 WIDE AREA WORKFLOW PAYMENT INSTRUCTIONS (JUN 2012)

(a) Definitions. As used in this clause--

Department of Defense Activity Address Code (DoDAAC) is a six position code that uniquely identifies a unit, activity, or organization.

Document type means the type of payment request or receiving report available for creation in Wide Area WorkFlow (WAWF).

Local processing office (LPO) is the office responsible for payment certification when payment certification is done external to the entitlement system.

(b) Electronic invoicing. The WAWF system is the method to electronically process vendor payment requests and receiving reports, as authorized by DFARS 252.232-7003, Electronic Submission of Payment Requests and Receiving Reports.

(c) WAWF access. To access WAWF, the Contractor shall--

(1) Have a designated electronic business point of contact in the Central Contractor Registration at <https://www.acquisition.gov>; and

(2) Be registered to use WAWF at <https://wawf.eb.mil/> following the step-by-step procedures for self-registration available at this Web site.

(d) WAWF training. The Contractor should follow the training instructions of the WAWF Web-Based Training Course and use the Practice Training Site before submitting payment requests through WAWF. Both can be accessed by selecting the "Web Based Training" link on the WAWF home page at <https://wawf.eb.mil/>.

(e) WAWF methods of document submission. Document submissions may be via Web entry, Electronic Data Interchange, or File Transfer Protocol.

(f) WAWF payment instructions. The Contractor must use the following information when submitting payment requests and receiving reports in WAWF for this contract/order: N62473-23-2-0001.

(1) Document type. The Contractor shall use the following document type(s).

NAVY CONSTRUCTION/FACILITIES MANAGEMENT INVOICE

(2) Inspection/acceptance location. The Contractor shall select the following inspection/acceptance location(s) in WAWF, as specified by the contracting officer.

(3) Document routing. The Contractor shall use the information in the Routing Data Table below only to fill in applicable fields in WAWF when creating payment requests and receiving reports in the system.

Routing Data Table*

Field Name in WAWF	Data to be entered in WAWF
Pay Official DoDAAC	N68732
Issue By DoDAAC	N62473/ECOMP
Admin DoDAAC	N62473/ECOMP
Inspect By DoDAAC	N62473/ECOMP
Ship To Code	N/A
Ship From Code	N/A
Mark For Code	N/A
Service Approver (DoDAAC)	N/A
Service Acceptor (DoDAAC)	N62473/ECOMP
Accept at Other DoDAAC	N/A
LPO DoDAAC	N62473/ECOMP
DCAA Auditor DoDAAC	N/A
Other DoDAAC(s)	N/A

(4) Payment request and supporting documentation. The Contractor shall ensure a payment request includes appropriate contract line item and subline item descriptions of the work performed or supplies delivered, unit price/cost per unit, fee (if applicable), and all relevant back-up documentation, as defined in DFARS Appendix F, (e.g. timesheets) in support of each payment request.

(5) WAWF email notifications. The Contractor shall enter the email address identified below in the “Send Additional Email Notifications” field of WAWF once a document is submitted in the system.

NAVFAC_SW_ECOMP_inspector@navy.mil
 muhjaazee.p.love.mil@us.navy.mil

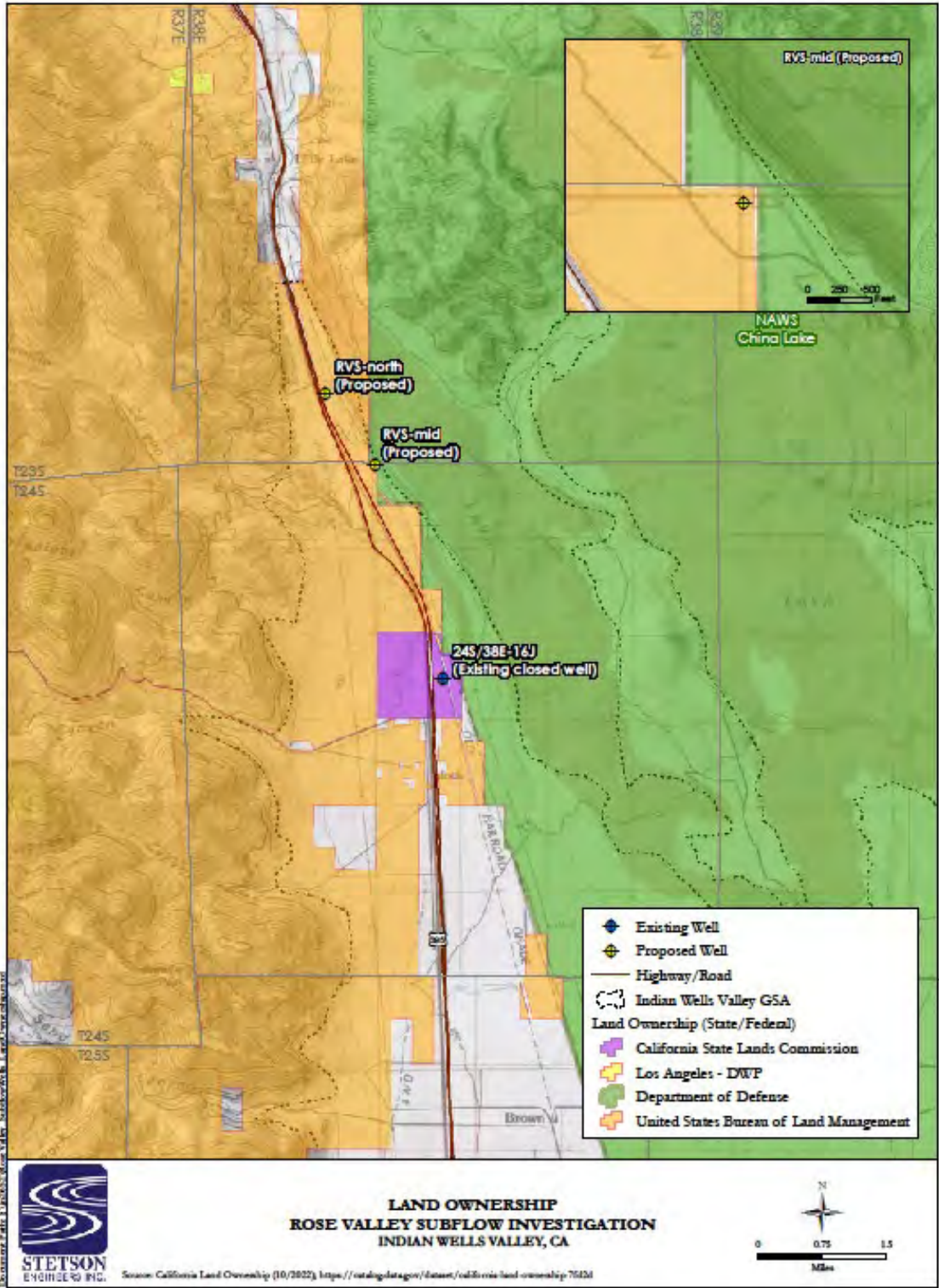
(g) WAWF point of contact.

(1) The Contractor may obtain clarification regarding invoicing in WAWF from the following contracting activity's WAWF point of contact.

(2) For technical WAWF help, contact the WAWF helpdesk at 866-618-5988.

(End of clause)

ATTACHMENT C
LAND OWNERSHIP DIAGRAM



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**COOPERATIVE AGREEMENT TERMS AND CONDITIONS
(SEPT 2006 Rev 2)**

DoDGARs Part 22:

http://www.dtic.mil/whs/directives/corres/pd32106r_041398/part22.pdf

DoDGARs Part 33:

http://www.dtic.mil/whs/directives/corres/pdf/32106r_041398/part33.pdf

OMB Circulars:

<http://www.whitehouse.gov/omb/circulars/>

ARTICLES

1. **Order of Precedence**
2. **Statutes and Regulations**
3. **Cost Principles and Audit ***
4. **Record Retention and Access Requirements ***
5. **Modification of Cooperative Agreement**
6. **Prior Approvals and Changes**
7. **Allowable Costs ***
8. **Unexpended Balance**
9. **Overpayment and Earned Interest**
10. **Future Funding**
11. **Subagreements ***
12. **Officials Not to Benefit ***
13. **Hatch Act ***
14. **Lobbying ***
15. **Environmental Standards ***
16. **Nondiscrimination ***
17. **Cargo Preference ***
18. **Preference for U. S. Flag Air Carriers ***
19. **Profit or Fee ***
20. **Claims, Disputes, and Appeals ***
21. **Controlled Unclassified Information**
22. **Debarment and Suspension ***
23. **Drug Free Workplace ***
24. **Standards for Financial Management Systems ***
25. **Payment ***
26. **Procurement ***
27. **Property ***
28. **Reports ***
29. **Termination and Enforcement ***
30. **After-Award Requirements ***
31. **Cost Share or Match ***
32. **Resource Conservation and Recovery Act**

* Refer to DoDGARS, Part 22, appendices A-C for applicable modifications and requirements.

Enclosure (1)

1. Order of Precedence

This Cooperative Agreement is subject to the laws and regulations of the United States. Any inconsistency or conflict in the terms and conditions specified in this Cooperative Agreement shall be resolved according to the following order of precedence:

- (a) The Federal statute authorizing this award, or any other Federal statutes directly affecting performance of this Cooperative Agreement.
- (b) Department of Defense Grant and Assistance Regulations (DoDGARs) 32 CFR Part 33, Uniform Administrative Requirements for Grants and Agreements to State and Local Governments.
- (c) These General Terms and Conditions.
- (d) Other terms and conditions contained within this Cooperative Agreement and any attached schedules.

2. Statutes and Regulations

This Cooperative Agreement is subject to the laws and regulations of the United States that apply to assistance instruments including Chapter 63 of U.S. Code Title 31. DoDGARs Part 33 is hereby incorporated into this Cooperative Agreement by reference. The following OMB circulars, as appropriate, are also incorporated by reference into this Cooperative Agreement:

- (a) A-87, "Cost Principles for State, Local, and Indian Tribal Governments"
- (b) A-102, "Grants and Cooperative Agreements with State and Local Governments,"
- (c) A-133, "Audits of States, Local Governments, and Non-Profit Organizations"

3. Cost Principles and Audit

DoDGARs Part 33, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, and the OMB Circulars below apply specifically to the Cooperator. The Cooperative Agreement shall be consistent with these authorities:

- (1) A-87, "Cost Principles for State, Local, and Indian Tribal Governments"
- (2) A-133 "Audits of States, Local Governments, and Non-Profit Organizations"

Cooperator shall submit a copy of OMB Circular A-133 audit reports to the agency Inspector General (IG) and to DoD (IG).

4. Record Retention and Access Requirements

All financial and programmatic records, supporting documents, statistical records, and other records of Cooperators or sub-Cooperators which are:

- (i) Required to be maintained by the terms of this part, program regulations or the Cooperative agreement, or
- (ii) Otherwise reasonably considered as pertinent to program regulations or the Cooperative agreement.

5. Modification of Cooperative Agreement

The only method by which this Cooperative Agreement can be modified is by a formal, written and signed modification Administrative modification(s) to the Cooperative Agreement may be accomplished

unilaterally by the signature of designated Cooperative Agreement Administrative Representative or Awarding Officer. Changes to the express clauses or terms of the Cooperative Agreement affecting price, quality, quantity or delivery of the Cooperator's duties shall be the subject of a bilaterally executed modification. No other communications, whether oral or in writing, shall modify this Cooperative Agreement.

6. Prior Approvals and Changes

Any program changes to the approved project must comply with 32 CFR 33.30.

7. Allowable Costs

Cooperative agreement funds may be applied only to those costs allowed under 32 CFR 33.22 and OMB Circular A-87.

8. Unexpended Balance

In the absence of any specific notice to the contrary, Cooperators are authorized to carry forward unexpended balances of funds received to subsequent funding periods.

9. Overpayment and Earned Interest

Overpayment. Within ninety (90) days after the end date of the Cooperative Agreement, any overpayment of funds shall be remitted to the Administrative Grants Officer (AGO) at the Administrative Office on the Award/Modification document, by check made payable to the Naval Facilities Engineering Command. An overpayment represents the difference between allowable actual expenditures and total disbursements received by the Cooperator.

10. Future Funding

The Government's legal funding obligation is limited to the amount shown as the "Total Obligated on Award," section of the Cooperative Agreement document.

11. Subagreements

Cooperator shall comply with 32 CFR 33.37 in awarding any subagreement.

12. Officials Not to Benefit

No member of or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this Cooperative Agreement, or to any benefit arising from it, in accordance with 41 U.S.C. 22.

13. Hatch Act

The Cooperator agrees to comply with the Hatch Act (5 U.S.C. 1501-1508 and 7324 - 7328), as implemented by the Office of Personnel Management at 5 CFR part 151, which limits political activity of

employees or officers of State or local governments whose employment is connected to an activity financed in whole or part with Federal funds.

14. Lobbying

By signing and submitting this proposal, the Cooperator is providing the certification at Appendix A to 32 CFR Part 28 regarding lobbying.

15. Environmental Standards

By accepting funds under this Cooperative Agreement, the Cooperator assures that it will:

(a) Comply with applicable provisions of the Clean Air Act (42 U.S.C. 7401, et seq.) and Clean Water Act (33 U.S.C. 1251, et seq.), as implemented by Executive Order 11738 [3 CFR, 1971-1975 comp., p. 799] and Environmental Protection Agency (EPA) rules at Subpart J of 40 CFR Part 32.

(b) Identify to the Cooperator agency any impact that this agreement may have on:

(1) The quality of the human environment, and provide help the agency may need to comply with the National Environmental Policy Act (NEPA, at 42 U.S.C. 4321, et seq.) and to prepare Environmental Impact Statements or other required environmental documentation. In such cases, the Cooperator agrees to take no action that will have an adverse environmental impact (e.g., physical disturbance of a site such as breaking of ground) until the agency provides written notification of compliance with the environmental impact analysis process.

(2) Coastal barriers, and provide help the agency may need to comply with the Coastal Barriers Resource Act (16 U.S.C. 3501, et seq.), concerning preservation of barrier resources.

(3) Any existing or proposed component of the National Wild and Scenic Rivers system, and provide help the agency may need to comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. 1271, et seq.).

16. Nondiscrimination

By accepting funds under this Cooperative Agreement, the Cooperator assures that it will comply with applicable provisions of the following national policies prohibiting discrimination:

(a) On the basis of race, color, or national origin, in Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d, et seq.), as implemented by DoD regulations at 32 CFR Part 195

(b) On the basis of race, color, religion, sex, or national origin, in Executive Order 11246 [3 CFR, 1964-1965 Comp., p.339], as implemented by Department of Labor regulations at 41 CFR part 60.

(c) On the basis of sex or blindness, in Title IX of the Education Amendments of 1972 (20 U.S.C. 1681, et seq.).

(d) On the basis of age, in the Age Discrimination Act of 1975 (42 U.S.C. 6101, et seq.) as implemented by Department of Health and Human Services regulations at 45 CFR Part 90.

(e) On the basis of handicap, in Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by Department of Justice regulations at 28 CFR Part 41 and DoD regulations at 32 CFR Part 56.

17. Cargo Preference

The Cooperator agrees that it will comply with the Cargo Preference Act of 1954 (46 U.S.C. 1241), as implemented by Department of Transportation regulations at 46 CFR 381.7, which require that at least 50 percent of equipment, materials or commodities procured or otherwise obtained with U.S. Government funds under this Cooperative agreement, and which may be transported by ocean vessel, shall be transported on privately owned U.S.-flag commercial vessels, if available.

18. Preference for U. S. Flag Air Carriers

Travel supported by U.S. Government funds under this Cooperative agreement shall use U.S.-flag air carriers (air carriers holding certificates under 49 U.S.C. 41102) for international air transportation of people and property to the extent that such service is available, in accordance with the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. 40118) and the interpretative guidelines issued by the Comptroller General of the United States in the March 31, 1981, amendment to Comptroller General Decision B138942.

19. Profit or Fee

In accordance with 32 CFR 22.205(b), no fee or profit may be charged to this Cooperative agreement.

20. Claims, Disputes, and Appeals

(a) Cooperator Claims.

Per 32 CFR 22.815, any claims arising out of this agreement must be:

- (1) Submitted in writing to the Grants Officer;
- (2) Specify the nature and basis for the relief requested, and;
- (3) Include all data and relevant facts in support of the claim.

(b) DOD Component Claims.

Claims by a DOD Component shall be the subject of a written decision by the Grants Officer.

(c) Alternative Dispute Resolution (ADR).

The Parties shall use ADR to the maximum extent practicable, and comply with 32 CFR 22.815 ADR policies and procedures.

(d) Grants Officer Decisions.

(1) Within 60 calendar days after receipt of a written claim, the Grants Officer shall:

(a) Prepare a written decision, which shall include: the reasons for the decision; the relevant facts on which the decision is based; and the identity and mailing address of the cognizant Appeal Authority, and; shall be included in the award file, **or**

(b) Notify the Cooperator of a date when the written decision will be rendered. The notice shall address why additional time is needed.

(2) The Grants Officer's decision is final, unless appealed. In the event of an appeal, the Parties shall endeavor to use ADR procedures to the maximum extent practicable.

(e) Formal Administrative Appeals.

All formal administrative appeals shall comply with the applicable provisions of 32 CFR 22.815(e), Claims, disputes, and appeals.

(1) Appeal Authority. The Assistant Commander for Acquisition is the Appeal Authority to decide formal, administrative appeals under this Grant.

(f) Non-exclusivity of remedies.

Nothing in this section is intended to limit a Cooperator's right to any remedy under the law.

21. Controlled Unclassified Information

The parties understand that information and materials provided pursuant to or resulting from this Cooperative agreement may be export controlled, sensitive, for official use only, or otherwise protected by law, executive order or regulation. The Cooperator is responsible for compliance with all applicable laws and regulations. Nothing in this Cooperative agreement shall be construed to permit any disclosure in violation of those restrictions.

22. Debarment and Suspension

Cooperators shall comply with the requirements of DoDGARs Part 25, Subpart C, "Government-Wide Suspension and Debarment (Nonprocurement)", 32 CFR Part 25, Subpart C. The Cooperator shall also include a similar term or condition in any lower-tier covered transactions, as required by DoDGARs Part 25, Subpart B, 32 CFR Part 25 (2004).

23. Drug Free Workplace

By accepting funds under this Cooperative Agreement, the Cooperator agrees to comply with the "Government -Wide Drug-Free Workplace (Grants)" requirements specified by DoDGARS Part 26, Subpart B (or Subpart C, if the Cooperator is an individual) of 32 CFR Part 26 (2004), which implements Secs. 5151-5160 of the Drug-Free Workplace Act of 1988 (41 U.S.C. 701, et. seq.).

24. Standards for Financial Management Systems

By accepting funds under this Cooperative agreement, the Cooperator agrees to maintain a financial management system that complies with 32 CFR 33.20

25. Payment

Cooperator shall submit any request for payment in accordance with 32 CFR 33.21 and 33.41 Payment will be made in accordance with 32 CFR 33.21.

[NOTE: **For any advance payment** the Cooperator must maintain or demonstrate the willingness to maintain the conditions set forth at 33 CFR 33.21 (c). Include Cooperator is authorized to be paid in advance under the conditions set forth at 33 CFR 33.21 (c).

Reimbursement is the preferred method when the requirements in 32 CFR 33.21(d) cannot be met. Cooperator is authorized reimbursements under the conditions set forth at 32 CFR 33.21(d).

26. Procurement

Cooperator's system for acquiring goods and services under this Cooperative Agreement shall comply with 32 CFR 33.36, Procurement.

27. Property

Title shall vest in, and Cooperator shall manage, property under this Cooperative agreement in accordance with 32 CFR 33.31 through 33.34.

28. Reports

Cooperator shall maintain and submit reports in accordance with 32 CFR 33.40, Monitoring and Reporting Program Performance, and 32 CFR 33.41, Financial Reporting.

29. Termination and Enforcement

This award is subject to 32 CFR 33.43, Enforcement, and 33.44, Termination for Convenience

30. After-Award Requirements

Closeouts, subsequent adjustments, continuing responsibilities, and collection of amounts due are subject to the requirements in 32 CFR 33.50 through 33.52.

31. Cost Share or Match

Any cost share or cost match agreements shall comply with 32 CFR 33.24

32. Resource Conservation and Recovery Act

Cooperator shall comply with the requirements contained in 32 CFR 32.49.

[End of Items]

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IWVGA ADMINISTRATIVE OFFICE

MEMORANDUM

TO: IWVGA Board Members

DATE: December 14, 2022

FROM: IWVGA Staff

SUBJECT: Agenda Item 16 - **APPROVAL OF IMPLEMENTATION GRANT ROUND TWO – PROJECT LIST**

DISCUSSION

Funding is available for medium and high priority groundwater basins, including critically overdrafted basins, through the California Department of Water Resources (DWR) Sustainable Groundwater Management (SGM) Grant Program's SGMA-Implementation Round 2 Grant funding solicitation (SGMA-IP or Grant). The Grant provides funding for updates of Groundwater Sustainability Plans (GSPs) and for projects that encourage sustainable management of groundwater resources and that support SGMA and/or invest in groundwater recharge projects with surface water, stormwater, recycled water, and other conjunctive use projects. The Indian Wells Valley Groundwater Basin is a critically overdrafted basin of high priority, according to DWR's most recent basin prioritization findings, so it is eligible to submit an application for a SGMA-IP Round 2 Grant. The Round 2 Grant solicitation will close on **December 16, 2022 at 10:00 am PST**.

The IWVGA was previously awarded a SGMA-IP Round 1 Grant for \$7.6 million for planning, design, environmental review, and right of way requirements for the Imported Water Project. Unlike Round 1, funding awards for Round 2 Grant funding is highly competitive, and there is no guarantee that the IWVGA will receive additional funding. DWR has indicated that priority will be given for medium and high priority basins and to applicants that did not receive funding from Round 1.

On November 9, the Board authorized staff to prepared and submit an application for Grant funding and adopted a resolution authorizing the IWVGA staff to enter into an agreement with the State should grant funding be awarded. Additionally, a preliminary project list was presented to the Board. Staff has now identified and developed a final recommended list of tasks necessary for the implementation of the GSP and the development of the 5-Year GSP Update that are eligible for Round 2 funding. These tasks are organized into three components which together form the Grant project. A local cost share (i.e. matching funds) is not required for Round 2, but a minimum of 5% local cost share is required to be competitive. Consequently, a 5% local cost share is recommended. The sum of all tasks total to \$9,420,000 with the total requested grant amount at \$8,959,000. The tables below provide the list of tasks and budgets to be included in the application organized by components and DWR's budget categories. The tasks shown in Component 2 represent the highest priority tasks that are essential for the GSP 5-Year Update to address DWR's recommended corrective actions. Other tasks with a lesser priority that support GSP implementation and filling in data gaps are shown in Component 3.

Component 1	Requested Grant Amount	Local Cost Share: Non-State Fund Sources	Total Cost
(a) Grant Agreement Administration	\$142,000	\$8,000	\$150,000
Task 1: Grant Administration	\$142,000	\$8,000	\$150,000
Total:	\$142,000	\$8,000	\$150,000

Component 2	Requested Grant Amount	Local Cost Share: Non-State Fund Sources	Total Cost
(a) Component Administration	\$61,000	\$4,000	\$50,000
Task 1: Component Administration	\$61,000	\$4,000	\$65,000
(b) Environmental / Engineering / Design	\$954,000	\$51,000	\$1,005,000
Task 2: Model Upgrade and Analysis	\$380,000	\$20,000	\$400,000
Task 3: Data Gap Analysis and Evaluation of Monitoring Network	\$47,000	\$3,000	\$50,000
Task 4: Storage Change Evaluation	\$47,000	\$3,000	\$50,000
Task 5: Monitoring Well Environmental and Design	\$71,000	\$4,000	\$75,000
Task 6: Well and Pumper Verification	\$47,000	\$3,000	\$50,000
Task 7: Annual Report Preparation	\$152,000	\$8,000	\$160,000
Task 8: GSP 5-Year Update Preparation	\$209,000	\$11,000	\$220,000
(c) Implementation / Construction	\$612,000	\$33,000	\$645,000
Task 9: GDE Equipment Installation	\$19,000	\$1,000	\$20,000
Task 10: Monitoring Well Installation	\$593,000	\$32,000	\$625,000
(e) Engagement / Outreach	\$47,000	\$3,000	\$50,000
Task 11: Communication and Engagement Plan Implementation	\$47,000	\$3,000	\$50,000
Total:	\$1,674,000	\$91,000	\$1,750,000

Component 3	Requested Grant Amount	Local Cost Share: Non-State Fund Sources	Total Cost
(a) Component Administration	\$95,000	\$5,000	\$100,000
Task 1: Component Administration	\$95,000	\$5,000	\$100,000
(b) Environmental / Engineering / Design	\$1,467,000	\$78,000	\$1,545,000
Task 2: Shallow Well System Consolidation Environmental and Design	\$95,000	\$5,000	\$100,000
Task 3: Geophysical Investigation to Quantify Mountain Front Recharge	\$465,000	\$25,000	\$490,000
Task 4: High-Resolution Seismic Survey at El Paso Subarea	\$323,000	\$17,000	\$340,000
Task 5: Shallow Seismic Survey to Determine Depth of Black Mountain Volcanics	\$323,000	\$17,000	\$340,000
Task 6: Stormwater Capture Evaluation and Design	\$71,000	\$4,000	\$75,000
Task 7: APT Monitoring Well Design/Environmental			\$200,000
(c) Implementation / Construction	\$5,581,000	\$294,000	\$5,875,000
Task 8: Shallow Well System Consolidation Construction	\$380,000	\$20,000	\$400,000
Task 9: Stormwater Capture Pilot Implementation	\$166,000	\$9,000	\$175,000
Task 10: APT and Monitoring Well Implementation			\$5,300,000
Total:	\$7,143,000	\$377,000	\$7,520,000

Budget Summary	Requested Grant Amount	Local Cost Share: Non-State Fund Sources	Total Cost
Component 1	\$142,000	\$8,000	\$150,000
Component 2	\$1,674,000	\$91,000	\$1,750,000
Component 3	\$7,143,000	\$377,000	\$7,520,000
Grand Total:	\$8,959,000	\$476,000	\$9,420,000

RECOMMENDATION

Staff recommends that your Board approve the recommended list of projects and tasks to be included in the application

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IWVGA Board Meeting
December 14, 2022

Grant Funding

Proposition 1 Status Update

- Invoice #14a
 - Covers January 2022 through March 2022
 - Total requested payment after retention: **\$64,941.88**
 - Status: Under DWR review
- Invoice #15a
 - Covers April 2022 through June 2022
 - Total requested payment after retention: **\$17,532.41**
 - Status: Under DWR review
- Invoice #16a
 - Covers July 2022 through September 2022
 - Total requested payment after retention: **\$21,049.59**
 - Status: Under DWR review

AGENDA ITEM 17.a.i 1



1

IWVGA Board Meeting
December 14, 2022

Grant Funding

Proposition 68 Status Update

- Invoice #14b
 - Covers January 2022 through March 2022
 - Total requested payment after retention: **\$1,885.36**
 - Status: Approved, currently awaiting payment
- Invoice #15b
 - Covers April 2022 through June 2022
 - Total requested payment after retention: **\$21,932.28**
 - Status: Under DWR review
- Invoice #16b
 - Covers July 2022 through September 2022
 - Total requested payment after retention: **\$6,380.65**
 - Status: Under DWR review

AGENDA ITEM 17.a.ii 2



2

IWVGA Board Meeting
December 14, 2022

Grant Funding

Proposition 1/68 Grant Closeout

- Recent Submittals
 - Component 5 and 6 Deliverables submitted on November 1, 2022
 - Progress Report submitted November 30, 2022
- Upcoming Submittal
 - Final Completion Report due by January 29th

AGENDA ITEM 17.a.ii

3



3

IWVGA Board Meeting
December 14, 2022

Grant Funding

SGMA-Implementation Round 1 Grant Status Update

- DWR Grant Submissions
 - First Progress Report and Invoice submitted to DWR on November 31, 2022
- Imported Water Pipeline Alignment Study
 - Provost & Pritchard
 - Weekly Progress Meetings on November 22, November 28, and December 7, 2022
 - Submitted Draft Technical Memorandum Deliverable for Pipeline Capacity, Delivery and Connection Points, and Preliminary Pipeline Alignments to Staff for review
 - Created Weighted Screening Criteria for use in identifying a recommended alignment
 - Presented the Weighted Screening Criteria to Staff on November 16, 2022
 - Presented the Weighted Screening Criteria at a PAC/ TAC Public Meeting on December 6, 2022
 - Ongoing coordination with Capital Core
 - Continue dialogue with U.S. Department of the Interior Bureau of Land Management (BLM) land, U.S. Department of the Interior Fish and Wildlife Service protected areas, California Department of Parks and Recreation

AGENDA ITEM 17.a.iii

4



4

IWVGA Board Meeting
December 14, 2022

Grant Funding

SGMA-Implementation Round 1 Grant Status Update (cont.)

- Imported Water Pipeline Alignment Study
 - Next Steps
 - Provost & Pritchard
 - Provost & Pritchard expect to provide a Technical Memorandum on the Preliminary Alignments and Draft Final Report for Staff review by Late January
 - Upon Board authorization, release Requests for Proposals for Design, Environmental, and Right-of-Way Consultants
 - Second Invoice to DWR due February 28, 2023

AGENDA ITEM 17.a.iii

5



5

IWVGA Board Meeting
December 14, 2022

Shallow Well Impact and Mitigation

Shallow Well Mitigation Program – Current Applications

- Stark St
 - Reported dry well located on Stark Street, west of Ridgecrest
 - Well stopped producing water in June 2022
 - Self-Help Enterprise provided water quality records on Oct 26
 - Call with Garrison Brothers on Nov 29
 - Currently awaiting well evaluation from Garrison Brothers
- Heritage Village Master Community Association (HVMCA)
 - Reported dry well located on Heritage Dr in Ridgecrest
 - Well stopped producing water in Spring 2022 and pulled up sand and other debris
 - HVMCA provided information from Garrison Brothers on Nov 2
 - Application was determined complete on Nov 4
 - WRM Provided Draft Evaluation Report to GA Staff for review prior to providing Draft Report to HVMCA

AGENDA ITEM 17.b.iv

6



6

IWVGA Board Meeting
December 14, 2022

GSP Implementation Projects/Management Action Updates

Recycled Water Program Update

- Recycled Water Alternatives Analysis
 - Prepared Draft Final Tech Memo for Alternatives Analysis
 - Analysis has determined that advanced treatment and injection into the Basin of the available recycled water is the most feasible project.
 - Provided draft evaluation of Water District suggested injection well site to Working Group
 - Water District Well 36 was found to be too close to nearby domestic wells and would not achieve the necessary underground retention time as required under the Title 22 Regulations regarding deep injection.
- Next Steps
 - Finish review of Draft Final Tech Memo for Alternatives Analysis and provide to Working Group

AGENDA ITEM 17.b.i7



7

IWVGA Board Meeting
December 14, 2022

GSP Implementation Projects/Management Action Updates

Recycled Water Program Update (cont.)

- U.S. Bureau of Reclamation Title XVI Feasibility Study
 - Board authorized Water Resource Manager to proceed with Title XVI Feasibility Study during July 22, 2022 Special Board Meeting
 - Met with Trussell Technologies on November 1, 2022 to coordinate preparation of sections of the Study
 - Met with Trussell, MKN Associates, and the City of Ridgecrest on November 10, 2022 to discuss design/treatment process for City's new Wastewater Treatment Facility.
 - Continuing to write sections of Title XVI Feasibility Study
 - Continuing to refine treatment process needed.

AGENDA ITEM 17.b.ii8



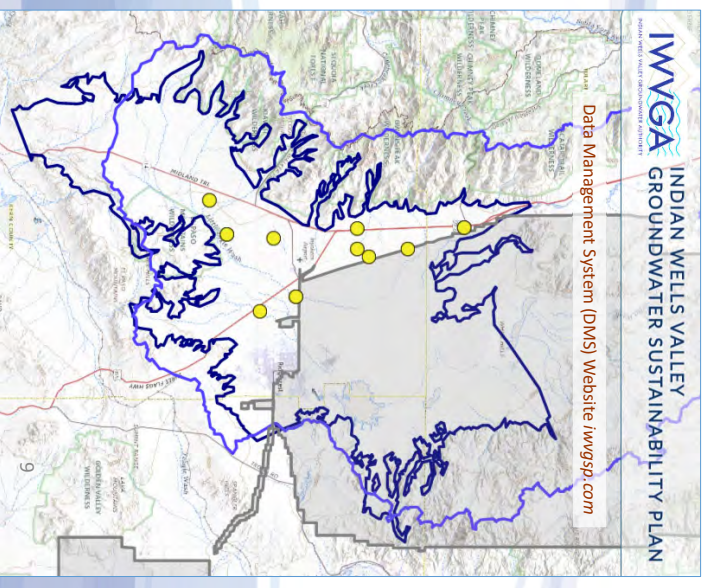
8

IWVGA Board Meeting December 14, 2022

Data Collection and Monitoring Update

- Fall 2022 Field Work – Groundwater Measurements and Water Quality Sampling:
 - Fall 2022 data reviewed by KCWA and WRM
 - KCWA is developing depth and elevation contours
 - Data posted on DMS/SGMA websites by end of year
 - Jan 2023 – send field summary to TAC for review
- USBR Region 8 (Boulder City, NV) Coordination
 - Review purpose/access to existing USBR wells
- Navy Real Estate Access Agreements
 - Cadastral mapping coordination for Telemetry at MAWS monitoring wells (5 GSP Key Wells)
 - Expect access agreement by end of January
- DMS – New Category Showing 12 Nested Wells

AGENDA ITEM 17.c.i



9

IWVGA Board Meeting December 14, 2022

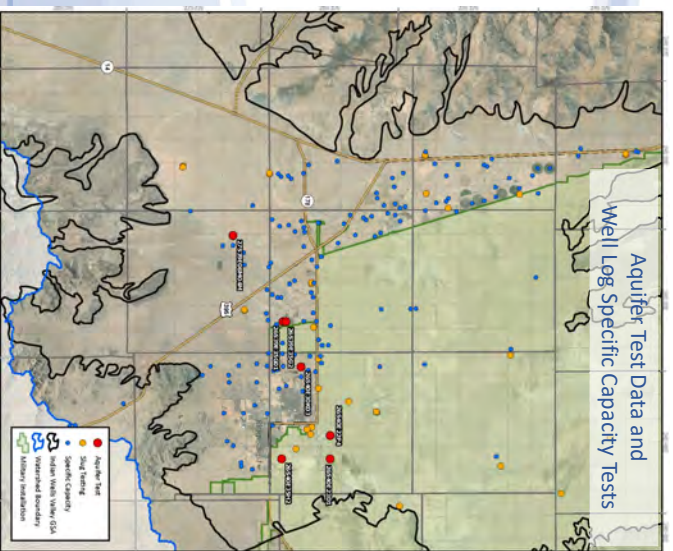
GSP Model Configuration Management Plan

- Nov 3rd TEAMS meeting with WRM, Navy, DRI, TMG (DOM, BLM)
 - Discussion El Paso Subarea and modified Thiessen Polygon method
 - DRI presented evaporation/transpiration from wet desert plays
- Nov 17th TEAMS meeting with WRM, Navy, DRI, TMG (DOM, BLM)
 - Discussion of Configuration Items and Proposed Model Updates
 - Review of Aquifer Test Data and Well Log Specific Capacity Tests
- Dec 5th working meeting with WRM and DRI
 - Discussion of Configuration Items and Proposed Model Updates

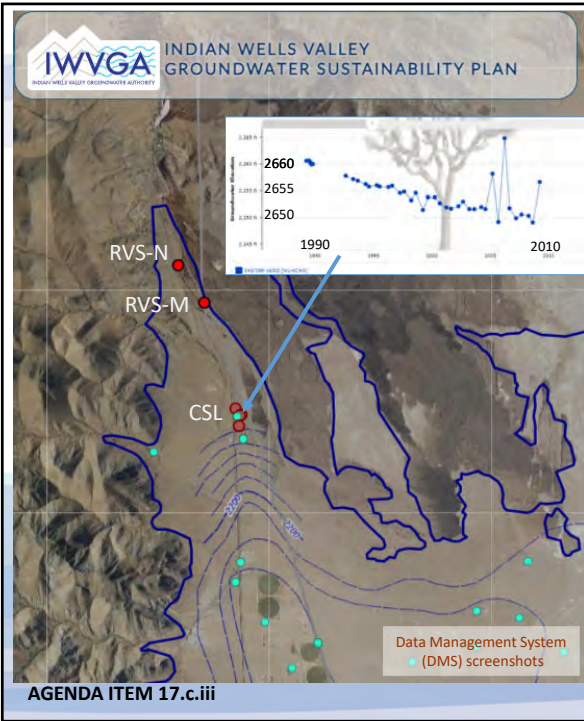
Scheduled Meetings: Dec 15, and to be continued in Jan 2023

CMP Timeline

- 2022: Review of New Technical Data/Reports
Development of Recommendations/Costs to GA
 - 2023: Continued Review of Technical Data/Reports
Update Model with GA-approved Revisions
 - 2024: Modeling Scenarios for 5-Year GSP Report
- AGENDA ITEM 17.c.ii



10



IWVGA Board Meeting December 14, 2022

Subflow from Rose Valley to IWV

- Navy / GA Cooperative Agreement on Board's December agenda
- Authority signed lease agreement with California State Lands Commission(CSLC) on 11/28/2022.
 - Coordinating with CSLC for return signature.
 - In early 2023, evaluate existing former sawmill wells for groundwater level monitoring.
- Complete Drilling Subcontract
- Drilling and Monitoring Well Construction is being planned for February 2023



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BUDGET TO ACTUAL REPORT- November

		ACTUALS BY REVENUE ALLOCATION					(B)	(A-B)	(B/A)		
		Restricted	Restricted	Restricted	Restricted	Restricted	\$	\$	%		
		Extraction	Augmentation	Shallow Well Mitigation	Prop. 1; Prop.68 SDAC	SGMA IP Grant	ACTUAL	REMAINING	COMPLETED		
		(A)									
		BUDGET									
1	REVENUE									1	
2	Extraction Fee	1,245,105	1,118,460	-	-	-	1,118,460	126,645	90%	2	
3	Transfer In/Loan from Augmentation Fund	1,062,745	500,000	-	-	-	500,000	562,745	47%	3	
4	Augmentation Fee	4,069,625	-	3,510,433	-	-	3,510,433	559,192	86%	4	
5	Transfer In/Loan Repayment from Extraction Fund	-	-	-	-	-	-	-	0%	5	
6	Shallow Well Mitigation Fee	195,250	-	-	127,499	-	127,499	67,751	65%	6	
7	Department of Water Resources (DWR) Grants	338,500	-	-	-	289,538	289,538	48,962	86%	7	
8										8	
9	TOTAL REVENUES	6,911,225	1,618,460	3,510,433	127,499	289,538	5,545,930	1,365,295	80%	9	
10	EXPENSES									10	
11	Administration									11	
12	Administration (RGS)	333,000	145,788	145,788	-	-	291,576	41,424	88%	12	
13	Office Rent	3,600	1,350	1,350	-	-	2,700	900	75%	13	
14	Office Supplies	1,000	-	-	-	-	-	1,000	0%	14	
15	Postage and Delivery	360	-	-	-	-	-	360	0%	15	
16	External Audit (Brown & Associates)	12,000	11,500	11,500	-	-	23,000	(11,000)	192%	16	
17	Council Chambers/IT Services	8,500	-	-	-	-	-	8,500	0%	17	
18	General Counsel (Aleshire & Wynder)	150,000	2,529	-	-	-	2,529	147,471	2%	18	
19	Insurance Premium (Insurica)	13,160	12,930	-	-	-	12,930	230	98%	19	
20	Legal Notices (Daily Independent)	2,000	-	-	-	-	-	2,000	0%	20	
21	Memberships (Cal. Assoc.Mutual Water Co)	100	100	-	-	-	100	-	100%	21	
22	Website (IWVWD)	300	276	-	-	-	276	24	92%	22	
23	Printing and Reproduction	-	12,860	-	-	-	12,860	(12,860)	0%	23	
24	Bank Service Charges	-	4	-	-	-	4	(4)	0%	24	
25										25	
26	Non-Departmental									26	
27	Other Legal Services (RWG Law)	500,000	-	233,035	-	-	233,035	266,965	47%	27	
28	Lobbying Services (Capitol Core)	175,000	-	162,191	-	-	162,191	12,809	93%	28	
29	Other Professional Services	-	20,350	-	-	-	20,350	(20,350)	0%	29	
30	Reimb to Antelope Valley-East Kern Water Agency	-	-	5,000	-	-	5,000	(5,000)	0%	30	
31	Shallow Well Mitigation Emergency Assistance Program	50,000	-	-	-	-	-	50,000	0%	31	
32	Repayment of Kern County Advance	500,000	375,000	-	-	-	375,000	125,000	75%	32	
33	Repayment of City of Ridgecrest In-Kind Services	300,000	-	-	-	-	-	300,000	0%	33	
34	Transfer Out/ Loan Repayment to Augmentation Fund	-	-	-	-	-	-	-	0%	34	
35	Transfer Out/Loan to Extraction Fund	1,062,745	-	500,000	-	-	500,000	562,745	47%	35	

BUDGET TO ACTUAL REPORT- November

		ACTUALS BY REVENUE ALLOCATION					(B)	(A-B)	(B/A)	
		Restricted	Restricted	Restricted	Restricted	Restricted	\$	\$	%	
(A)		Extraction	Augmentation	Shallow Well Mitigation	Prop. 1; Prop.68 SDAC	SGMA IP Grant	ACTUAL	REMAINING	COMPLETED	
BUDGET										
36										36
37	Conservation Programs									37
38	Outreach & Technical Services (Cal Rural Water Assoc & Water Wise)	306,500	-	-	110,257	-	110,257	196,243	36%	38
39										39
40	Basin Management Administration									40
41	Production Reporting, Transient Pool, and Fee Support	34,000	643	-	-	-	643	33,357	2%	41
42	Meetings and Prep	120,000	111,143	-	-	-	111,143	8,857	93%	42
43	Budget Support	10,000	6,942	-	-	-	6,942	3,058	69%	43
44	Stakeholder Coordination	10,000	192	-	-	-	192	9,808	2%	44
45	Litigation Support	40,000	27,909	-	-	-	27,909	12,091	70%	45
46										46
47	Basin Management									47
48	POAM No. 20 Data Management System	-	-	-	-	-	-	-	0%	48
49	POAM No. 56 Monitoring Wells - Implementation	-	-	-	-	-	-	-	0%	49
50	POAM No. 78 Aquifer Tests	-	-	-	-	-	-	-	0%	50
51	Review of Ramboll Report (Task began in 2020)	8,210	237	-	-	-	237	7,973	3%	51
52	Prop 1 SDAC Program Support	15,000	-	-	12,143	-	12,143	2,857	81%	52
53	General Engineering	35,000	39,700	-	-	-	39,700	(4,700)	113%	53
54	TSS: El Paso Well Drilling Support	10,000	4,321	-	-	-	4,321	5,679	43%	54
55	TSS: General Coordination/Application Support	30,000	366	-	-	-	366	29,634	1%	55
56	Coordination with DWR on GSP Review	45,000	9,657	-	-	-	9,657	35,343	21%	56
57	Annual Report Preparation	30,000	94,600	-	-	-	94,600	(64,600)	315%	57
58	Data Management System Support	20,000	31,172	-	-	-	31,172	(11,172)	156%	58
59	Allocation Plan: Allocation Process & Transient Pool Support	-	356	-	-	-	356	(356)	0%	59
60	Allocation Plan and Rules & Regs on Pumping/Restrictions	10,000	9,913	-	-	-	9,913	87	99%	60
61	Allocation Plan: Following & Transient Pool Transfer Program	-	-	-	-	-	-	-	0%	61
62	Conservation Efforts	20,000	-	-	-	-	-	20,000	0%	62
63	General Project Management	30,000	29,639	-	-	-	29,639	362	99%	63
64	Model Transfer and Upgrade	150,000	76,108	-	-	-	76,108	73,892	51%	64
65	Navy/Coso Royalty Fund: Develop Projects & Secure Funding	30,000	5,896	-	-	-	5,896	24,104	20%	65
66	Navy/Coso Royalty Fund: Rose Valley MW Permitting, Bid Doc Spt & Drillii	300,000	30,750	-	-	-	30,750	269,250	10%	66
67	Data Collection, Monitoring, and Data Gaps	134,000	132,804	-	-	-	132,804	1,196	99%	67
68	Imported Water: Planning/Design/Environmental	-	-	-	-	4,123	4,123	(4,123)	0%	68
69	Imported Water: Negotiations and Coordination	35,000	-	5,567	-	-	5,567	29,434	16%	69
70	Imported Water: Engineering and Analysis	118,000	54,919	-	-	-	54,919	63,081	47%	70
71	Recycled Water	180,000	-	70,993	-	-	70,993	109,007	39%	71

BUDGET TO ACTUAL REPORT- November

		ACTUALS BY REVENUE ALLOCATION					(B)	(A-B)	(B/A)	
		Restricted	Restricted	Restricted	Restricted	Restricted	\$	\$	%	
		Extraction	Augmentation	Shallow Well Mitigation	Prop. 1; Prop.68 SDAC	SGMA IP Grant	ACTUAL	REMAINING	COMPLETED	
(A)	BUDGET									
72	EXPENSES (Cont'd)									72
73	Basin Management (cont'd)									73
74	Shallow Well Mitigation Program: Plan Development	-	-	1,115	-	-	1,115	(1,115)	0%	74
75	Shallow Well Mitigation Program: Outreach and Impacts Evaluation	20,000	-	22,169	-	-	22,169	(2,169)	111%	75
76	Brackish Water Group: Data Review and Coordination	7,500	237	-	-	-	237	7,263	3%	76
77	Well Monitoring Services (WellIntel Inc.)	2,100	1,680	-	-	-	1,680	420	80%	77
78	Weather Station Maintenance	-	-	-	-	-	-	-	0%	78
79										79
80	Grant Management									80
81	Prop 1 / Prop 68 Grant Administration	70,000	43,472	-	-	-	43,472	26,528	62%	81
82	SGMA IP Grant Administration	-	-	-	-	1,764	1,764	(1,764)	0%	82
83	Grant Review and Application Preparation	50,000	54,071	-	-	-	54,071	(4,071)	108%	83
84	Engagement /Outreach-Other Professional Services (Provost & Pritchard)	-	-	-	-	59,165	59,165	(59,165)	0%	84
85	TOTAL EXPENSES	4,982,075	1,349,413	1,135,423	23,284	122,400	2,695,572	2,286,503	54%	85
86										86
87	Surplus (Deficit)	1,929,150	269,047	2,375,010	104,215	167,138	2,850,358	(921,208)		87

Budget to Actual Report includes all revenues and expenditures during the calendar year and is on a cash basis. Accruals will be finalized during the year-end reconciliation and audit process and presented in a separate report. Billing and receipt of reimbursement grant program revenue may cross over fiscal years with revenue received for prior year programs. Separate reconciliation will be completed for grant programs.

MONTH TO DATE REVENUES & EXPENDITURES EXCLUDING TRANSFERS

	Revenue	Transfer In*	Transfer Out*	Expenses	Surplus (Deficit)
Extraction Fund	1,118,460	500,000	-	1,349,413	269,047
Augmentation Fund	3,510,433	-	500,000	635,423	2,375,010
Shallow Well Mitigation Fund	127,499	-	-	23,284	104,215
Dept. of Water Resources (DWR) Grants Fund	289,538	-	-	187,451	102,087
Total	5,045,930	500,000	500,000	2,195,572	2,850,358

** The Extraction Fund Budget will be balanced through a loan from the Augmentation Fund.*

OUTSTANDING OBLIGATIONS

	Kern County	City of Ridgecrest	Augmentation Fund	Total
Advance Agreements				
Advance of Funds	500,000	-	-	500,000
Advance Repayment: 3 of 4	(500,000)	-	-	(500,000)
In-Kind Services				
Attorney Srvcs./IT/Chambers -FY22 thru 10/30		200,686		200,686
Attorney Srvcs./IT/Chambers -FY 21	-	325,235	-	325,235
Attorney Srvcs./IT/Chambers -FY's16-20		366,982		366,982
Inter-Fund Loans				
Estimated 2022 Loan to Extraction Fund*	-	-	1,062,745	1,062,745
Repayment of Adv. Of Funds to IWVWD**	-	-	500,000	500,000
Estimated 2021 Loan to Extraction Fund-TBD***	-	-	-	-
Postponed Invoice Payments				
None	-	-	-	-
Total	-	892,903	1,562,745	2,455,648

* Included in Adopted Budget.

** IWVWD used restricted Augmentation Revenue to repay the Advance Agreement.

Repayment of the IWVWD Advance requires a transfer from the Extraction Fund to the Augmentation Fund.

*** Review of prior year use of Augmentation Revenue is on-going. Additional inter-fund loans will be presented in a future financial update. Amendment to the budget will be necessary to schedule a revised repayment.

ADOPTED 2022 OBLIGATION REPAYMENTS

	Kern County	City of Ridgecrest	Augmentation Fund	Total
Advance Agreements				
\$125,000 scheduled in March, Aug, Sept, Dec	500,000	-	-	500,000
In-Kind Services				
Attorney Services/IT/Council Chambers	-	300,000	-	300,000
	500,000	300,000	-	800,000

Upon repayment of the 2022 Obligations, an inter-fund loan of \$800,000 will be created between the Extraction Fund and Augmentation Fund and added to Outstanding Obligations under Inter-Fund Loans.

City of Ridgecrest In-Kind Services Repayment for prior years is included in the Outstanding Obligation Schedule. Currently \$300,000 is budgeted for repayment in the Adopted 2022 Obligation Repayments Schedule. Amendment to the budget will be required to schedule a revised repayment and loan from the Augmentation Fund.

CASH BALANCE

November 2022 Activity

Cash Receipts (Receipts over \$50,000 and all grants are detailed)

October - IWVWD Augmentation/Extraction/SWM	\$	350,380.59
DWR Grant: Prop. 68	\$	1,885.32
All Other Cash Receipts		80,124.09
Total Cash Receipts	\$	<u>432,390.00</u>

Cash Disbursements (Obligation payments are detailed)

Warrants - November: Repymt of Adv.4 of 4-Kern County		125,000.00
Warrants - November		258,248.22
Total Cash Disbursements	\$	<u>383,248.22</u>

Cash Balance

Prior Month to Current Month Ending Balance Reconciliation

October Cash Balance By Investment

Kern County Treasurer	\$	5,206,626.13
AltaOne Credit Union		504,523.63
Total Cash Balance as of October 31	\$	<u>5,711,149.76</u>

November Activity

Cash Receipts	\$	432,390.00
Cash Disbursements		(383,248.22)
Total November Activity	\$	49,141.78

November Ending Cash Balance	\$	5,760,291.54
Less: Outstanding Warrants In Transit on 11/30		(278,160.62)
Total Available Cash By Activity as of November 30	\$	<u>5,482,130.92</u>

November Cash Balance by Investment

Kern County Treasurer	\$	5,760,291.54
AltaOne		-
Total November Balance	\$	5,760,291.54
Less: Outstanding Warrants		(278,160.62)
Total Available Cash by Investment as of November 30	\$	<u>5,482,130.92</u>

Cash Receipts are deposited in AltaOne Credit Union and sent electronically to Kern County Treasurer. Cash in Transit at month end will be reflected in the Kern County Treasurer balance. Warrants are approved by IWVGA Board and administratively processed by IWVGA staff. Warrants are executed by Kern County staff. Outstanding Warrants are vendor invoices received and not yet paid. Outstanding Obligations are detailed in a separate attached report.

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CAPITOL
CORE
GROUP

After Action Report for
Calendar Year 2022

Prepared for:
Indian Wells Valley
Groundwater Authority

Forward

Pursuant to the direction of the Board of Directors of the Indian Wells Valley Groundwater Authority, Capitol Core Group's 2022 Work Plan focused on three (3) key milestone tasks:

1. Bringing Imported Water Supplies to the Indian Wells Valley
2. Securing federal funding and serving as IWVGA's liaison to the United States Government
3. Securing State funding and serving as IWVGA's liaison to the State of California

IWVGA has identified an annual imported water requirement between 3,000 and 5,000 acre-feet of permanent entitlement and has included several capital projects within the Groundwater Sustainability Plan (GSP) to meet sustainability requirements. These projects have a total cost exceeding \$300 million. During 2022, Capitol Core made significant gains toward meeting annual imported water requirements and obtaining federal/State funds needed for capital projects.

Executive Summary

In 2022, Capitol Core's main goals were as follows:

- Identify and secure permanent water supplies to meet imported water requirements in the Valley
- Secure government funding to assist in meeting the between \$8 million to \$11 million needed for planning activities associated with the interconnection pipeline
- Secure \$5.3 million needed for planning activities associated with the water recycling plant
- Secure \$5 million in construction funding needed for the City of Ridgecrest's wastewater treatment plant.

Over the course of the year, Capitol Core identified sources to meet imported water purchase goals, began the process to secure 750 acre-feet of permanent water supplies, brought \$10.1 million for regional capital improvement projects, and secured federal assistance from the U.S. Army Corps of Engineers (USACE) to assist in planning activities associated with the interconnection project. We have identified programmatic funding opportunities and continue to work on an additional \$5.3 million in planning funds for the water

recycling plant focusing on two Agencies, the Bureau of Reclamation (USBR) and the Department of Water Resources (DWR).

2022 Annual Report

As stated within the Executive Summary, Capitol Core's main goals were to identify/secure 3,000-5,000-acre feet of imported water supplies, obtain federal/State funding to assist in funding \$16.3 million in planning activities and obtain \$5 million in construction-related activities. The breakdown for the funding requirement was as follows:

- \$8-\$11 million in planning funds for the interconnection pipeline project
- \$3-\$5.3 million in planning funds for the water recycling plant
- \$5 million in construction funds for the City of Ridgecrest wastewater treatment plant

To achieve these goals, the 2022 workplan identified three main task areas which are detailed below. In terms of specific project funding:

Interconnection Pipeline Project. \$7.6 million in planning funds were obtained via the DWR SGMA-IP. Additional planning funds were secured within the *Water Resources Development Act of 2022* which required coordinated studies to be provided through the USACE. Capitol Core's 2022 efforts obtained nearly all of the low-end \$8 million estimate for required funding for planning activities on the interconnection project. We continue to work with Stetson Engineers to determine if additional planning funds are required for the project and the timeline for both ROW purchase as well as construction activities associated with the project.

Water Recycling Plant. Capitol Core Identified programmatic funding through the USBR and we conducted a scoping meeting confirming eligibility for the water recycling plant in 2022. Finalization and approval of the IWVGA Feasibility Study for the project will occur by year end with potential application for funding in 2023. In addition, Capitol Core identified a programmatic funding opportunity with the DWR Urban Drought Resilience Grant Program Round 2 (DRGP-2). Final implementation guidance for the DRGP-2 is scheduled for December 2022 with a potential application due by February 2023. Capitol Core is working with IWVGA to determine an appropriate DRGP-2 application.

Wastewater Treatment Plant. \$2.5 million for construction activities related to the plant was obtained through a State Budget Amendment. Capitol Core has worked with State Water Resources Control Board (WRCB) to effectuate a funding agreement between the City of Ridgecrest and the State of California. Amendments to the federal DCIP are pending within the NDAAA and expected to pass. These amendments will create a potential funding application in 2023 of between \$5-\$7 million, thus completing funding goals for the project (if the City receives funding from this program).

Identify and Secure Imported Water Supplies – Task 1

The Indian Wells Basin will need to secure approximately 3-5,000 acre-feet of water to bring the basin back into equilibrium. Capitol Core has taken a number of steps to address the water supply needs of the basin. These steps included:

- 1) **Identification and Purchase of Water Supplies:** As discussed above, IWVGA needs a permanent water supply to address the long-term water needs of the Basin. In 2022, we began the facilitation of the purchase of 750 acre-feet of State Water Project supplies, known as the Jackson Ranch water. We reached a letter of intent with the seller and are facilitating the permits and sign-offs necessary to complete the potential transfer. These activities will continue into 2023.
- 2) **Assistance with Considerations Regarding the Imported Water Pipeline Alignment:** Due to a variety of factors, the IWVGA Board of Directors determined that the most practical potential interconnection would be to work with the Antelope Valley – East Kern Water Agency (AVEK). Capitol Core was able to secure a series of grants that gave the IWVGA funding to begin the feasibility analyses for this interconnection project. We assisted the engineering consultant Provost & Pritchard in getting materials from AVEK that were vital to the initial study. We also held a series of meetings with our elected officials delegation in both Washington and Sacramento to receive their feedback on the project. The outcome of these meetings is addressed in a separate memo.
- 3) **Discussions with Transfer Partners:** In 2022, we began work to address a partnership potentially between the IWVGA and AVEK to deliver water to the Basin. We secured letters of support for the project from a variety of stakeholders including the US Navy. Discussions with AVEK on this topic will continue into 2023.

Secure Federal Funding Sources – Task 2

This task was separated into four main subtasks that concentrated on achieving funding requirements as stated within the goals above:

- A. Agency Advocacy. Working with the various federal agencies to identify and secure programmatic funding opportunities eligible for current planning/construction activities
- B. Congressional Advocacy. Working with the United States Congress to identify and secure passage of funding opportunities for capital projects.
- C. “DCIP Amendments.” In late-2021, Capitol Core identified required statutory modifications to the Department of Defense (DOD) *Defense Communities Infrastructure Program* (DCIP) to ensure eligibility of the City’s wastewater treatment plant. In 2022, our goal was to seek passage of those required statutory modification within the *FY2023 National Defense Authorization Act*.
- D. Liaison Activities - U.S. Navy. Work, as needed, on identified areas with the United States Navy and its personnel at U.S. Naval Air Weapons Station China Lake

Over the course of 2022, significant work was accomplished with the USEPA, USBR, and USACE. These included scoping meeting with the various agencies to determine eligible funding programs for the interconnection, wastewater treatment, and water recycling facilities. These meetings were in response to various authorizations and appropriations made under the *Infrastructure Investment and Jobs Act of 2021* (“IIJA” or “Bipartisan Infrastructure Bill”). Other agencies’ programs, including the Department of Agriculture, were also explored.

Congressional activities primarily fell under the *Inflation Reduction Act of 2022*, which included an additional \$500 million in spending programs under the “Western Waters Provisions” of the *IIJA*; the *Water Resources Development Act of 2022*, which sought to provide preliminary studies to allow for potential future authorization of the interconnection project; and the *FY2023 National Defense Authorization Act* wherein the City of Ridgecrest sought amendments to expand project eligibility criteria to benefit a possible application for the wastewater treatment plant. Over the course of 2022, Capitol Core worked significantly with the California delegation in support of IWVGA projects. We also advocated on behalf of the Authority and the City of Ridgecrest before several U.S. House of Representatives and U.S. Senate Committees on various issues. The Committees included:

- House/Senate Committees on Appropriations – successfully obtaining \$129 million in DCIP funding for FY2023
- House/Senate Armed Services Committees – successfully obtaining amendments to the DCIP
- House Transportation and Infrastructure – successfully advocating for additional authorizations under the “Western Waters Program” and securing directive Committee Report language under the *Water Resources Development Act of 2022*
- Senate Environment and Public Works Committee – modifying proposed amendments to the *Water Resources Development Act of 2022*

Throughout 2022, Capitol Core worked with various Congressional Offices and developed supporting coalitions in support of the City of Ridgecrest Proposed amendments to the DCIP. Language in both the House and the Senate versions of the *FY 2023 NDAA* were secured, and passage of the amendment was achieved in December. The bill is awaiting signature into law by the President of the United States.

Liaison Activities – US Navy

The US Navy is an important member of the community and an ex-officio member of the Board. We aimed to keep the Navy apprised of a number of policy items that is of joint interest to both the Navy and the IWVGA. We held a series of briefings with China Lake Base command on the imported water supplies, our discussions with the Antelope Valley – East Kern Water Agency and the potential DCIP application for the wastewater treatment plant in 2023. We appreciate the Navy’s assistance in securing a letter of support for the imported water project and our discussions with AVEK.

Secure State Funding – Task 3

This task was also separated into four subtasks but were more focused on the individual capital project requirements. This was, in part, due to the specific identified areas within the FY2021/2022 State Budget which had been identified in 2021 and continued funding opportunities into 2022.

- A. **SGMA-IP Round 1 Funding.** In fall of 2021, the IWVGA Board of Directors approved application efforts with the DWR for the Agency’s “SGMA-IP” grant program. This activity carried through to first quarter 2022.

Capitol Core's 2021 lobbying efforts culminated with the successful submittal of a funding plan and application for DWR's SGMA-IP Round 1 funding grant. In 2022, we coordinated with Stetson Engineering and IWVGA staff to ensure successful transition of IWVGA-Agency activities. Capitol Core continued to serve as a liaison with the Agency up and through the funding award, providing clarifying information and clearing misconceptions. Our efforts resulted in \$7.6 million funding award, providing approximately 95% of the estimated planning funding needed for the interconnection project.

- B. **Water Recycling Plant.** Identify and secure up to \$5.3 million in State funding for planning activities related to the project.

2021 lobbying efforts had identified potential programmatic funding sources for the water recycling plant through the DWR's Urban Drought Management Program. 2022 efforts working with the DWR indicated that program priorities were focused heavily on emergency drought relief. Prospective drought resiliency projects were moved to 3rd round FY2021/2022 funding levels. Funds in the DWR program were depleted prior to the 3rd round. Given the depletion of funding in the DWR programs, Capitol Core's 2022 lobbying efforts focused heavily on providing funding for resiliency projects. The FY2022/2023 Budget reflected some of those efforts programming over \$200 million for Urban and Drought Resiliency projects. In August, DWR released its draft implementation guideline for "Round-2" funding.

- C. **Wastewater Treatment Plant.** Secure up to \$5 million in State funding for construction activities related to the project.

\$2.5 million secured through *2022-2023 State Budget Act*. This included significant work through Assembly/Senate Leadership, the Governor's Office, the Assembly/Senate Budget Committees and our local delegation.

- D. **Legislative and Agency.** This was a general subtask designed to continue work with the legislature and State agencies on various new programs.

Expectations in early 2022 included possible budget deficits. However, the *FY2022/2023 State Budget Act* provided a record \$97 billion surplus for the State, allowing for a 2nd consecutive year of infrastructure spending. Capitol Core strongly advocated for continued water infrastructure spending over the course of 2022, thus adding to *FY2021-2022 Budget Act* programmatic authorizations.



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To: Carol Thomas-Keefer, General Manager Indian Wells Valley Groundwater Authority

From: Michael W. McKinney, President Capitol Core Group, Inc.

cc: Steve Johnson, Stetson Engineering
Jeff Simonetti, Sr. Vice President Capitol Core Group
Todd Tatum, Sr. Client Advisor Capitol Core Group

Date: December 14, 2022

Subject: Project Update Memorandum – November 2022 Activities

The following will serve as our project update memorandum for activities during the month of November 2022.

Task 1: Secure Imported Water Supplies

Update: Subtask A – Existing Negotiations

The IWVGA is moving forward on the agreement between the Authority and the seller of water rights in the Dudley Ridge Water District. We continue the permitting and transfer discussions with the relevant districts and regulatory authorities. The seller has completed further steps to move the transfer process forward and Capitol Core anticipates that the seller will bring forward the transfer request to the Dudley Ridge Board of Directors this month. Further steps to move forward the agreement will take place during the month of December.

Update: Subtask B – Storage, Transfer and Other Agreements

Capitol Core Group continued to work with Provost and Pritchard to secure necessary documentation from the Antelope Valley - East Kern Water Agency concerning the interconnection pipeline. We also assisted Provost and Pritchard on a variety of government affairs items during the month of November in support of their task order to deliver potential interconnection routes to the Board of Directors at this meeting. The outcomes of our briefings to the elected officials relating to the alignment study are discussed in a separate document.

Task 2: Secure Federal Funding

The United States Congress came back from recess in mid-November after the 2022 elections. There are a few consequential pieces of legislation that we continue to monitor into December

Updated Report: Water Resources Development Act of 2022 (HR 7776)

The U.S. Senate passed the *Water Resources Development Act of 2022* (WRDA-22) with an amendment in the nature of a substitute (S. 4136) setting up the request for Conference Committee once the Congress returns after the election. Of interest to IWVGA is the House Committee Report's directive language concerning studies of the Interconnection Project. As discussed in prior reports, we were able to secure language in the bill that granted IWVGA a study from the Army Corps of Engineers. The Army Corps had some proposed language edits which we worked through in November. The following is the agreed-to proposed language in the bill. We anticipate that the bill will be passed prior to the end of the year barring further negotiations setbacks:

IWVGA Revised Proposed Replacement Language WRDA 2022 Committee Report

{Strikethrough = deletions: Boldface/underlined = added language}

The Committee directs the Corps to consult with the Indian Wells Valley Groundwater Authority and the Naval Air Weapons Station China Lake to validate proposed solutions ~~and identify alternatives~~ to resolve water supply needs and eliminate overdraft in the Indian Wells Valley groundwater basin in California. This validation effort shall review and develop measures needed to provide water supply resiliency in the basin and for the critical Federal defense assets that overlie it, including, but not limited to, the preparation of comprehensive plans for the development, **implementation**, utilization, conservation, or importation of water, infrastructure needs, and related land resources in the basin. **Such plans shall consider the potential and projected water supply needs of the critical defense assets and future growth within in the basin.** The Corps is directed to report to the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works within 180 days of enactment of this Act on the validation effort.

Updated Report: National Defense Authorization Act for Fiscal Year 2023 (HR 7900)

Passage of the annual National Defense Authorization Act (NDAA) is pending on the Floor of the U.S. Senate. While there was some post-election negotiations regarding the passage of the NDAA, it now seems as at the time of writing this update that there is a path forward to get the bill passed. There are two key provisions that Capitol Core helped to secure. First, the bill authorizes \$129 million for the 2023 Defense Community Infrastructure Program (DCIP), an increase over what the Administration requested. Second, as discussed in last month's update, we secured language that will allow the City of Ridgecrest's wastewater treatment plant to make an application to the program in 2023. The House and Senate had two slightly different pieces of language for the so-called "leased lands" allowance, which would have set

up the item for discussion in Conference Committee. We worked diligently with House Armed Services staff to revise the language and the final proposed language is as follows:

SEC. 2864. INCLUSION OF CERTAIN PROPERTY FOR PURPOSES OF DEFENSE COMMUNITY INFRA STRUCTURE PILOT PROGRAM.

Section 2391(e)(4)(A)(i) of title 10, United States Code, as amended by this Act, is further amended by inserting “or on property under the jurisdiction of a Secretary of a military department that is subject to a real estate agreement (including a lease or easement)” after “installation”.

Task 3: Secure State Funding

New/Staff Action: DWR: Urban Community Drought Relief Program

The Department of Water Resources released its final Implementation Guidelines for its “Round-2 – Urban Community Drought Relief Program (UCDRP)” on October 10th. Changes from Round-1 funding in the UCDRP were required by the Legislature as directed in the FY2022/2023 State Budget Act. The FY2021/2022 Round-1 UCDRP largely provided \$400 million for emergency drought response in the form of hauled water, emergency interconnections and bottled water supplies to drought-stricken areas. The Round-2 funding, providing \$285 million, expands the program to more permanent drought resiliency projects as well. The funding also may provide assistance to drilling new or rehabilitating existing public wells that have either gone dry or are experiencing problems related to the drought. **Final applications are due on January 31, 2023.** You can find more information on the program [here](#).

New/Staff Action: DWR: Round-2 SGMA-IP

DWR is now forecasting that \$202 million will be available to medium, high-priority, and CODs through the SGMA-IP Round 2 funding.

The SGM Grant Program's SGMA Implementation Round 2 will provide funding to GSAs and other responsible entities to update/revise/modify their GSPs or their Alternatives to a GSP. The funding will also be used towards implementing the GSP or Alternative Plan. This funding is for eligible applicants with projects located in medium and high priority basins, including critically overdrafted (COD) basins.

ONE application per basin will be allowed. Previous recipients must update GSPs consistent with the “funding priorities outlined in its Round 1 application.”

Applications opened in September. Capitol Core is continuing discussions with staff on a potential Round-2 Application.

New/Staff Action: December Priorities

During the month of December, we are finalizing meetings with our Congressional and California Legislative delegation to discuss the proposed AVEK pipeline alignments and to get their feedback on the proposal. We will also continue discussions with AVEK regarding the pipeline and potentially connecting into their system.

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December 4, 2022

To: GM Carol Thomas-Keefer and WRM Steve Johnson
From: PAC Chair David Janiec

Subj: Requested summary of Individual PAC Member Comments for P&P Route Option Study
Criteria/Weighting

Following the presentation to the IWVGA by Provost and Pritchard regarding the primary options for the Interconnect Water Connection with AVEC, the PAC was asked to provide individual written comments regarding potential criteria and weighting factors for the selection in preparation for a potential combined PAC/TAC meeting the week of December 5th.

Five individual inputs were provided by PAC members and given their relative brevity, each is included below:

From Camille Anderson: "Searles Valley Minerals thinks one issue not stated, but it may be under constructability is operability. Operation costs will be higher with two lifts rather than one. Operation costs should be considered since these will most likely not be covered by grants. As far as priority, whether permits can be received in a short amount of time may drive where the pipeline is located."

From John Kersey: "I provided my comments during the brief at the GA meeting. I am working directly with P&P regarding the Navy restrictive use easements for the West Alignment."

From Judie Decker: "To be very brief, the big issues are: power availability, cost, environmental issues and timeliness."

From Don Zdeba: "Responding to the request for weighted criteria on which to base the selected route. This is rather imprecise, but here is my take. All of the following do have a bearing on overall cost so what I have is certainly subjective since I don't have actual pricing to work with.

Cost of Materials (30%)

- Length of pipeline
- Number of lift (booster) stations
- Power transmission line construction

Environmental and Permitting Costs (25%)

- Distance on BLM land
- Distance on Desert Tortoise Habitat
- Right of Ways/Easements required

Issues Encountered (25%)

- Mountain crossings and peak elevation
- Use of or proximity to existing roads
- Number of road crossings required

Available power (20%)

- Distance from existing power and cost of transmission lines required”

From David Janiec: “Given the magnitude of the interconnect required, there are two major factors that must dominate in the selection criteria when comparing the three options: 1. Completion Time and 2. Total Cost/Affordability:

1. Time: The basin GA is already up against SGMA deadline requirements to demonstrate sustainability and halt the ongoing overdraft, given the anticipated serial major construction process timeline,
 - A. Lead time for planning, obtaining rights of way and access, permitting approval, environmental approval, and the 30% engineering design required for beginning most grant applications,
 - B. Lead time for grant application and approval and receipt of funds; and/or fee assessment,
 - C. Actual construction time including typical delay experience (~10yr+?)
2. Total Cost/Affordability: The ~35K basin stakeholders cannot afford this without major grants
 - A. One time planning, development, obtaining funds and construction
 - B. Annual maintenance and capitol reinvestment costs”

Don Zdeba and Judie Decker also provided separate assessments for each of the three proposed options presented by P&P. I have attached both with this summary report.

Regards,
David Janiec
PAC Chair

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Item 1. Call to Order

Voting members David Janiec, Renee Westa-Lusk, West Katzenstein, Lyle Fisher, Judie Decker, Camille Anderson, Tim Carroll and Regina Troglin, and non-voting members Don Zdeba, John Kersey, and Tom Bickauskas were present. Not present was non-voting member Lorelei Oviatt.

Item 2. Pledge of Allegiance

Item 3. Open Public Comment (Not Related to Other Agenda Items)

None received

Item 4. Approve Minutes of the September PAC Meeting

Deferred

Item 5. Stantec Facilitation Recommended Next Steps from Stakeholder Assessment for Review by the PAC

- A. Stantec Presentation – Lisa Beutler
- B. PAC Discussion and Recommendation

Lisa Beutler presented a brief overview of the Stantec/DWR facilitation study observations on IWVGA communications and engagement (C&E) during the GSP development phase. She then presented their observations compared against our new C&E recommendations and our new Draft C&E Plan for the GSP Implementation phase.

These included general agreement with our desired outcomes, and our concerns and challenges. She noted that some of the challenges were consistent with similar communities and they were going to complete a social demographic profile of our community as part of their report and would provide it to the PAC. They were very interested in the C&E Director recommendation and would offer some inputs in their final report from other GSAs they have consulted for. She also suggested that the C&E Director is something the DWR may consider providing funding for.

Lisa noted five potential gaps that “didn’t jump out at them” in our condensed plan recommendation: 1. Transparency, and trust/legitimacy issues, 2. Transparent discussion of technical issues, 3. Engaging all basin users in identifying the problem and prioritizing solutions; 4. Pooling resources to work together, and 5. Direct engagement with communities (meeting them where they’re at).

Lisa then shared a “Conditions for Collaboration” survey developed by the Center for Public Policy at Sacramento State University. They will provide their assessment of these in their final report to the IWVWD and DWR regarding opportunities for collaboration across the basin to get things accomplished. She engaged with PAC members for their assessment of these factors in this basin. Lisa noted that the link to the Conditions for Collaboration survey would also be sent to the PAC members and made available to the public on both the IWVGA and IWVWD websites.

PAC Member Comment – The entire PAC discussed and provided individual feedback to Lisa on the Conditions for Collaboration factors. PAC members generally agreed that the conditions existed to move forward, but could use some shoring up in a few specific areas, most specifically in the first: stakeholder/sponsor commitment or “buy-in.”

Public Comment – Don Decker noted that the stakeholder denial and “buy-in” issue has existed for more than 50 years in this basin and is a transcendent barrier to collaboration that must be overcome to

be successful. Joshua Nugent stated that there were three transparency issues for him: availability of a public model, availability of full project costs, and the legal fee authorities for current and future fees. He also stated that it was important to get more information and support for disadvantaged communities, financial protection for rate payers within the City of Ridgecrest, and protection for rural and domestic pumpers. He also added that there were sufficient willingness and support to move forward with a collaborative process. He supported night meetings on specific topics.

PAC Action –PAC members agreed to review the presentation and video recording of this meeting and take up consideration of the Stantec observations and recommendations for C&E at the January PAC meeting. The chair requested individual PAC members provide their written assessment and prioritize any proposed changes/updates for C&E in general to him by close of business on January 13th. These are to take into account both the Stantec observations and their Conditions for Collaboration factors.

Item 6. Member Comments

Regina Troglin and West Katzenstein thanked Lisa and Stantec for their facilitation effort overall and the presentation and discussion tonight.

David Janiec noted that there may be special combined TAC/PAC meeting scheduled for sometime next week to review the proposed criteria and weighting for the interconnect route option study being performed by Provost and Pritchard. He will notify all when that is confirmed or not. He thanked Lisa for coming in person to present and discuss their observations.

Item 7. Meeting Adjourned.

Submitted by: David Janiec, IWVGA PAC Chair, December 9, 2022

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IWVGA JOINT PAC/TAC COMMITTEE REPORT Special Zoom Meeting Tuesday December 6, 2022

Item 1. Call to Order

PAC Voting members David Janiec, Renee Westa-Lusk, West Katzenstein, Lyle Fisher (joined at ~6:30pm), Judie Decker, Camille Anderson, and Tim Carroll and Regina Troglin, and non-voting members Don Zdeba, and Tom Bickauskas were present. Not present was voting member Regina Troglin and non-voting members John Kersey and Lorelei Oviatt. Also present were TAC members Don Decker and Emma Lynch.

Item 2. Pledge of Allegiance

Item 3. Open Public Comment (Not Related to Other Agenda Items)

None.

Item 4. Review of Preliminary Selection Criteria and Weighting for Selection of the Preferred Imported Water Pipeline Alignment

Water Resource Manager Steve John and Stetson staff introduced the topic brief which was presented by Jeff Davis of Prost and Pritchard. He presented an updated overview of the three route options P-P are considering, as well as the proposed summary matrix of the proposed rating criteria and weighting factors for each. The purpose of the meeting was to receive PAC and TAC member comments and suggestions for the rating criteria and weighting, as well as public comment.

PAC/TAC Member Comment

PAC members Renee Westa-Lusk, West Katzenstein, Tom Bickauskas, and David Janiec asked for some clarifications on the three candidate routes and commented on the criteria and weighting.

Rene suggested that physical security considerations and permitting costs be a part of the criteria; and that the operations cost should be weighted higher.

West asked if consideration of a second or expanded pipeline should be needed in the longer term future beyond 2070. He also asked if any of the proposed options might impact renewable energy development.

Tom stated that ESA permitting time criteria should be weighted higher.

David suggested that the total time and total costs (development and operational) be the two highest weighted criteria for overall weighting. Both should be assessed for each of the other proposed criteria. Time should be assessed for impact on three separate, but serial periods: 1. Time to get to the 30% Engineering Design level required for most grants. 2. Time for grant approval(s) and actual receipt of funds, and 3. Actual construction time (with typical delays) needed to complete the pipeline and demonstrate basin sustainability per SGMA deadlines.

PAC members also provided preliminary individual comments on December 4th, attached to this report.

Public Comment

None

Item 5. Member Comments

Chair David Janiec thanked the PAC and TAC members, staff and public for their attendance and participation in the urgent and important process, especially during the holiday season.

Item 6. Meeting Adjourned

Submitted by: David Janiec, IWVGA PAC Chair, December 9, 2022

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