



**ENGINEERING & OPERATIONS
BOARD OF DIRECTORS' MEETING
MOULTON NIGUEL WATER DISTRICT
27500 La Paz Road, Laguna Niguel
August 18, 2014
9:00 AM
Approximate Meeting Time: 3 Hours**

THIS BOARD MEETING WILL INCLUDE TELECONFERENCING AT THE FOLLOWING
LOCATION:
12025 CEDAR SHORE, ELLISON BAY, WISCONSIN

1. CALL MEETING TO ORDER
2. APPROVE THE MINUTES OF THE JULY 14, 2014 ENGINEERING AND OPERATIONS BOARD OF DIRECTORS' MEETING
3. PUBLIC COMMENTS - CLOSED SESSION
Persons wishing to address the Board of Directors on matters not listed on the Agenda may do so at this time. "Request To Be Heard" forms are available at the entrance to the Board Room. Comments are limited to five minutes unless further time is granted by the Presiding Officer. Submit form to the Recording Secretary prior to the beginning of the meeting.

Those wishing to address the Board of Directors on any item listed on the Agenda should submit a "Request To Be Heard" form to the Recording Secretary before the Presiding Officer announces that agenda item. Your name will be called to speak at that time.

CLOSED SESSION

4. CONFERENCE WITH REAL PROPERTY NEGOTIATORS, Pursuant to Government Code Section 54956.8

*Property: 4 Liberty, Aliso Viejo, 92656
Under Negotiation: Price and terms of payment
Real Property Negotiators: Joone Lopez, Matt Collings, Kevin Turner, Mike Hartel*

5. PUBLIC COMMENTS - OPEN SESSION

DISCUSSION ITEMS

6. On-Call Service Agreement for Manhole Rehabilitation Program, Project No. 2014.009

7. Amendment to Engineering Design Services Agreement for the Pressure Reducing Stations Relocation Project
8. Bulk Fuel Delivery Services Agreement

INFORMATION ITEMS

9. State Water Resources Quality Control Board (SWRQCB) Emergency Drought Regulations Update
10. Water Usage Report
11. OC 88 Meter Discrepancies
12. Quarterly Capital Improvement Program Report
13. Late Items (Appropriate Findings to be Made)
 - a. Need to take immediate action; and
 - b. Need for action came to District's attention after Agenda Posting. [Requires 2/3 vote (5 members) or unanimous vote if less than 2/3 are present]

ADJOURNMENT

The Board of Directors' Meeting Room is wheelchair accessible. If you require any special disability related accommodations (i.e., access to an amplified sound system, etc.), please contact the Moulton Niguel Water District Secretary's office at (949) 831-2500 at least forty-eight (48) hours prior to the scheduled meeting. This agenda can be obtained in alternate format upon written request to the Moulton Niguel Water District Secretary at least forty-eight (48) hours prior to the scheduled meeting.

Agenda exhibits and other writings that are disclosable public records distributed to all, or a majority of, the members of the Moulton Niguel Water District Board of Directors in connection with a matter subject to discussion or consideration at an open meeting of the Board of Directors are available for public inspection at the District Office, 27500 La Paz Road, Laguna Niguel, CA ("District Office"). If such writings are distributed to members of the Board less than seventy-two (72) hours prior to the meeting, they will be available in the reception area of the District Office at the same time as they are distributed except that, if such writings are distributed immediately prior to, or during the meeting, they will be available in the Board meeting room and on the District website at www.mnwd.com.



DRAFT
MINUTES OF THE REGULAR MEETING OF THE
ENGINEERING & OPERATIONS BOARD OF DIRECTORS OF THE
MOULTON NIGUEL WATER DISTRICT

July 14, 2014

A Regular Meeting of the Engineering & Operations Board of Directors of the Moulton Niguel Water District was held at the District offices, 27500 La Paz Road, Laguna Niguel, California, at 9:00 AM on July 14, 2014. There were present and participating:

DIRECTORS

Scott Colton	Director
Richard Fiore	Director
Donald Froelich	Vice President/Chair
Gary Kurtz	Director
Larry Lizotte	Director
Larry McKenney	President (arrived at 9:06 a.m.)
Brian Probolsky	Vice President (left at 10:35 a.m.)

Also present and participating were:

STAFF MEMBERS, LEGAL COUNSEL, AND MEMBERS OF THE PUBLIC

Joone Lopez	General Manager
Matt Collings	Assistant General Manager
Marc Serna	Director of Engineering & Operations
Gina Hillary	Director of Human Resources
Kelly Winsor	Assistant to the General Manager
Pat Giannone	Bowie, Arneson, Wiles & Giannone
Paige Gulck	Board Secretary
Eva Plajzer	Assistant Director of Engineering
Todd Novacek	Assistant Director of Operations
Ray McDowell	MNWD
Megan Geer	MNWD
Brad Bruington	MNWD
Nancy Baker	MNWD
Mark Mountford	MNWD

Rod Woods MNWD
Ruth Zintzun MNWD

1. CALL MEETING TO ORDER

The meeting was called to order by Donald Froelich at 9:00 a.m.

2. APPROVE THE MINUTES OF THE JUNE 16, 2014 ENGINEERING AND OPERATIONS BOARD OF DIRECTORS' MEETING

MOTION DULY MADE BY LARRY LIZOTTE AND SECONDED BY GARY KURTZ, MINUTES OF THE JUNE 16, 2014 ENGINEERING AND OPERATIONS BOARD MEETING WERE APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, LARRY LIZOTTE, AND BRIAN PROBOLSKY ALL VOTING 'AYE'. DIRECTOR LARRY MCKENNEY WAS ABSENT.

3. PUBLIC COMMENTS

None.

DISCUSSION ITEMS

4. Adoption of Initial Study/Mitigated Negative Declaration for the Plant 3A Effluent Transmission Main Replacement, Project No. 2009.115 (Resolution No. 14-__)

Eva Plajzer provided background on this item. Staff asked the Board to adopt the resolution at the July 17, 2014 Board meeting.

5. La Paz/Moulton Potable Water System Reconfiguration, Project No. 2012.034

Marc Serna presented this item. Staff recommends the construction services contract be awarded to GCI Construction for an amount not-to-exceed \$416,797.

6. Reimbursement Agreement with City of Mission Viejo, Project No. 2012.037

Eva Plajzer provided details on this item. Staff recommends approval of the agreement with the City of Mission Viejo. The estimated cost of reimbursement to the City is \$244,898.

7. Wastewater Conveyance Agreement with Santa Margarita Water District

Matt Collings provided details on this item. Staff recommends approval of the agreement with Santa Margarita Water District. A one-time capacity fee of \$416,000 will be paid by the District, who upon completion of the project, will be reimbursed by the developer. Discussion ensued regarding terms of the agreement.

- 8. Amendment No. 2 to Agreement with Environmental Compliance Inspection Services (ECIS)

Matt Collings provided background on this item. Staff recommends approval of the amendment for an amount not-to-exceed \$140,000 for Fiscal Year 2014-15, with an option to extend for \$140,000 for Fiscal Year 2015-16. Questions were addressed in regards to scope of services and duration of the job.

- 9. Backhoe Purchase for Fiscal Year 2014-2015

Marc Serna presented details on this item. Staff recommends approval of the purchase of a new Caterpillar Backhoe at a cost of \$136,000.

- 10. Via Lomas Slope Repair

Joone Lopez provided history of the Via Lomas line break.

Marc Serna provided details on this item. Staff recommends awarding the construction contract to GCI Construction for an amount not-to-exceed \$63,000.

- 11. Repair Services for On-Site Monitoring Systems

Matt Collings provided background on this item. Staff recommends approval of the agreement with Superior Water Technologies for an amount not-to-exceed \$80,000.

- 12. Ammonia Products and Delivery Service Agreement

Matt Collings provided background on this item. Staff recommends approval of the agreement with Airgas for an amount not-to-exceed \$50,000 during Fiscal Years 2014-15 and 2015-16.

- 13. Salt Delivery Service Agreement

Matt Collings provided background on this item. Staff recommends approval of the agreement with Stepsaver for an amount not-to-exceed \$66,000 during Fiscal Years 2014-15 and 2015-16.

INFORMATION ITEMS

- 14. Quarterly Communications License Program Report

This item was discussed after Item 5.

Eva Plajzer presented the Quarterly Communications License Program. Discussion

ensued regarding contract issues and efficiency of the program.

15. Quarterly Construction Progress Report

Joone Lopez stated that the Quarterly Construction Progress Report was attached for review. Larry McKenney noted that the first three projects came in under budget.

16. Late Items (Appropriate Findings to be Made)

Brian Probolsky left at 10:35 a.m.

Joone Lopez reported that the proposed statewide emergency drought regulations issued by the State Water Resources Quality Control Board came out late last week.

MOTION DULY MADE BY LARRY MCKENNEY AND SECONDED BY GARY KURTZ, ADDITION OF THE PROPOSED STATEWIDE EMERGENCY DROUGHT REGULATIONS TO THE AGENDA WAS APPROVED. THE VOTE WAS UNANIMOUS WITH DIRECTORS SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, LARRY LIZOTTE, AND LARRY MCKENNEY ALL VOTING 'AYE'. DIRECTOR BRIAN PROBOLSKY WAS ABSENT.

Staff prepared a response letter to the State Water Resources Control Board (SWRCB) addressing concerns with the proposed emergency drought regulations. Joone Lopez said she will be addressing the SWRCB in Sacramento on July 15, 2014. Larry McKenney reviewed the letter before the submission deadline of noon on July 14, 2014.

ADJOURNMENT

The meeting was adjourned at 11:01 a.m.

Respectfully submitted,

Paige Gulck
Board Secretary



Moulton Niguel Water District

STAFF REPORT

TO: Board of Directors **MEETING DATE:** August 18, 2014

FROM: Marc Serna, Director of Engineering and Operations
Eva Plajzer, Assistant Director of Engineering

SUBJECT: On-Call Service Agreement for Manhole Rehabilitation Program,
Project No. 2014.009

DIVISION: District-wide

SUMMARY:

Issue: Staff requires authorization to enter into a multi-year service agreement for rehabilitation of manholes on an as-needed basis.

Recommendation: It is recommended that the Board of Directors award the service agreement for the Manhole Rehabilitation Program to Ayala Engineering for a total not-to-exceed amount of \$600,000 (\$300,000 per year) during Fiscal Years 2014-15 and 2015-16; and authorize the General Manager to execute the agreement.

Fiscal Impact: Sufficient funds are included in the Fiscal Year 2014-15 and 2015-16 capital budget.

BACKGROUND:

The District's sewer collection system has approximately 530 miles of sewer main and over 10,000 sewer manholes. The majority of the District's sewer system was constructed between 1960 and 1990. The anticipated useful life of a sewer manhole is 40 to 50 years. Portions of the sewer system are approaching the age where rehabilitation or replacement may be necessary.

The District has an inspection and cleaning program with staff trained in the National Association of Sewer Service Companies' (NASSCO) protocols for sewer condition assessments. Assessments performed as part of scheduled sewer main cleaning identify manholes that are currently in need of rehabilitation or replacement. Historically, staff has identified less than 20 manholes per year for rehabilitation.

#6.

On-Call Service Agreement for Manhole Rehabilitation Program, Project No. 2014.009

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However, it is anticipated that in upcoming years the need for rehabilitation of manholes will substantially increase.

In order to prepare for the upcoming rehabilitation needs, staff placed the Manhole Rehabilitation Program (Program) in the 10-year Capital Improvement Program (CIP) with annual funding of \$350,000. This funding level was based on rehabilitation needs in recent years and will be revised as the District continues to assess the condition of the sewer manholes and execute manhole rehabilitation projects. In addition, staff is developing a framework for the Program to assist in future condition assessments, identification of rehabilitation needs, and efficient execution of projects.

Staff developed an on-call manhole rehabilitation services agreement that allows for rehabilitation services as identified throughout the year. This type of agreement will allow for efficient rehabilitation of structurally sound manholes as identified by District staff performing the manhole inspection and cleaning program. The level of rehabilitation required will be identified by District staff and can range from replacement of a manhole frame and cover, to complete rehabilitation of the manhole including root removal and treatment, chemical grouting, and re-lining with an epoxy based system. The agreement was developed to provide unit pricing for various rehabilitation scenarios that can be put together into a task order to the selected contractor.

DISCUSSION:

District staff prepared a request for proposal (RFP) to obtain On-Call Manhole Rehabilitation Services. The RFP was issued to Sancon, Ayala Engineering, and National Coating and Lining Company. On July 28, 2014, the District received two proposals for the subject contract. Sancon did not provide a proposal.

The RFP requested a rate schedule for multiple items which may be required for manhole rehabilitation. In order to account for possible night work that is often required for manhole rehabilitation, the rate schedule included a "night-time multiplier". The standard rates provided by the contractor will be multiplied by this number for any work to be performed at night. The estimate of night work should account for no more than 20% of the total work to be performed during the fiscal year. Therefore, the proposals were evaluated with 80% weight given to the items in the rate schedule and 20% weight for the night-time multiplier. An adjusted total sum for each contractor is listed in the table below.

Summary of Proposals for On-Call Manhole Rehabilitation	
Contractor	Proposal Fee
Ayala Engineering	\$14,526
National Coating and Lining Company	\$33,290
Sancon	Did not respond

On-Call Service Agreement for Manhole Rehabilitation Program, Project No. 2014.009

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Staff reviewed the proposals and determined that Ayala Engineering provided the most cost effective proposal and is highly qualified to perform all required services.

Staff is recommending that the District enter into the on-call services agreement with Ayala Engineering for a not-to-exceed amount of \$600,000 for Fiscal Years 2014-15 and 2015-16. The agreement is attached for reference and includes the standard ten day termination clause.

Attachments: Draft Service Agreement with Ayala Engineering

ON-CALL SERVICES AGREEMENT

**MOULTON NIGUEL WATER DISTRICT
MANHOLE REHABILITATION SERVICES
(Fiscal Year 2014-15 and 2015-16)
Agreement No. 2014.009**

This ON-CALL SERVICES AGREEMENT (the “Agreement”) is approved and entered into as of _____, 2014 (the “Effective Date”), by and between the MOULTON NIGUEL WATER DISTRICT, hereinafter called “District”, and _____, hereinafter called “Contractor”. District and Contractor are sometimes referred to in this Agreement individually as a “party” or jointly as the “parties.”

RECITALS

- A. District requires individual manhole rehabilitation projects to be performed in certain areas throughout the District on an on-call basis, as needed, during the fiscal year 2014-15 with an option to extend the Agreement through fiscal year 2015-16. This Agreement, as well as each Work Order issued pursuant to Section 1, establish the terms and procedures that will apply to this Work.
- B. Contractor has submitted a cost proposal and schedule of work items to District regarding the manhole rehabilitation projects, and Contractor is willing to provide the services in accordance with that proposal.
- C. The objective of this Agreement is for District to authorize Contractor to provide services/work on an on-call basis related to manhole rehabilitation projects.

NOW, THEREFORE, District and Contractor for the consideration stated herein agree as follows:

1. **SCOPE OF SERVICES; PRICE; PERFORMANCE STANDARDS.**

a. Contractor shall perform the manhole rehabilitation services (the “Work”) in accordance with the general scope of work, District’s standard technical specifications and added general terms set forth in attached **Exhibit 1** (“Construction Standards”) and the other terms of this Agreement from time to time as directed by District pursuant to a work order for specific rehabilitation work during the agreement term (“Work Order”).

b. As the need for Work arises, as determined by District, District’s representative may issue Contractor a written Work Order indicating: (a) the scope of the Work requested; (b) the not-to-exceed price to perform the Work requested in accordance with the rate schedule (“Rate Schedule”) shown in **Exhibit 2** hereto and incorporated herein by this reference; and (c) the estimated time for performance of the Work. A Notice to Proceed (“NTP”) will be issued by District to Contractor, following the acceptance of the Work Order as set forth in **Exhibit 3** by Contractor’s authorized representative in writing.

#6.

c. For emergency work, as determined by District, circumstances may not allow time to perform the Work Order process described above. In such cases, a District representative will contact Contractor and request that Contractor perform emergency work on a time and materials basis in accordance with the Rate Schedule in Exhibit 2 and the terms and conditions of this Agreement, followed by the later issuance of the corresponding Work Order for performance.

d. Contractor's Rate Schedule includes all labor, supervision, materials, equipment, supplies, tools, incidentals, taxes, profit, overhead, bonding and insurance necessary to mobilize, complete the Work, demobilize and provide cleanup and restoration of construction and work sites.

e. Contractor acknowledges and agrees that District does not guarantee any minimum or maximum amount of Work, and District may use other contractors for the Work, in its sole discretion. This is a non-exclusive Agreement. This Agreement, including all attached Exhibits, as well as the terms and conditions of any municipal permits or licenses issued or applicable in connection with the Work, if any, form the Agreement between the parties. Contractor shall provide all labor, materials, tools, equipment, supplies, utilities and transportation services required to perform the Work, subject to compliance with the Agreement requirements, and complete all Work in a thorough, professional and workmanlike manner, and in accordance with generally accepted industry standards, to the satisfaction of District.

f. The Work shall be done in accordance with the Construction Standards, the Work Order issued for each individual repair project during the term of this Agreement, and the permitting or other requirements of any governmental entity within whose jurisdiction the Work is performed, which are by this reference incorporated into this Agreement. It shall be the Contractor's responsibility to ascertain and keep informed of all such existing and future requirements of other governmental entities concerning the Work performed under this Agreement, including acquisition of necessary permits and licenses by municipalities related to repair work in public right of way and payment of the fees or costs thereof.

2. PUBLIC SAFETY.

a. Contractor shall be solely and completely responsible for conditions of the Work sites, including safety of all persons and property during performance of the Work. Contractor's operations for the Work shall be conducted so as to provide maximum safety to Contractor's employees, to the general public and District's representatives, and in compliance with all safety laws, rules and regulations of the State of California ("State"), federal, and local agencies. It is Contractor's responsibility to have a current safety program on file with the District prior to commencement of any Work under this Agreement.

b. Contractor shall so conduct its operations as to offer the least possible obstruction and inconvenience to the public, and shall have under construction no greater length or amount of Work that it can prosecute properly with due regard to the rights of the public. Convenient access to driveways, houses and buildings along the line of the Work shall be maintained and temporary crossings shall be provided and maintained in good condition. Not more than one crossing or intersecting street or road shall be closed at any one time. Contractor shall provide and maintain such fences, barriers, directional signs, lights and flagmen as are necessary to give adequate warning to the public at all times of any dangerous conditions to be encountered as a result of the Work and to give directions to the public. Contractor shall comply with all terms of any permits issued by public agencies for the Work.

3. COMPLIANCE WITH LAW, LICENSE; STATUS.

a. Contractor shall at all times observe and comply with, and cause its agents, employees and representatives to observe and comply with, all State, federal, and local existing and future laws, rules, regulations and orders in the performance of the Work or this Agreement, including any permits issued for the Work. Contractor shall maintain and keep current all required licenses applicable to the performance of the Work issued by the applicable governing agency during the term of this Agreement. A current copy of any required licenses will be kept on file by District.

b. It is expressly understood that Contractor is an independent contractor and not an employee or agent of District. No permitted or required approval of District's representatives of costs, schedules, documents, or services of Contractor, or investigations thereof, will be construed as making District responsible for the manner in which Contractor performs the Work. Such approvals and investigations are intended only to give District the right to satisfy itself with the quality of Work performed by Contractor. Contractor warrants that it will not represent, at any time or in any manner, that Contractor is an employee or agent of District. Contractor shall have no authority to, and shall not, incur any debt, obligation or liability on behalf of District. Contractor shall be solely responsible for the payment of all federal, state and local income tax, social security tax, Workers' Compensation insurance, state disability insurance, and any other taxes or insurance Contractor, as an independent contractor, is responsible for paying under federal, state or local law. Contractor is thus not eligible to receive workers' compensation, medical, indemnity or retirement benefits, including but not limited to enrollment in CalPERS.

4. TIME FOR COMPLETION.

Each Work Order shall be completed in an expeditious manner from the date the Work Order and NTP is issued to Contractor, and in any event no later than the completion date listed on the Work Order. Time is of the essence in the performance and completion of the Work. Performance of any Work must be coordinated with District and local municipality to ensure minimal disruption both to the public use of right of way and to the operation of District's facilities.

5. DISTRICT OBSERVATION.

Contractor's performance of Work is subject to observation by District's representatives and inspection by local municipalities. The observation, if any, by the District's representative of the Work shall not relieve Contractor of any of obligations under the Agreement as prescribed, or Contractor's obligations to perform the Work in accordance with all terms and provisions required by municipal permits and municipal inspection standards. District shall require written evidence of municipal inspection and approval prior to District's acceptance and payment for Work under each Work Order.

6. AGREEMENT PRICE; PAYMENT; TERM.

a. MNWD agrees to compensate Contractor for Work under any Work Order at the corresponding "Unit Prices" in the schedule of work items attached as **Exhibit 3**, which establishes unit prices for components of the repair work listed under "Description" in the schedule. There shall be no increase to the Unit Prices if an adjustment to the number of Contractor's staff or service hours is needed to meet the Agreement requirements for any Work Order; provided, if any repair work is outside the scope

the agency to make payments without incurring interest will be reduced by the number of days by which the agency exceeds the seven (7)-day return requirement.

g. The term of the Agreement is from _____, 2014, to and including June 30, 2015 (“expiration”), unless otherwise terminated earlier by either party pursuant to Section 14. This Agreement may be extended, at District’s option, for an additional year to June 30, 2016, at the prices in the Rate Schedule listed in **Exhibit 2**. Subject to the District’s sole discretion, an extension will be based upon a satisfactory review of Contractor’s performance, District’s needs, and appropriation of funds and approval by the District Board of Directors. The parties will prepare a written amendment indicating the effective date and length of the extended Agreement.

7. PUBLIC LAW REQUIREMENTS; PREVAILING WAGE.

District is a public agency in the State and is subject to the provisions of law relating to public contracts. It is agreed that all provisions of law applicable to public contracts are a part of this Agreement to the same extent as though set forth herein. Contractor represents and warrants that it is aware of the requirements of California Labor Code Section 1720, *et seq.*, and 1770, *et seq.*, as well as California Code of Regulations, Title 8, Section 1600, *et seq.*, (“Prevailing Wage Laws”), which require the payment of prevailing wage rates and the performance of other requirements on “Public Works” and “Maintenance” projects, and will be comply with the Prevailing Wage Laws, including but not limited to the payment of prevailing wages, and in accordance with the terms of **Exhibit 4** to this Agreement. District shall provide Contractor with a copy of the prevailing rates of per diem wages in effect prior to the commencement of work under this Agreement. Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Work available to interested parties upon request, and shall post copies at the Contractor’s principal place of business and the work sites.

8. AGREEMENT DOCUMENTS. The Agreement includes all of the Agreement documents as follows: the Construction Standards; this Agreement; all exhibits to the foregoing documents; and, the executed Work Orders.

9. NO SUBCONTRACTORS. Contractor agrees and represents that none of the Work will be subcontracted, and that Contractor will perform all Work. It is agreed and acknowledged that should Contractor fail to conform hereto or with any of the requirements of Section 4100 *et seq.* of the Public Contract Code, Contractor shall be subject to the applicable statutory penalties, and to the requirements of Labor Code Sections 1777.1 or 1777.7 relating to payment of wages to ineligible subcontractors’ employees, and the corresponding return of all subcontracting payments to District.

10. BONDS.

a. All bonds required hereunder shall be in the amount of 100% of the Agreement Maximum Amount, and shall be in such form, and with such California corporate surety, as are satisfactory to the District, in the District’s sole discretion. The amount of the bonds shall be increased in accordance with any increase in the Agreement Maximum Amount as established by a Change Order to the Agreement. Contractor shall deliver all bonds required hereunder to the District prior to the commencement of Work, or if the Work is commenced prior thereto in response to a notice to proceed, the Contractor shall, prior to commencement of the Work, submit evidence satisfactory to the District that such bonds will be issued.

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b. Contractor shall furnish a payment bond approved by District as required by Section 9550 of the Civil from a single surety licensed and admitted in the State with an agent for service of process in California. Contractor shall pay the cost of obtaining the payment bond and Contractor shall use District's form for the payment bond, which is attached as Exhibit 5.

11. INSURANCE

a. In addition to the requirements set forth herein, during the entire term of the Agreement, Contractor will pay for and maintain, in full force and effect, all insurance required by District as listed in this Section 11. Contractor shall not commence Work under the Agreement until it has obtained all insurance required by the Agreement. Two (2) sets of originally executed certificates of insurance and all required endorsements evidencing the required coverage detailed in this Section 11 shall be provided by Contractor with the Contractor's executed copy of this Agreement, and prior to commencement of any Work.

b. The general liability and business automobile insurance will be comprehensive in form, and extend through the term of this Agreement and on a 'per occurrence' basis. All policies will have a clause providing that thirty (30) calendar days written notice will be given to District prior to any cancellation of such policies. All insurance will be issued and underwritten by insurance companies having at least an "A-" policyholder's rating and a financial rating not less than Class VII in accordance with the most current Best's Rating Guide - Property/Casualty, or better, or as otherwise approved by District. Contractor may satisfy the limit requirements set forth below in a single policy or multiple policies, provided, however, that any such additional policies written as excess insurance will not provide any less coverage than that provided by Contractor's first or primary policy. *All policies shall name Moulton Niguel Water District, City of Aliso Viejo, City of Dana Point, City of Laguna Hills, City of Laguna Niguel, City of Mission Viejo, City of San Juan Capistrano and each of their directors, elected officials, officers, employees and agents*, and any other public entities issuing permits for entry in public right of way to perform the Work, and owners of record of all property on which entry will be made to perform the Work as additional insureds thereunder ("Additional Insureds"). All of the policies of insurance provided hereunder shall be primary insurance and not contribute with any other insurance maintained by the Additional Insureds, and the insurer shall waive all rights of subrogation and contribution it may have against the Additional Insureds; these requirements shall be set forth in endorsements to policies. In the event any of said policies of insurance are canceled, Contractor shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Section 11 to District.

c. In the event District consents, and Contractor subcontracts any portion of the Work under the Agreement, the Agreement between Contractor and such subcontractor shall require the subcontractor to maintain the same policies, limits and terms of insurance that Contractor is required to maintain pursuant to this Section, in accordance with all of the requirements of this Section.

d. Contractor shall take out and maintain at all times during the Agreement the following policies of insurance, which shall comply with the other terms of Section 11 as well as the following:

- (i) Workers Compensation Insurance and Employers Liability Insurance. Worker's compensation insurance as required by State laws, and employer's liability insurance

with limits not less than \$1,000,000 each accident and \$1,000,000 for disease per employs, **which will include the subrogation and additional insured terms and endorsements described under subsection (b) above.** This insurance shall be in strict accordance with the requirements of the most current and applicable state Workers' Compensation insurance laws. In accordance with Labor Code Sections 1860 and 1861, concurrent with execution and delivery of the Agreement, Provider shall execute and deliver to District the certification form attached to this Agreement as **Exhibit 6** whereby Provider acknowledges its responsibility to secure workers' compensation insurance in conformance with the requirements of Labor Code Section 3700, et seq.

- (ii) **Commercial General Liability Insurance.** Commercial general liability in a combined limit of not less than \$1,000,000 per occurrence, \$2,000,000 aggregate with such aggregate to apply separately to the Work. Commercial General Liability insurance coverage shall be equivalent to Insurance Services Office Form CG 00 01. Included in such insurance shall be contractual coverage sufficiently broad to insure the matters set forth in Section 12 of this Agreement, **as well as the subrogation, primary insurance/non-contribution and Additional Insureds terms and endorsements described under subsection (c) above.** This insurance shall name the Additional Insureds using ISO endorsement CG 20 10 11 85, or both CG 20 10 and CG 23 37 forms if later revisions are used.
- (iii) **Business Automobile Insurance.** Business automobile insurance with liability limits of not less than \$1,000,000 each accident. The policy shall include coverage for owned, non-owned, and hired vehicles, **and include the subrogation, primary insurance/non-contribution and Additional Insureds terms and endorsements described under subsection (c) above.**

e. Nothing in the insurance requirements set forth in this Agreement is to be construed as limiting the liability of Contractor or Contractor's insurers or sureties. Contractor agrees that the provisions of this Section 11 shall not be construed as limiting in any way the extent to which Contractor may be held responsible for the payment of damages or other costs to District, or any persons or property, resulting from Contractor's activities or the activities of any person or persons for which Contractor is otherwise responsible, including Contractor's subcontractors, if any.

12. **INDEMNIFICATION.**

a. To the fullest extent permitted by law, Contractor shall indemnify, hold harmless and defend District, City of Aliso Viejo, City of Dana Point, City of Laguna Hills, City of Laguna Niguel, City of Mission Viejo, City of San Juan Capistrano, and their directors, elected officials, officers, employees and agents from and against all claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of, in connection with, or resulting from, or alleged to have arisen out of or resulted from the performance of the Work hereunder, provided that any such claim, damage, losses and expenses are: (a) attributable to bodily or personal injury, sickness, disease and death, or for damage to, or loss or destruction of property including the loss of use resulting therefrom; and (b) caused or alleged to have been caused by any negligent or willful act or omission of the Contractor, any subcontractor, anyone

#6.

directly or indirectly employed by any of them or anyone whose acts any of them may be liable, regardless of whether or not it is caused in part by a party indemnified hereunder (except for the sole negligence or willful misconduct of such indemnified party); or (c) due to failure, neglect or refusal of the Contractor to faithfully perform the Work and any of the Contractor's obligations under the Agreement. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person indemnified in this Section 12.

b. In any and all claims against the indemnified parties by any employee of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the Contractor, or any subcontractor, or other person under workers' compensation acts, disability benefit acts, or other employee acts.

c. This indemnity obligation shall survive the termination or expiration of the Agreement and the completion of the Work hereunder.

13. WARRANTY.

a. Contractor shall and hereby does warranty all Work, including materials and installation, for a period of five (5) years from the District's *final acceptance (see Section 6 (b) for definition)* of the Work under this agreement ("Warranty Period"), and shall repair and replace any and all Work, together with any other work which may be displaced in so doing, that may prove defective in workmanship and/or materials, or that does not meet the requirements set forth in any applicable specifications, within the Warranty Period, without expense whatsoever to District and with ordinary wear and tear and unusual abuse or neglect excepted. In the event of Contractor's failure to comply with the above-mentioned conditions within seven (7) days after being notified in writing, District is hereby authorized to proceed to have the defects repaired or replaced and made good at the expense of Contractor who hereby agrees to pay the cost of and charges therefore immediately on demand. If, in the opinion of District, defective work creates a dangerous condition or requires immediate correction or attention to prevent further loss to District or to prevent interruption of operations of District, District will attempt to give the notice required by this Section 13. If Contractor cannot be contacted or does not comply with District's request for correction within a reasonable time as determined by District, District may, notwithstanding the provisions of this Section 13, proceed to make such correction or provide such attention, and the costs of such corrections or attention shall be charged against Contractor. Such action by District will not relieve Contractor of the guarantees provided in this Section 13 or elsewhere in the Agreement.

b. This section does not in any way limit the warranty on any items for which a longer warranty is specified or on any items for which Contractor or a manufacturer or supplier gives a warranty for a longer period. The Contractor agrees to furnish District with all appropriate warranty certificates upon completion of the Work. No warranty whether provided for in this Section 13 or elsewhere shall in any way limit the liability of Contractor or its sureties or insurers under the indemnity or insurance provisions of the Agreement. This warranty obligation shall survive the termination or expiration of the Agreement as to all completed Work.

14. TERMINATION.

Either party may terminate this Agreement by providing written notice to the other party ten (10) business days in advance of the date of termination; provided, District may terminate the Agreement without any advance notice in the event Contractor is in material breach of any of the terms of this Agreement, as determined by District in its discretion. In the event Contractor terminates this Agreement, Contractor is responsible for the completion of any Work still outstanding in accordance with the terms of the Agreement. Contractor's indemnity and warranty obligations shall survive the expiration or termination of this Agreement, as well as any outstanding obligations of Contractor at the time of termination. On any termination, Contractor will be entitled to the reasonable value of the Work performed for which it has not received prior compensation under this Agreement, subject to any offset from such payment representing District's damages from any material breach of the terms of the Agreement by Contractor or as otherwise provided for under Section 6. In no event, will Contractor be entitled to receive compensation in excess of the compensation specified under Section 6 of this Agreement. The foregoing provisions are in addition to and not in limitation of any other rights or remedies available to District.

15. RECORDS.

Contractor shall preserve and retain any and all records of or related to the Work, including all records of or related to this Agreement and the Work and obligations contained herein, for a period of no less than four (4) years commencing upon final payment to Contractor under the Agreement or, if an examination, review or audit is commenced but not completed within such period, until such examination, review or audit has been completed. Additionally, pursuant to Government Code Section 8546.7, the State has the right to examine, review, audit and/or copy such records during the three (3) year period following final work order and payment to Contractor pursuant to the Agreement. Contractor, upon request, shall make the records of the work available for the purposes described in this Section at all reasonable times during the period Contractor is required to preserve and maintain such records.

16. SUCCESSORS; ASSIGNMENT.

This Agreement is binding on the successors of the parties. This Agreement may not be assigned by Contractor except upon written consent of District.

17. ATTORNEYS' FEES.

In the event of any declaratory or other legal or equitable action instituted between District and Contractor in connection with this Agreement, the prevailing party shall be entitled to recover from the losing party all of its attorneys' fees, and costs and expenses.

18. CLAIMS RESOLUTION.

The provisions set forth in attached **Exhibit 7** shall apply to those claims governed by Public Contract Code Section 20104 *et seq.* arising out of the Agreement.

19. DISTRICT NOTICE OF THIRD-PARTY CLAIM.

In accordance with Public Contract Code Section 9201, District shall timely notify Contractor if

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District receives any third-party claim relating to the Work or the Agreement. District shall be entitled to recover from Contractor District's reasonable costs incurred in providing such notification.

20. NOTICE.

Any notice, request, demand, consent, approval or other communication required or permitted hereunder or by law shall be validly given or made only if in writing and delivered in person or to an officer or duly authorized representative of the other party or deposited in the United States mail, duly certified or registered (return receipt requested), postage prepaid, and addressed to the party for whom intended, as follows:

If to District:	Correspondence: Moulton Niguel Water District Attn: Director of Engineering & Operations 26161 Gordon Road Laguna Hills, CA 92653
	Invoices: Moulton Niguel Water District Attn: Purchasing 26161 Gordon Road Laguna Hills, CA 92653

Any notice to Contractor's surety (or any other person) shall be addressed to the addresses provided in the Agreement or such substitute addresses in accordance with the terms provided herein. Any party may from time to time, by written notice to the other, designate a different address which shall be substituted for that specified above. If any notice or other document is sent by mail as aforesaid, the same shall be fully delivered and received 24 hours after mailing as provided above.

21. INTEGRATION; ATTACHMENTS.

This Agreement supersedes any and all agreements between the parties hereto which are prior in time to this Agreement. Neither District nor Contractor shall be bound by any understanding, agreement, promise, representation or stipulation expressed or implied not specified herein. The Exhibits attached hereto are incorporated herein as part of this Agreement, and all executed work orders are deemed to form part of the Agreement terms upon execution.

22. PARTIAL INVALIDITY.

If any section of this Agreement or provision of the Agreement as applied to either party or to any circumstance shall be adjudged by a court of competent jurisdiction to be void or enforceable for any reason, the same shall in no way affect (to the maximum extent permissible by law) any other provision of the Agreement, the application of any such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of the Agreement as a whole.

23. AMENDMENTS.

No addition to or modification of any provision contained in the Agreement shall be effective unless fully set forth in a writing signed by both District and Contractor.

24. GOVERNING LAW; VENUE.

The Agreement shall be construed in accordance with and governed by the laws of the State. In the event of any legal action to enforce or interpret the Agreement, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure 394.

25. DUE AUTHORITY OF SIGNATORIES; COUNTERPARTS.

Each person signing this Agreement represents and warrants that he or she has been duly authorized by appropriate action of the party he or she represents to execute, and thereby bind such party to, this Agreement. This Agreement may be executed in counterparts, each of which, when executed and delivered, shall be an original and both of which together shall constitute one instrument, with the same force and effect as though all signatures appeared on a single document.

[remainder of page left blank]

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IN WITNESS WHEREOF, the parties hereto have entered this Agreement as of the Effective Date referenced the day and year written below.

“DISTRICT”:

MOULTON NIGUEL WATER DISTRICT

DATE: _____

By: _____

Title: General Manager

“CONTRACTOR”:

DATE: _____

By: _____

Title: Authorized Officer/Representative*

* Complete and attach one of the following: Corporate Certificate executed by Corporate Secretary; or, Notarization of Authorized Officer/Representative signature

[Signature page for On-Call Manhole Rehabilitation Services Agreement]

CORPORATE CERTIFICATE*

I, _____, certify that I am the Secretary of the corporation named as Contractor in the foregoing Agreement; that _____, who signed said Agreement on behalf of Contractor, was then President of said corporation; and that said Agreement was duly signed for and on behalf of said corporation by authority of its Governing Body and is within the scope of its corporate powers.

[_____] , Secretary

(CORPORATE SEAL)

*To be completed if Contractor is a corporation. If Contractor is a joint venture or partnership that includes a corporation(s), a certificate must be obtained from District's office, completed and attached to this page.

EXHIBIT 1

Scope of Work and Construction Standards

SCOPE OF WORK

The selected contractor will be expected to perform the following scope or work within a two week period following notification of necessary repair:

1. Schedule with the MNWD and the affected city within two weeks of notification.
2. Perform repair work to the satisfaction of the MNWD staff and city regulations
3. Remove debris (asphalt, concrete, dirt, manhole covers and frames, etc...) as necessary from work site
4. Rehabilitate manhole as directed by MNWD. Rehabilitation methods vary depending on damage but could include replacement of manhole frames and covers, root removal, chemical root treatment, chemical grouting, shelf repair, and epoxy coating of manholes.

All construction as part of Agreement shall be completed per the MNWD standard specifications including project specific technical specifications and the latest editions Part 2 thru Part 5 of the APWA Standard Specifications for Public Works Construction ("Greenbook") and the requirements and regulations as determined by the City having authority over the project site. MNWD standard and technical specifications take precedence over the "Greenbook".

EXHIBIT 2

**Rate Schedule
MANHOLE REHABILITATION**

#6.**RATE SCHEDULE****2014-15 MANHOLE REHABILITATION PROGRAM****CONTRACT NO. 2014.009**

ITEM NO.	DESCRIPTION	QUANTITY	UNITS	UNIT PRICE	TOTAL AMOUNT
1a	Traffic Control per Special Provision Section 18– Arterials, Collectors, Arterial Intersection and Turn Lane	1	Per Lane Closure	\$	\$
1b	Traffic Control per Special Provisions Section 18 – Residential (per manhole)	1	LS	\$	\$
2	Root Removal and Chemical Root Treatment Complete per Specification 09810.	1	Hour	\$	\$
3	Chemical Grout Injection Complete per Specification 03467.	1	Hour	\$	\$
4	Unimproved Area - Remove existing 4-foot SQ. concrete pad and replace with 4-foot square Class “B” concrete pad, 9-inches thick with 6” x 6” W.W.F. 10 gauge centered in concrete.	1	LS	\$	\$
5	Unimproved Area - Remove existing 6-foot SQ. concrete pad and replace with 6-foot square Class “B” concrete pad, 9-inches thick with 6” x 6” W.W.F. 10 gauge centered in concrete.	1	LS	\$	\$
6	Unimproved Area - Remove existing 8-foot SQ. concrete pad and replace with 8-foot square Class “B” concrete pad, 9-inches thick with 6” x 6” W.W.F. 10 gauge centered in concrete.	1	LS	\$	\$
7	Confined Space Entry per OSHA for District Inspection (per manhole)	1	EA	\$	\$

Bid Items 8 and 9 shall be constructed per Specification 03465 and District Standard Drawing S-1.					
Replace MH Frame and Covers					
ITEM NO.	DESCRIPTION	QUANTITY	UNITS	UNIT PRICE	TOTAL AMOUNT
8	Remove Existing and Install New 24-inch Diameter MH Frame and Cover. (Frame, cover and grade rings supplied by the District.)	1	EA	\$	\$
9	Remove Existing and Install New 36-inch Diameter MH Frame and Cover. (Frame, cover and grade rings supplied by the District.)	1	EA	\$	\$
Bid Items 10 thru 15 shall be performed per District Standard Specification 09810.					
Epoxy Coat 48-inch Diameter Manholes					
10	Epoxy -Coat Shelf Only in an Existing 48-inch Diameter MH	1	EA	\$	\$
11	Epoxy-Coat Existing 48-inch Diameter MH cost per linear foot of manhole depth from rim to pipe invert (fractional measurements will be rounded upward to the next whole foot)	1	LF	\$	\$
Epoxy Coat 60-inch Diameter Manholes					
12	Epoxy -Coat Shelf Only in an Existing 60-inch Diameter MH	1	EA	\$	\$
13	Epoxy-Coat Existing 60-inch Diameter MH cost per linear foot of manhole depth from rim to pipe invert (fractional measurements will be rounded upward to the next whole foot)	1	LF	\$	\$
Epoxy Coat 72-inch Diameter Manholes					
14	Epoxy -Coat Shelf Only in an Existing 72-inch Diameter MH	1	EA	\$	\$

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15	Epoxy-Coat Existing 72-inch Diameter MH cost per linear foot of manhole depth from rim to pipe invert (fractional measurements will be rounded upward to the next whole foot)	1	L.S.	\$	\$
Total Bid:					\$
ITEM NO.	DESCRIPTION	QUANTITY	UNITS	UNIT PRICE	TOTAL AMOUNT
16	Night Work Multiplier (Provide multiplier to be applied to each bid item performed per 8-hour work period during nighttime working hours as defined by the local jurisdiction.)	N/A	N/A	N/A	

TOTAL AMOUNT OF BID (WRITTEN IN WORDS):

Signature of Bidder: _____

Date: _____

It is understood that the foregoing quantities are approximate only and are solely for the purpose of facilitating the comparison of bids, and that the Contractor's compensation will be computed upon the basis of the actual quantities in the completed Work whether they be more or less than those shown.

Owner reserves the right to award the Work to the lowest responsible bidder based on any single schedule or combination of schedules of bid items deemed by Owner in its sole discretion, to be in Owner's best interest.

EXHIBIT 3

Work Order Form

[To be executed by DISTRICT and CONTRACTOR prior to commencement of job; again by DISTRICT for formal acceptance of completed work]

This Work Order is executed pursuant to the "AGREEMENT FOR ON-CALL MANHOLE REHABILITATION SERVICES BETWEEN MOULTON NIGUEL WATER DISTRICT AND _____ (Contract No. _____)" dated _____, 20__ ("Agreement"). The Agreement terms are fully incorporated in this Work Order. Terms used in this Work Order have the same meanings given in the Agreement.

Work Order No.: _____

Work Order Scope of Work: _____

Work Cost: \$ _____ [where not-to-exceed quote given]

Work Location: (address/intersection, City)

City Permit No.: _____

Time for Completion: _____

Notice to Proceed Given: [Date] _____

EXECUTED, ACKNOWLEDGE AND AGREED:

District's Representative /Title

Contractor's Authorized Representative- (print name here)

II. DISTRICT's ACCEPTANCE:

Pursuant to Section 6(b) of the Agreement, District accepts all work completed under this Work Order on the date below, subject to all terms of the Agreement.

_____ Date: _____

EXHIBIT 4**Prevailing Wage Requirements****PREVAILING WAGE**

The Contractor and any of its subcontractors shall comply with Labor Code Section 1775. In accordance with said Section 1775, the Contractor shall forfeit as a penalty to the State or District, not more than \$50.00 for each calendar day or portion thereof for each worker paid less than the stipulated prevailing rates as determined by the Labor Commissioner for such work or craft in which such worker is employed for any work done under the Agreement by the Contractor or by any of its subcontractor in violation of the provisions of the Labor Code and in particular, Labor Code Sections 1770 to 1780, inclusive. In addition to said penalty and pursuant to said Section 1775, the difference between such stipulated prevailing wage rates and the amount paid to each worker for each calendar day, or portion thereof, for which each worker was paid less than the stipulated prevailing wage rate, shall be paid to each worker by the Contractor. District will withhold penalties from Contractor's payments then due upon receipt of notification by the State Department of Industrial Relations divisions.

The specified wage rates are minimum rates only, and District will not consider and shall not be liable for any claims for additional compensation made by the District because of payment by District of any wage rate in excess of the general prevailing rates. All disputes in regard to the payment of wages in excess of those specified shall be adjusted by the District at its own expense.

TRAVEL AND SUBSISTENCE PAYMENTS

Each worker needed to execute the work must be paid travel and subsistence payments as defined in the applicable collective bargaining agreements.

APPRENTICES

Attention is directed to the provisions in Section 1777.5 and 1777.6 of the Labor Code concerning the employment of apprentices by the Contractor or any of its subcontractors.

The Contractor and any of its subcontractors shall comply with the requirements of Sections 1777.5 and 1777.6 of the Labor Code in the employment of apprentices.

Information relative to apprenticeship standards, wage schedules, and other requirements may be obtained from the Director of Industrial Relations, ex officio the Administrator of Apprenticeship, San Francisco, California, or from the Division of Apprenticeship Standards and its branch offices.

Willful violations of Section 1777.5 will result in a forfeiture of not more than \$100.00 for each calendar day of non-compliance which shall be withheld from progress payments by District upon notice from the Department of Industrial Relations. The District or any of its subcontractors that knowingly commits a second or subsequent violation of Section 1777.5 shall forfeit as a civil penalty the sum of not more than \$300.00 for each full calendar day of non-compliance. (Labor Code Section 1777.7.)

HOURS OF LABOR

The Contractor shall forfeit as a penalty to the District \$25.00 for each worker employed in the execution of the Agreement by the Contractor or any of its subcontractors for each calendar day during which such worker is required or permitted to work more than 8 hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of the Labor Code and, in particular, Section 1810 to Section 1815 thereof, inclusive, except that work performed by employees of Contractor in excess of 8 hours per day and 40 hours during any one week shall be permitted upon compensation for all hours worked in excess of 8 hours per day at not less than one and one-half times

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the basic rate of pay as provided in said Section 1815.

PAYROLL RECORDS

It shall be the responsibility of the Contractor to maintain an accurate payroll record showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each employee in accordance with Labor Code Section 1776, and to ensure that each subcontractor also complies with all provisions of Labor Code Section 1776 and this Agreement provision.

All payroll records shall be certified as accurate by the applicable Contractor or Contractor or its agent having authority over such matters.

The Contractor shall ensure that all payroll records are available for inspection at the Contractor's principal office during normal business hours and shall notify the District, in writing, of the place where all payroll records are located from time to time.

The Contractor shall furnish a copy of all payroll records, upon request, to employees or their authorized agents, to the District, to the Division of Labor Standards Enforcement, and to the Division of Apprenticeship Standards of the Department of Industrial Relations. The Contractor shall also furnish a copy of payroll records to the general public upon request provided the public request is made through the District, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement of the Department of Industrial Relations. In no event shall members of the general public be given access to payroll records at the Contractor's principal office.

Records made available to the general public in accordance with the prior paragraph shall be marked or obliterated in such a manner that the name and address of the Contractor and/or Contractor and the name, address, and telephone number of all employees does not appear on the modified record.

The Contractor shall file a certified copy of any requested payroll records with the entity that requested such records within ten days of the date a written request for payroll records has been received.

Failure of the Contractor to comply with any provision of this article or Labor Code Section 1776 within ten days of the date a written request for compliance is received shall result in a forfeiture of \$25.00 per calendar day or portion thereof, for each worker, until strict compliance is obtained. Upon notification by the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement of the Department of Industrial Relations, the District shall withhold penalties under this article or Labor Code Section 1776 from the Contractor's payments then due.

COPY OF PREVAILING WAGE RATES

The District shall post a copy of the general prevailing rate of per diem wages at the job site pursuant to Section 1773.2 of the California Labor Code. Copies of the prevailing rate of per diem wages are on file at District's principal office and shall be made available upon request.

*** In the event of any discrepancies between this Exhibit and any of the statutory sections cited above, or any successor provisions thereto, the statutory terms and requirements shall control and are incorporated prospectively by this reference.**

EXHIBIT 5

Payment Bond

EXHIBIT 6

**MOULTON NIGUEL WATER DISTRICT
MANHOLE REHABILITATION SERVICES
(Fiscal Year 2013-14)**

WORKERS' COMPENSATION DECLARATION

I hereby affirm under penalty of perjury one of the following declarations:

(ONE OF THE BOXES BELOW MUST BE CHECKED, AND FORM SIGNED BELOW)

I have and will maintain a certificate of consent from the California Labor Commission to self-insure for workers' compensation, as provided for by Section 3700 of the Labor Code, for the performance of the repair work to be performed under this Agreement.

I have and will maintain workers' compensation insurance, as required by Section 3700 of the Labor Code, for the performance of the repair work to be performed under this Agreement. My workers' compensation insurance carrier and policy number are:

Carrier_____

Policy Number_____

I certify that, in the performance of the repair work on this Agreement, I shall not employ any person in any manner so as to become subject to the workers' compensation laws of California, and agree that, if I should become subject to the workers' compensation provisions of Section 3700 of the Labor Code, I shall forthwith comply with those provisions.

Date: _____

Contractor: _____

Authorized Officer/ Representative

WARNING: FAILURE TO SECURE WORKERS' COMPENSATION COVERAGE IS UNLAWFUL, AND SHALL SUBJECT AN EMPLOYER TO CRIMINAL PENALTIES AND CIVIL FINES UP TO ONE HUNDRED THOUSAND DOLLARS (\$100,000), IN ADDITION TO THE COST OF COMPENSATION, DAMAGES AS PROVIDED FOR IN SECTION 3706 OF THE LABOR CODE, INTEREST, AND ATTORNEY'S FEES.

EXHIBIT 7**Resolution of Construction Claims***

This Addendum is intended as a summary of the provisions of Article 1.5 (commencing with Section 20104) of Chapter 1 of Part 3 of Division 2 of the Public Contract Code (“Claims Resolution Statute”) and is subject to the actual provisions of the Claims Resolution Statute. This Addendum/ the Claims Resolution Statute shall govern the resolution of any claim of \$375,000 or less which may be made by the Contractor hereunder.

As used in this Addendum and the Claims Resolution Statute, “claim” is defined as a separate demand by Contractor for (a) a time extension, (b) payment of money or damages arising from the work, payment for which is not otherwise expressly provided for or Contractor is not otherwise entitled to, or (c) an amount, the payment of which is disputed by District.

Contractor shall make all claims in writing and include the documents necessary to substantiate the claims. Any claim by Contractor which is intended to invoke the procedures under the Claims Resolution Statute shall specify that the claim is being made pursuant to the Claims Resolution Statute. All claims by Contractor must be filed on or before the date of final payment; provided, however, nothing in this Addendum or the Claims Resolution Statute is intended to extend the time limits or supersede notice requirements which may otherwise be provided within the Agreement or the filing of claims by Contractor.

Claims Less Than \$50,000

District shall respond in writing within 45 days of receipt of the claim, or District may request, in writing, within 30 days of receipt of the claim, any additional documentation supporting the claim or relating to defenses or claims District may have against Contractor. If additional information is thereafter required, it shall be requested and provided upon mutual agreement of District and Contractor. If District requests additional documentation, District’s written response to the claim shall be submitted to Contractor within 15 days after receipt of the additional documentation, or within the same time period as used by Contractor in producing the additional documentation, whichever is greater.

Claims Over \$50,000 But Less Than \$375,000

District shall respond in writing within 60 days of receipt of the claim, or may request, in writing, within 30 days of receipt of the claim, any additional documentation supporting the claim or relating to defenses or claims District may have against Contractor. If additional information is thereafter required, it shall be requested and provided upon mutual agreement of District and Contractor. If District requests additional documentation, District’s written response to the claim shall be submitted to Contractor within 30 days after receipt of the additional documentation, or within the same time period as used by Contractor in producing the additional information, whichever is greater.

Procedure Following District's Response

If Contractor disputes District's written response, or District fails to respond within the time prescribed, Contractor may, by giving written notice to District within 15 days of receipt of District's response (or within 15 days of District's failure to respond), demand an informal conference to meet and confer for settlement of the issues in dispute. Upon such demand, District shall schedule a meet and confer conference within 30 days.

If after the meet and confer conference, any portion of the claim remains in dispute, Contractor may file a claim pursuant to Government Code Section 900 *et seq.*

*** In the event of any discrepancies between this Exhibit and the Claims Resolution Statute, the statute shall control.**



Moulton Niguel Water District

STAFF REPORT

TO: Board of Directors **MEETING DATE:** August 18, 2014

FROM: Marc Serna, Director of Engineering and Operations
Eva Plajzer, Assistant Director of Engineering

SUBJECT: Amendment to Engineering Design Services Agreement for the Pressure Reducing Stations Relocation Project

DIVISION: Three

SUMMARY:

Issue: Staff negotiated Amendment No. 4 for a scope and fee change to the agreement for the Pressure Reducing Stations (PRS) Relocation Project for Project Nos. 2010.018, 2011.010, 2011.012, and 2011.015.

Recommendation: It is recommended that the Board of Directors approve Amendment No. 4 to the Engineering Design Services Agreement with Tetra Tech, Inc. valued at \$9,400, for a total not-to-exceed contract amount of \$143,700; authorize the General Manager to execute the Amendment; and authorize the General Manager or designee to authorize change orders up to 10% of the agreement value from the project contingency.

Fiscal Impact: The Capital Improvement Program budget for Fiscal Year (FY) 2014-15 has sufficient project budgets in Fund 07, Replacement and Refurbishment for completion of all four projects.

BACKGROUND:

This project encompasses the relocation of four existing pressure reducing stations (PRS). The Wilkes, Hillary, and Largo PRS were constructed in the mid-1970s to accommodate growth in the Laguna Hills area. The Mathis-Oso Bypass PRS was reconstructed in 1990.

Three of the PRS (Wilkes, Hillary, and Largo) facilities are located in public residential streets with limited space for adequate access. Their locations and design make them difficult to safely access and properly maintain. In addition, the mechanical equipment within the existing vaults is old and spare parts are difficult to

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Amendment to Engineering Design Services Agreement for the Pressure Reducing Stations Relocation Project

August 18, 2014

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locate. Each facility must be relocated to locations that are more accessible to allow for staff to perform maintenance functions inside and meet current District standards.

The Mathis-Oso Bypass PRS is a two-vault facility, a metering vault and PRS, located in the middle of travel lanes on Oso Parkway, a prime arterial with a 50 mile per hour speed. The existing metering vault was used to meter flows between two distinct service areas within the same pressure zone and is no longer needed. This vault needs to be removed and the zone piping reconnected. The PRS vault between zones 650 and 450 needs to be relocated out of the through travel lanes and upgraded to current District standards. The PRS vault design also needs to have increased capacity to move water from the northeast of the District, where significant water supply connections are located, to the rest of the service area.

DISCUSSION:

In 2011, staff issued a request for proposals (RFP) for Engineering Design Services to develop the design, prepare the construction documents, and provide construction support for the relocations of the four PRS. Tetra Tech, Inc. was selected and awarded the agreement for \$108,000. The agreement with Tetra Tech, Inc has been amended three times to accommodate District-initiated changes in design. The Amendments are listed below:

- Amendment No. 1 – This amendment provided analysis to determine if some areas could be transferred to an upper zone without the PRS. The agreement amount was revised from \$108,000 to \$122,400.
- Amendment No. 2 – The location that staff initially identified for the relocation of the Mathis-Oso Bypass PRS became infeasible and additional design efforts were required to prepare construction documents at another location. The agreement amount was revised from \$122,400 to \$134,300 utilizing contingency funds.
- Amendment No. 3 – During the design effort for the Wilkes, Hillary, and Largo PRS staff provided design direction to Tetra Tech, Inc. that required preparation of additional construction documents. Staff deleted some items from Tetra Tech's scope to accommodate this amendment for a no-cost amendment.

During the final review phase of the construction document for Wilkes, Hillary, and Largo PRS, staff requested that Tetra Tech, Inc. consider the feasibility of these design changes and provide a quote to amend the construction documents:

- Revise the design to eliminate conversion of four meters from the 450 zone to 650 zone, which ultimately will eliminate installation of pressure regulators to four District customers.
- Reduce the depth of two of the vaults from 8-feet to 5-feet to eliminate

Amendment to Engineering Design Services Agreement for the Pressure Reducing Stations
Relocation Project
August 18, 2014
Page 3 of 3

confined space.

- Revise piping layout within vaults to increase the pipe-to-wall clearance to increase access for maintenance.
- Include provisions for permanent power to the Wilkes, Hillary, and Largo relocated PRS.

Tetra Tech, Inc. provided an additional scope and fee of \$9,400 to perform the tasks associated with these requested changes. Staff determined that the additional effort and fee are necessary and reasonable to complete final design work. In addition, staff requests that the design contingency be increased to \$14,000, to allow the General Manager to approve change orders up to 10% of the contract value.

SUMMARY OF PROJECT BUDGET:

	Current Budget	Requested Budget Changes	Revised Budget	Expended to Date
Project Items				
Design Services: Tetra Tech Contract	\$134,300	\$9,400	\$143,700	\$105,271
Design Contingency	\$100	\$13,900	\$14,000	\$0
District Labor & Other*	\$15,000	\$0	\$15,000	\$12,745
Construction	\$1,300,600	\$(23,300)	\$1,277,300	\$0
Totals	\$1,450,000	\$0	\$1,450,000	\$118,016
*HDR Engineering performed preliminary feasibility modeling for Mathis-Oso Bypass upsizing; title searches; surveying; capitalized interest, etc.				

Attachment: Amendment No. 4 with Tetra-Tech

**AMENDMENT NO. 4 TO AMEND AND EXTEND AGREEMENT
FOR ENGINEERING SERVICES BETWEEN MOULTON NIGUEL WATER DISTRICT AND
TETRA TECH, INC.
PROJECT NO. 2011.010, 2011.012, 2011.015, 2010.018**

This Amendment No. 4 is entered into and effective as of the _____ day of _____, 2014, amending the agreement dated November 11, 2011 (the "Agreement") by and between the Moulton Niguel Water District, a California Water District ("MNWD"), and TETRA TECH, INC., ("Contractor") (collectively, the "Parties") for engineering design services for replacement of pressure reducing vaults.

RECITALS

A. On July 7, 2014, the Parties executed Agreement No. 3 to revise the scope of work for the Mathis Oso PRS to change function of the facility to include flow control and construction support services for a net zero cost amendment and to extend the agreement until March 31, 2015; and

B. On March 25, 2014, the Parties executed Amendment No. 2 to the Agreement to relocate the facilities from the parkway to the west bound left turn pocket; and

C. On October 10, 2012, the Parties executed Amendment No. 1 to the Agreement to perform system hydraulic analysis; and

D. The Parties have negotiated and agreed to a revised scope of work, which is attached to and incorporated in by this reference as Exhibit "A", Scope of Services and Fee.

NOW, THEREFORE, in consideration of these recitals and the mutual covenants contained herein, MNWD and Contractor agree as follows:

1. In addition to those services contained in the Agreement, as may have been amended from time to time, Contractor will provide those services described in Exhibit "A". With this Amendment, the total annual Agreement amount shall not **exceed one hundred forty three thousand seven hundred dollars (\$143,700)**.

2. MNWD will pay Contractor for all work associated with those services described in Exhibit "A" on a time and materials basis not-to-exceed **nine thousand four hundred dollars (\$9,400)**. Contractor will provide MNWD, on a monthly basis, copies of invoices sufficiently detailed to include hours performed, hourly rates, and related activities and costs for approval by MNWD.

3. All other provisions of the Agreement, as may have been amended from time to time, will remain in full force and effect. In the event of any conflict or inconsistency between the Agreement and previous amendments and this Amendment No. 4, the terms of this Amendment No. 4 shall control.

4. All requisite insurance policies to be maintained by the Contractor pursuant to the Agreement, as may have been amended from time to time, will include coverage for this Amendment.

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5. The individuals executing this Amendment and the instruments referenced in it on behalf of Contractor each represent and warrant that they have the legal power, right and actual authority to bind Contractor to the terms and conditions of this Amendment.

CONTRACTOR
TETRA TECH, INC.

MOULTON NIGUEL WATER
DISTRICT, a California Water District

*By:

By:

(sign here)

Joone Lopez
General Manager

(print name/title)

EXHIBIT "A"

SCOPE OF SERVICES AND FEE

#7.



TETRA TECH

July 23, 2014

Ms. Eva Plajzer, P.E., Assistant Director of Engineering
Moulton Niguel Water District
27500 La Paz Road
Laguna Niguel, CA 92677

**Reference: PRS Relocation Project
Contract Nos. 2011.010, 2011.012, and 2011.015, and 2010.018
Extra Work Request – Amendment No. 4**

Dear Ms. Plajzer:

Tetra Tech has been providing services for the above mentioned project since November 2011. Our original approved budget for the project was \$108,000. By Amendment No. 1, Tetra Tech performed a fire flow analysis for additional budget of \$14,400. By Amendment No. 2, Tetra Tech relocated the Mathis-Oso Bypass from the north parkway to the west bound left turn pocket due to issues obtaining the necessary easement within the parkway. By Amendment No. 3, Tetra Tech will revise the Mathis-Oso Bypass facility as requested by the District's comments on the 90% plan submittal. It should be noted that Amendment No. 3 was a net zero cost amendment which reduced the construction support services to match the requested additional design budget.

Tetra Tech previously submitted the 90% plans and specifications for the 2011 PRS Relocation (Hillary, Largo and Wilkes) Project and received comments on this submittal from the District. During the 100% final QA/QC process, a question was raised relative to the Largo PRS facility and how to maintain service to the surrounding residences. Tetra Tech sent an e-mail to the District on June 17th, 2014 requesting direction on two (2) options for minimizing the outage during the construction of the new PRS facility. The District replied by e-mail that the quick valve (Option 1) was acceptable. Based on this direction, Tetra Tech completed the 100% plans and specifications incorporating the District's comments on the 90% plan submittal.

Based on the District's comments on the 100% plan submittal, the District is requesting Tetra Tech to make several design changes that require more than anticipated revisions to the 100% plans. From our view point, if the District changes its direction after we have completed the 90% design plans, then the changes requested are additional work and we should receive appropriate budget increase to make the changes.

Extra Work

Item 1: Largo PRS Facility – Extension of 650 Zone Pipeline

Based on the District's comments on the 100% plan submittal, Tetra Tech will be required to delete the quick valve, temporary highline and the conversion of the three services from 450 Zone to 650 Zone, and construct about 180 feet of 650 zone piping from the existing PRV vault to the new PRS facility.

Tetra Tech, Inc.

17885 Von Karman Avenue, Suite 500, Irvine, CA 92614-6213

Tel 949.809.5000 Fax 949.809.5010 www.tetrattech.com

Ms. Eva Plajzer
 July 23, 2014
 Page 2

This revision will include the following:

- Deletion of the quick valve, temporary highline notes, pressure regulator detail, and service conversion notes;
- Revise the Largo PRS profile due to the new profile of the 650 pipe extension and the need to cross beneath the existing 450 Zone pipeline;
- New plan view callouts and profile for the 180 feet of the 650 Zone pipe extension;
- Delete the Largo ACP Connection Detail on Drawing D-504 and replace with new detail of the connection east of the existing PRV vault.
- Add a detail for the new fire hydrant connection west of the existing PRV vault.

Item 2: Butterfly Valves instead of Gate Valves (within PRS facilities)

For all three PRS facilities, the District requested that the gate valves (with hand wheel) be revised to a butterfly valve with hand wheel. This is not just a callout change as you can not bolt a butterfly valve to a pressure reducing valve. The piping layout will need to be revised to provide a spool between the butterfly valve and the pressure reducing valve. There is adequate room within the vaults to make this change as two gate valves have a lay length of about 23-inches and two butterfly valves have a lay length of about 12 inches. Therefore, we will be able to add a 11-inch long spool between the pressure reducing valve and the butterfly valve with no change to the vault dimensions. However, the plan view and Section A for all three vaults will need to be revised.

Item 3: PRS Typical Layout

The District requested the 2-inch PRV piping be located twenty-inches from the inside wall face instead of the 14-inches that was shown on the 100% Plans. This is not just a callout change as this will impact both the 6-inch piping (stationing of the lateral piping) and the 2-inch piping within the vault. The plan view and Section B for all three vaults will need to be revised as well as the plan and profile for each of the PRS laterals.

Item 4: Stockport PRS Site Layout

The District requested a curb or two-course block wall around the proposed PRS facility. This will require modifying the plan view view on Drawing C-103 as well as the plan view and Section A and Section B on Drawing D-303. We will also need to adjust the proposed easement to account for the block wall. Due to the other changes being done at the Stockport PRS site, we will be able to perform this work as part of the other changes so additional monies will not be requested.

Item 5: Barents and Stockport PRS Facilities

The District requested the vault depth be no more than five (5) feet deep so that it will not be a confine space. This change will include revising the profiles on C-101 and C-103 as well as the Sections on Sheet D-301 and D-303. At the same time we will remove the ventilation at both of the PRS facilities.

Ms. Eva Plajzer
 July 23, 2014
 Page 3

Item 6: Barents, Largo and Stockport PRS Facilities

The District will work with Edison to provide power to all three sites. The District has requested Tetra Tech to revise the typical electrical PRS layout to include this change, which will include the removal of the quick connect. The PRS site plans will show the conduit and wiring from the vault to a pull box located outside of the concrete slab. The District will be responsible to construct the conduit and wire from the service panel to the pull box. The typical PRS electrical plan will show the wiring and location of the facilities (ventilation in the Largo PRS only).

Item 7: Specification Changes

The specifications will need to be revised to address each of the above changes, specifically the revisions at Largo PRS. References to the temporary highline will need to be deleted. In addition, the new pipe extension will need to be added to the bid schedule as well as the description of the work.

Item 8: Deletion of Construction Support Services (except for Record Drawings)

The remaining construction support services, RFIs and shop drawings, will be deleted from our scope of work. Tetra Tech will still prepare Record Drawings for each of the bid packages.

Schedule

Tetra Tech will be able to begin work immediately to revise the 100% plans and specifications upon receiving written notice to proceed. Tetra Tech will submit the revised 100% plans and specifications to the District and the City of Laguna Hills within four (4) weeks from the Notice to Proceed.

Budget Summary

Tetra Tech will perform the above extra work on a time and material basis for the following not-to-exceed budget:

<i>Item No.</i>	<i>Description of Additional Items of Work</i>	<i>Requested Budget</i>
1	Largo PRS Facility – Extension of 650 Zone Pipeline	\$ 4,500
2	Butterfly Valves instead of Gate Valves	\$ 1,500
3	PRS Typical Layout	\$ 1,200
4	Stockport PRS Site Layout	\$ 0
5	Barents and Stockport PRS Facilities	\$ 3,978
6	Barents, Largo and Stockport PRS Facilities	\$ 1,100
7	Specification Changes	\$ 800
	Delete Construction Support Services	<\$ 3,678>
	Total	\$ 9,400

We have included herewith a summary of the person-hour estimate for the extra work.

Ms. Eva Plajzer
July 23, 2014
Page 4

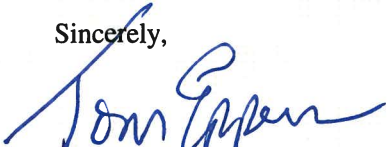
The following is a summary of our reduced construction support services.

<i>Construction Support Services</i>	<i>Original Proposal</i>	<i>Previous Reduction of Fee</i>	<i>Additional Reduction of Fee</i>
Attend Pre-construction Meeting (2)	\$ 1,100	< \$1,100 >	\$ 0
Construction Staking (2 bid packages)	\$ 7,290	< \$7,290 >	\$ 0
RFIs (5) per Bid Package	\$ 2,600	< \$2,080 >	< \$ 520 >
Shop Drawings (20) per Bid Package	\$ 8,250	< \$5,650 >	< \$ 2,600 >
Site Visits (5) total for both packages	\$ 1,750	< \$1,750 >	\$ 0
Record Drawings	\$ 1,652	\$ 0	< \$ 0 >
Reproduction/Mileage	\$ 2,158	\$ 0	< \$558 >
Total Construction Support Services	\$ 24,800	< \$17,870 >	< \$ 3,678 >

We are requesting approval of the requested design budget increase. If this request for a budget increase is acceptable to you, please sign in the space provided and return one copy to our office.

If you have any questions, please do not hesitate to call.

Sincerely,



Tom Epperson, P.E.
Project Manager

TLE/te

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Attachment

RECEIPT OF THIS REQUEST FOR BUDGET INCREASE AMENDMENT IS ACKNOWLEDGED AND THE CONDITIONS CONTAINED HEREIN ARE ACCEPTED BY MNWD.

APPROVED FOR: Moulton Niguel Water District CONTRACT NO.: 2011.010, .012 & 2011.015

BY: _____ TITLE: Assistant Director of Engineering DATE: _____
Eva Plajzer, P.E.

PRRS Relocation Project

**Revised Extra Work Request
Amendment No. 4
Fee Summary**

Task Description	Fees							TOTALS		
	SR Project Manager	Project Manager	Project Engineer	Design Engineer	CADD	WP	Total Hours		Labor	Sub-Contractors Reimbursables
Extra Work										
1 Largo PRRS Facility - Extension of 650 pipe										
Drawing C-102 Plan View	1	0	2	4	4	0	11	\$1,567	\$33	\$1,600
Drawing C-102 Profiles	0	0	2	4	4	0	10	\$1,292	\$8	\$1,300
Drawing Dwg D-504	1	0	2	4	4	0	11	\$1,567	\$33	\$1,600
2 Butterfly Valves Instead of Gate Valves	1	0	1	4	4	0	10	\$1,417	\$83	\$1,500
3 PRRS Typical Layout	0	0	1	4	4	0	9	\$1,142	\$58	\$1,200
4 Stockport PRR Site Layout	0	0	0	0	0	0	0	\$0	\$0	\$0
5 Barents and Stockport PRR Facilities	2	0	6	6	14	0	28	\$3,898	\$80	\$3,978
6 Barents, Largo and Stockport PRR	0	1	2	0	4	0	7	\$1,055	\$45	\$1,100
7 Specification Changes	1	0	2	0	0	2	5	\$755	\$45	\$800
Delete Portion of Construction Services	0	0	0	0	0	0	0	-\$3,678	\$0	-\$3,678
Subtotal	6	1	18	26	38	2	91	\$9,015	\$385	\$9,400
Total	6	1	18	26	38	2	91	\$9,015	\$385	\$9,400



Moulton Niguel Water District

STAFF REPORT

TO: Board of Directors **MEETING DATE:** August 18, 2014

FROM: Marc Serna, Director of Engineering and Operations
Megan Geer, Contracts and Procurement Manager

SUBJECT: Bulk Fuel Delivery Services Agreement

DIVISION: District-wide

SUMMARY:

Issue: Staff requires authorization to enter into a two-year service agreement for the purchase and delivery of bulk fuel and oil products.

Recommendation: It is recommended that the Board of Directors award a two-year service agreement to Nickey Petroleum Co., Inc. for a total not-to-exceed amount of \$680,000 (\$340,000 per year) for the purchase and delivery of unleaded fuel, diesel fuel, and motor oil lubricants during Fiscal Years 2014-15 and 2015-16; and authorize the General Manager to execute the agreement.

Fiscal Impact: Sufficient funds are included in the Fiscal Year 2014-15 and 2015-16 operating budgets.

BACKGROUND:

The fuel pumping station located at the District's 2A Plant consists of a 10,000 gallon double compartment, underground storage tank divided into an 8,000-gallon unleaded fuel compartment and a 2,000-gallon diesel fuel compartment. The fuel pumping station enables staff to fill the District's 89 fleet vehicles, including both standard vehicles and heavy construction equipment, for District use. The on-site fuel is also used to supply fuel to the District's 35 emergency back-up generators for the wastewater, sewer, and potable water pumps.

The District's annual fuel usage ranges from 70,000 to 90,000 combined gallons of unleaded and diesel fuels. Annual automotive motor oil usage averages 700 combined gallons of two different weights/types of oil. The oil is stored in two 180 gallon tanks.

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Bulk Fuel Delivery Services Agreement

August 18, 2014

Page 2 of 2

Fuel orders are typically placed every other week, but may occur more or less frequently as usage dictates. Motor oil is typically ordered twice during a year.

DISCUSSION:

Staff issued a Request for Proposal (RFP) to four experienced bulk fuel and motor oil delivery service providers. Two qualified proposals were received and reviewed by staff.

Fuel pricing was quoted on a cost-plus model using the current Oil Price Information Service (OPIS) daily average rack pricing as the base price. Proposer's pricing consisted of the OPIS daily average cost per gallon, plus or minus Proposer's stated margin. Additional fees, such as delivery charges and surcharges are included in this margin. The quoted margin will remain firm for the entire term of the contract. The oil pricing is quoted as per gallon.

The pricing from the two qualified respondents is below:

Summary of Proposals for Bulk Fuel Delivery Services				
Vendor	Unleaded (OPIS +)	Diesel (OPIS +)	CJ4 Oil/gal	10-30 Oil/gal
Nickey Petroleum	+\$0.099	+\$0.099	\$11.35	\$8.20
SKS Oil	+\$0.130	+\$0.130	\$9.25	\$8.75

Although Nickey Petroleum's CJ4 oil has a higher price per gallon, with the estimated annual volume of fuel purchases at the lower fuel margin and the lower priced 10-30 oil, Nickey Petroleum's overall estimated annual cost is lower than that of SKS Oil.

Based on their pricing, staff is recommending the District enter into an agreement with Nickey Petroleum Co., Inc., for a not-to-exceed amount of \$680,000 for a two-year agreement term.

A draft service agreement is attached for reference. The District's standard ten day termination clause is included as a provision in the agreement.

Attachment: Bulk Fuel Delivery Services Agreement

BULK FUEL DELIVERY SERVICE AGREEMENT

THIS AGREEMENT is made and entered into on _____ 2014 (the “Effective Date”), by and between the MOULTON NIGUEL WATER DISTRICT, hereinafter referred to as “MNWD”, and _____, hereinafter referred to as “Contractor”. MNWD and Contractor are sometimes hereinafter individually referred to as “Party” and hereinafter collectively referred to as the “Parties”.

RECITALS

A. MNWD has determined there is a need for bulk fuel and motor oil delivery services.

B. MNWD desires to utilize the services of Contractor to provide bulk fuel and motor oil delivery services, as described in Exhibit “A” attached hereto (hereinafter, the “Services”).

C. Contractor is qualified to accomplish the necessary Services and has agreed to provide such Services to MNWD.

NOW, THEREFORE, in consideration of the promises and mutual benefits, which will result to the Parties in carrying out the terms of this Agreement, it is mutually agreed as follows:

AGREEMENT

1. Scope of Agreement.

MNWD agrees to retain Contractor, and Contractor agrees to provide all Services as described in “Exhibit A” attached hereto and incorporated herein by reference. Contractor agrees that its provision of Services under this Agreement shall be within accepted standards for such services.

2. Term.

This Agreement shall continue in effect for two (2) years commencing on the Effective Date, unless otherwise terminated by either party pursuant to Section 5 herein. This Agreement may be extended, at MNWD’s option, for one additional 12-month term, at the prices in the Fee Schedule listed in **Exhibit B**. Subject to MNWD’s sole discretion, an extension will be based upon a satisfactory review of Contractor’s performance, MNWD’s needs, and appropriation of funds by the MNWD Board of Directors. The parties will prepare a written amendment indicating the effective date and length of the extended Agreement.

3. Time for Completion.

The time for completion of the Services to be performed by Contractor is an essential condition of this Agreement. Contractor shall prosecute regularly and diligently the work of this Agreement according to reasonable schedules established by MNWD. Contractor

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shall not be accountable for delays in the progress of its work caused by any condition beyond its control and without the fault or negligence of Contractor.

4. Compensation.

MNWD shall pay Contractor total compensation for Services in accordance with Exhibit "A" attached hereto and by reference made a part of this Agreement. The total compensation paid for services pursuant to the Agreement cannot exceed

Contractor shall submit detailed invoices, based upon services provided, accompanied by backup documentation as requested by MNWD. Contractor shall provide MNWD with a monthly itemization of all work performed, and the fees accrued thereon, in complete and sufficient detail to fully apprise MNWD thereof.

5. Termination.

Either party may terminate this Agreement in whole or in part at any time, without cause, upon giving the other party ten (10) days' written notice. In the event of such termination, Contractor shall be entitled to compensation for work performed through and including the effective date of termination.

Additionally, MNWD may suspend performance by Contractor of any or all services listed in the Scope of Work under this Agreement by providing written notice to Contractor at least five (5) working days prior to the date on which MNWD wishes to suspend; provided, upon receipt of such notice, Contractor shall immediately suspend any work or services hereunder, unless otherwise instructed by MNWD in such notice.

Contractor shall not perform further work under this Agreement after the effective date of suspension until receipt of written notice from MNWD to resume performance. MNWD and Contractor agree that in the event MNWD suspends or terminates performance by Contractor for any cause other than the intentional or negligent error or omission of Contractor, Contractor shall be entitled to payment of compensation incurred prior to the effective date of the suspension or termination, as determined under Section 4 of this Agreement.

6. Relationship Between the Parties.

A. The relationship between the Parties hereto is that of an independent contractor, and nothing herein shall be deemed to make Contractor a MNWD employee. During the performance of this Agreement, Contractor and its officers, employees, agents, and subcontractors shall act in an independent capacity and shall not act as MNWD officers, employees, or agents. The personnel performing the Services under this Agreement on behalf of Contractor shall at all times be under Contractor's exclusive direction and control. Neither MNWD nor any of its officers, employees, agents, or subcontractors shall have control over the conduct of Contractor or any of its officers, employees, or agents, except as set forth in this Agreement. Contractor, its officers, employees, agents, or

subcontractors shall not maintain an office or any other type of fixed business location at MNWD's offices.

B. Contractor shall not incur or have the power to incur any debt, obligation, or liability against MNWD, or bind MNWD in any manner.

C. No MNWD benefits shall be available to Contractor, its officers, employees, agents, or subcontractors in connection with any performance under this Agreement. Except for fees paid to Contractor as provided for in this Agreement, MNWD shall not pay salaries, wages, or other compensation to Contractor for the performance of Services under this Agreement. MNWD shall not be liable for compensation or indemnification to Contractor, its officers, employees, agents, or subcontractors for injury or sickness arising out of performing Services hereunder.

7. Insurance.

A. In addition to the requirements set forth herein, during the entire term of the Agreement, Contractor will pay for and maintain, in full force and effect, all insurance required by MNWD as listed in this Section 7. Contractor shall not commence services under the Agreement until it has obtained all insurance required by the Agreement. Executed certificates of insurance and all required endorsements evidencing the required coverage detailed in this Section 7 shall be provided by Contractor with the Contractor's executed copy of this Agreement, and prior to commencement of any services.

1. General Liability / Automobile Liability Insurance. Contractor and each of its subcontractors shall maintain throughout the term of this Agreement a General Liability policy of insurance for bodily injury and/or death, personal injury and property damage claims which may arise from or in connection with the performance of the work under this Agreement by Contractor and its subcontractors, and each of their agents, representatives, or employees. Such public liability and property damage insurance (which shall cover claims, injury, death, loss or damage or accidents arising the use or operation of any automobiles, trucks and/or other mobile or stationary equipment, whether owned, non-owned or hired) shall be comprehensive in form and shall be on a "per occurrence" basis in a minimum amount of One Million Dollars (\$1,000,000) per occurrence and an annual aggregate limit in a minimum amount at least twice the per occurrence limit specified in this section with such aggregate to apply separately to the Project.

All insurance provided under this Section 7.A.1 shall name MNWD and its' directors, officers, employees and representatives as additional insureds under each such policy ("additional insureds") and an additional insured endorsement shall be provided in a form acceptable to MNWD.

2. Worker's Compensation. By its signature hereunder, Contractor certifies that it is aware of the provisions of Section 3700 of the California Labor Code which

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requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and that Contractor will comply with such provisions before commencing the performance of work under this Agreement. Contractor and subcontractors shall maintain throughout the term of this Agreement workers' compensation insurance with limits no less than the statutory limits, and Employer's Liability insurance with limits no less than One Million Dollars (\$1,000,000) per accident and per disease for their employees and shall file with the MNWD the certificate required by Labor Code Section 3700. The workers compensation/Employer's Liability insurance shall be endorsed with a waiver of subrogation in favor of MNWD and its' directors, officers, employees and representatives.

3. Requirements of All Policies. All policies of insurance required under this Section 7 shall be from insurance providers who are either admitted or licensed to do business in California, or are Surplus Lines Carriers authorized to do business in California, and who have financial size and ratings of no less than A-, Class VII, and in either case are otherwise acceptable to MNWD. All such policies shall include a provision and executed endorsement for thirty (30) days prior written notice by certified mail, return receipt requested, to MNWD of any cancellation or material alteration of such insurance. Contractor shall provide original certificates and endorsements for all such insurance on forms approved by MNWD in conformity with all requirements of this Agreement prior to commencement of any work or professional services. The policies required hereunder shall be endorsed to include contractual liability.

In the case of additional insured provisions, any insurance afforded the additional insureds by this Agreement is primary insurance as to the additional insureds. Any insurance or self-insurance maintained by the additional insureds shall be excess of the Contractor's (and its subcontractor's) insurance, and shall not contribute to such insurance.

Any deductibles or self-insured retentions must be declared in writing and approved by MNWD. At the option of MNWD, either: the insurance provider(s) shall reduce or eliminate such deductibles or self-insured retentions as respects the MNWD and its' directors, officers, employees and representatives; or the Contractor shall provide a financial guarantee satisfactory to MNWD guaranteeing payment of losses and related investigations, claim administration and defense expenses. Maintenance of insurance coverage as specified in this Agreement is a material term of this Agreement, and any failure to maintain or renew coverage, or to provide evidence thereof, as required by the terms is a material breach of this Agreement.

Nothing in the insurance requirements set forth in this Agreement is to be construed as limiting the liability of Contractor or Contractor's insurers or sureties. Contractor agrees that the provisions of this Section 7 shall not be construed as limiting in any way the extent

to which Contractor may be held responsible for the payment of damages or other costs to MNWD, or any persons or property, resulting from Contractor's activities or the activities of any person or persons for which Contractor is otherwise responsible, including Contractor's subcontractors, if any.

8. Indemnity.

To the fullest extent allowed by law, Contractor agrees to indemnify, defend and hold harmless MNWD, its Board Members, officers, officials, agents and employees, harmless against any and all liability, claims, judgments, costs, and demands, including demands arising from injuries or death of persons (Contractor's employees included) and damage to property, arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by Contractor, save and except claims or litigation arising through the sole negligence or sole willful misconduct of MNWD and will make good to and reimburse MNWD for any expenditures, including reasonable attorneys' fees, MNWD may incur by reason of such matters, and if requested by MNWD, will defend any such suits at the sole cost and expense of Contractor.

In the event Contractor or its insurer refuses or fails to provide a legal defense to MNWD after receiving written notice of the legal action and a tender and demand for defense, MNWD shall have the right to select counsel of its own choice to represent all the MNWD's interests. Contractor agrees that the amount of legal costs and expenses including attorneys' fees may be withheld by MNWD from any Agreement amounts due and owing to Contractor until such time as a final determination is made as to the responsibility for payment of the fees and costs.

This indemnity obligation shall survive the expiration or termination of this Agreement and/or the performance or completion of the Services. This indemnity obligation shall apply to all liability regardless of whether any insurance is applicable, and the policy limits of any insurance shall not act as a limitation upon the indemnification, and amounts related thereto, to be provided by Contractor under this Agreement.

9. Compliance with Law.

Contractor certifies by the execution of this Agreement the following: that it pays employees not less than the minimum wage as defined by law and that it does not discriminate in its employment with regard to race, color, religion, sex, or national origin. Contractor shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any Services, including but not limited to the satisfaction of any positive obligations required of Contractor thereby.

10. Notices.

All notices or other communications required or permitted hereunder shall be in writing and shall be personally delivered or sent by registered or certified mail, postage prepaid, return receipt requested, delivered or sent by electronic transmission, and shall be

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deemed received upon the earlier of: (i) the date of delivery to the address of the person to receive such notice if delivered personally or by messenger or overnight courier; (ii) three (3) business days after the date of posting by the United States Post Office if by mail; or (iii) when sent if given by electronic transmission. Any notice, request, demand, direction, or other communication sent by electronic transmission must be confirmed within forty-eight (48) hours by letter mailed or delivered. Notices or other communications shall be addressed as follows:

To MNWD - Attn: Director of Engineering and Operations
 Moulton Niguel Water District
 27500 La Paz Road
 Laguna Niguel, CA 92677-3489

To CONTRACTOR – Attn:

Either Party may, by written notice to the other, designate a different address, which shall be substituted for that specified above.

11. Licenses and Qualifications.

Contractor represents and warrants to MNWD that it has obtained all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice its profession. Contractor represents and warrants to MNWD that Contractor shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement, any license, permit or approval which is legally required for Contractor to perform its professional duties under this Agreement.

12. Agreement Execution Authorization.

Each of the persons executing this Agreement represent and warrant that they are authorized to sign this Agreement on behalf of the entity for which he/she is signing and empowered to bind such entity.

13. Jurisdiction.

This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. In the event of any legal action to enforce or interpret this Agreement, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the parties agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure 394. This Agreement shall be construed as a whole according to its fair language and

common meaning to achieve the objectives and purposes of the Parties hereto, and the rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not be employed in interpreting this Agreement, all Parties having been represented by counsel in the negotiation and preparation hereof.

14. Attorneys' Fees.

If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing Party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which he may be entitled.

15. Waiver.

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. Any waiver by the Parties of any default or breach of any covenant, condition, and term contained in this Agreement, shall not be construed to be a waiver of any subsequent or other default or breach, nor shall failure by the Parties to require exact, full, and complete compliance with any of the covenants, conditions, or terms contained in this Agreement be construed as changing the terms of this Agreement in any manner or preventing the Parties from enforcing the full provisions hereof.

16. Modifications and Amendments to Agreement.

No modification or amendment of this Agreement or any of the provisions hereof shall be effective for any purpose unless set forth in writing signed by duly authorized representatives of both Parties.

17. Successors in Interest.

This Agreement shall be binding upon and inure to the benefit of the Parties' successors and assignees.

18. Assignments.

No assignment by Contractor of this Agreement or any part hereof, or of funds to be received hereunder, will be recognized by MNWD unless such assignment has had prior written approval and consent of MNWD, which consent will not be unreasonably withheld.

19. Entire Agreement.

This Agreement and its Exhibits constitutes the entire understanding and agreement of the Parties hereto and supersedes all previous negotiations, discussions, and agreements between the Parties with respect to the subject matter hereof. No parol evidence shall be permitted to contradict or vary the terms of this Agreement.

20. Severability.

Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this

#8.

Agreement shall be invalid under the applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of that provision, or the remaining provisions of this Agreement.

21. Recitals.

The Recitals above are hereby incorporated into this section as though fully set forth herein and each Party acknowledges and agrees that such Party is bound, for purposes of this Agreement, by the same.

22. Conflicts.

To the extent that there is any conflict between the provisions of this Agreement and any other agreement or document between the parties regarding the subject matter of this Agreement, the terms and conditions of this Agreement shall govern.

IN WITNESS WHEREOF, this Agreement has been executed in the name of MNWD, by its officers thereunto duly authorized, and Contractor as of the Effective Date of the Agreement as defined herein.

Moulton Niguel Water District

By: _____

Joone Lopez

General Manager

Contractor

By: _____

Title: _____

EXHIBIT A
SCOPE OF WORK

#8.

EXHIBIT B
FEE SCHEDULE

Moulton Niguel Water District



STAFF REPORT

TO: Board of Directors **MEETING DATE:** August 18, 2014

FROM: Matt Collings, Assistant General Manager

SUBJECT: OC-88 Meter Discrepancies

DIVISION: District - wide

SUMMARY:

Issue: The Metropolitan Water District of Southern California (MET) owned master meter at OC-88 was consistently 3 - 3.5% higher than the sum of the seven downstream meters owned by the South County Agencies resulting in an overbilling to the retail agencies on the South County Pipeline.

Recommendation: This is an information item only.

Fiscal Impact: Potential refund from MET in the amount of \$3,393,493 pending MET Board approval.

DISCUSSION:

In October 2004, MET installed a flowmeter at the OC-88 service connection. At the time of installation, the manufacturer made an error to the internal diameter of the meter, which was used as part of the meter calibration process. The internal diameter used was 65.256 inches instead of the actual internal diameter of 64.075 inches. The false measurement did not take into account the mortar lining within the pipe. Over the years, the differences have been greater than the 1% accuracy we would normally expect and were often beyond the acceptable 2% meter error accuracy typically found to be acceptable. This miscalculation in internal pipe size caused the flow meter to consistently read 3–3.5% too high.

In February 2012, the Santa Margarita Water District and MNWD staff identified this issue with MET and Municipal Water District of Orange County (MWDOC) and questioned the accuracy of the master meter due to the discrepancies. The statistical anomaly identified the flow through the OC-88 MET meter was typically

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OC 88 Meter Discrepancies

August 18, 2014

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higher than the sum of the downstream flow meters maintained by the individual retail agencies receiving flow through the OC-88 MET meter. This, in turn, resulted in MNWD invoices being approximately \$32,000 a month higher than what was being measured by District meters.

A calibration test in November 2013 confirmed that the meter had not been properly calibrated at the time of installation due to inaccuracies in the diameter dimensions programmed into the meter. After much discussion and forensics into this matter with MET, MWDOC, and impacted South Orange County agencies, it was determined that the billing adjustments were in order and should be applied back to the original meter installation timeframe.

MWDOC has negotiated the reimbursement payment for the 9-year period, excluding Ready-To-Serve (RTS) charges and interest, to be approximately \$8.14 million. MNWD's share is equal to a total of \$3,393,493. Further reimbursements may also be forthcoming, including corrections to the MWDOC charges and potential Tier 2 reimbursements. Those issues are expected to be resolved in the coming months. Approval of the reimbursement is scheduled for consideration by the MET Board in August.



Moulton Niguel Water District

STAFF REPORT

TO: Board of Directors **MEETING DATE:** August 18, 2014

FROM: Marc Serna, Director of Engineering and Operations
Eva Plajzer, Assistant Director of Engineering

SUBJECT: Quarterly Capital Improvement Program Report

DIVISION: District-wide

SUMMARY:

Issue: District staff is responsible for executing the Capital Improvement Program (CIP) as adopted by the Board of Directors. This quarterly report is for April, May, and June of Fiscal Year (FY) 2013-14.

Recommendation: This is an information item only.

Fiscal Impact: The fiscal impact for each project is presented to the Board of Directors on a project by project basis. The collective impact for FY 2013-14 is \$23,854,292 if fully expensed.

DISCUSSION:

The Moulton Niguel Water District (District) Board of Directors approved a FY 2013-14 budget in June 2013 (see Table 1). Several of the projects in this fiscal year budget, such as SOCWA, JRWSS, and the Baker Water Treatment Plant, are managed by other entities, with the District providing funding through a project agreement or a joint powers entity. For these projects, staff primarily reviews deliverables and invoices, but does not actively manage the projects. These projects totaled \$12.4 million for FY 2013-14 budget. The remainder of the budget, \$11.5 million, is executed by District staff. After completion of the fourth quarter of the fiscal year, approximately 45% of the CIP budget has been expended to date.

#12.

Staff has prioritized CIP projects to maximize the resources available to effectively execute the projects. Table 2 lists the projects in the 10-year Capital Improvement Program and their implementation status (see attached).

Table 1 Adopted Budget by Fund Fiscal Year: July '13 to June '14		
Item/Fund	Fiscal Year Adopted Budget	Fiscal Year Expenditures Through Fourth Quarter
Replacement and Refurbishment Project - Fund 07	\$10,041,740	\$1,535,145
SOCWA & JRWSS - Fund 07	\$7,306,852	\$2,590,513
Water Supply Reliability Projects - Fund 12	\$5,624,123	\$6,328,947
Planning and Construction - Fund 14	\$881,578	\$338,601
Total	\$23,854,292	\$10,793,206

During the fourth quarter of FY 2013-14, these major activities were performed within the Capital Improvement Program:

- 4 projects were completed
 - 2010.003 Kite Hill PRV Relocation completed construction
 - 2011.031 El Niguel Recycled Water Pipeline Rehabilitation completed construction
 - 2012.004 Stonehill Manhole Rehabilitation completed construction
 - 2012.005 Plant 3A ETM Analysis completed study
- 12 projects are under construction
 - Invitation to bid was issued for these projects
 - 2012.034 La Paz/Moulton Potable System Reconfiguration
 - 2014.009 Fiscal Year 14-15 Manhole Rehabilitation
- Design work continued on 25 additional existing projects
 - Issued 3 task orders utilizing the On-Call Professional Engineering Services Agreements. Table 3 summarizes the expenditures for the program. Task Orders were issued for these projects:
 - 2012.007 Lower Salada Lift Station Ventilation Replacement
 - 2012.028 Regional Lift Station Ventilation Replacement
 - 2014.007 La Siena Mainline Replacement

- 2014.011 Recycled Water System Extension – Aliso Village Shopping Center

Table 3 On-Call Professional Engineering Services Agreement Expenditure Summary				
Consultant	Contracted Amount	Number of Task Orders Issued	Total Value of Task Orders	Remaining Contractual Amount
AKM Consulting Engineers	\$500,000	1	\$27,524	\$472,676
Lee & RO, Inc	\$500,000	1	\$43,860	\$456,140
Tetra Tech, Inc	\$500,000	1	\$18,200	\$481,800

Attachment: Table 2 Quarterly CIP Report

TABLE 2
QUARTERLY CAPITAL IMPROVEMENT PROGRAM REPORT
MOULTON NIGUEL WATER DISTRICT
QUARTERLY PROJECT STATUS - FOURTH QUARTER - APRIL THROUGH JUNE
FISCAL YEAR: JULY 2013 TO JUNE 2014

PROJECT NUMBER	FUND	PROJECT DESCRIPTION	YEAR PROJECT APPROVED	TOTAL PROJECT AMOUNT	EXPENDED FROM INCEPTION TO DATE	FY 2013-2014 ADOPTED BUDGET	FY2013-2014 EXPENDED TO DATE	ESTIMATED COMPLETION DATE
COMPLETED PROJECTS								
2007030	7	RANCHO RESERVOIR IRRIGATION SYSTEM	2007	\$150,000	\$27,614	\$123,509	\$0	Canceled
2009107	7	CROWN VALLEY WIDENING RELOCATION	2009	\$210,000	\$178,146	\$149,600	\$0	Completed
2010003	14	KITE HILL P.R. RELOCATION	2010	\$475,000	\$328,511	\$354,368	\$280,236	Completed
2010017	7	OPERATIONS FACILITY DRAINAGE IMPRO	2010	\$1,301,236	\$105,526	\$0	\$0	Canceled
2010021	7	MOULTON PEAK IRRIGATION PUMP REPLACEMENT	2010	\$20,000	\$12,307	\$8,193	\$0	Canceled
2011031	7	EL NIGUEL RW LINE REHABILITATION	2011	\$475,000	\$431,716	\$382,178	\$410,305	Completed
2011056	12	RW SYSTEM EXT (1500LF @4 LOCATIONS	2011	\$500,000	\$9,946	\$0	\$0	Canceled
2011109	7	PLC PANEL REPLACEMENT-RANCHO PS - see 2011016	2011	\$23,000	\$20,025	\$23,000	\$0	Completed
2012004	7	MH REHABILITATION PROGRAM - FY12-13 Stonehill	2012	\$190,925	\$155,046	\$185,871	\$115,228	Completed
2012005	7	PLANT 3A EFFLUENT TM ANALYSIS/REHAB	2012	\$150,000	\$125,650	\$62,433	\$2,514	Completed
2012005	7	PLANT 3A EFFLUENT TM ANALYSIS/REHAB - SMWD Reimbursement			(\$60,322)		(\$60,322)	Completed
2012018	7	MOULTON LS ROOF REPLACEMENT	2012	\$20,000	\$11,120	\$20,000	\$11,120	Completed
2012019	7	NORTH ALISO LS ROOF REPLACEMENT	2012	\$20,000	\$0	\$20,000	\$0	Completed
2012025	7	UPPER SALADA LS ROOF REPLACEMENT	2012	\$20,000	\$0	\$20,000	\$0	Canceled
2013006	7	FY 2013-14 MH REHABILITATION	2013	\$350,000	\$0	\$350,000	\$0	Canceled
2012026	7	VALVE REPLACEMENT PROJECT	2012	\$2,700,000	\$0	\$0	\$0	Canceled
2012035	14	MAIN OFFICE BACKUP GENERATOR	2012	\$170,000	\$1,024	\$60,000	\$1,024	Canceled
2012036	14	PLANT 2A BACKUP GENERATOR	2012	\$200,000	\$769	\$20,000	\$769	Canceled
2012038	12	UPPER CHIQUITA ENVIRONMENTAL MITIGATION	2012	\$250,000	\$0	\$50,000	\$0	Canceled
2013008	12	FY 2013-14 RW RETROFITS	2013	\$100,000	\$0	\$100,000	\$0	Canceled
2013009	7	UPPER SALAD LS VALVE REPLACEMENT	2013	\$240,000	\$40,923	\$0	\$40,923	Completed
2013012	7	NIGUEL SUMMIT APARTMENTS PIPE REPLACEMENT	2013	\$77,000	\$70,000	\$0	\$70,000	Completed
Subtotal				\$7,642,161	\$1,458,002	\$1,929,152	\$871,797	
PROJECTS UNDER CONSTRUCTION								
2006071	12	BAKER PIPELINE REGIONAL TREATMENT	2006	\$35,450,000	\$9,572,635	\$5,000,000	\$6,328,824	12/31/15
2010033	7	NEW DISTRICT ENTERPRISE SOFTWARE	2010	\$3,375,000	\$2,202,928	\$2,263,283	\$489,580	12/31/14
2011016	7	PLC PANEL REPLACEMENT	2011	\$532,000	\$216,840	\$346,193	\$56,855	6/30/15
2011024	7	BOARDROOM ENHANCEMENTS	2011	\$389,000	\$110,931	\$282,579	\$0	6/30/15
2011038	14	E ALISO CRK RES RECIRCULATION SYST	2011	\$141,000	\$89,019	\$72,210	\$137	6/30/15
2012021	7	REGIONAL LIFT STATION PUMPS 4&5 REPLACEMENT	2012	\$320,000	\$41,540	\$320,000	\$41,540	12/31/14
2012034	14	LA PAZ/MOLTON PW SYSTEM RECONFIGURATION	2012	\$500,000	\$29,141	\$75,000	\$23,476	12/31/14
2012037	7	OSO PKWY 12"RW MAIN RELOCT	2012	\$192,000	\$0	\$192,000	\$0	6/30/15
2013001	7	EAST ALISO CREEK RES RECOAT & IMPROV	2013	\$1,500,000	\$16,650	\$50,000	\$16,650	6/30/15
2013003	7	SOUTH RIDGE RW RES RECOAT & IMPROV	2013	\$600,000	\$14,224	\$600,000	\$14,224	12/31/14
2013007	7	3A ETM REPLACEMENT - COUNTY OF ORANGE PHASE VII	2013	\$450,000	\$22,600	\$450,000	\$22,600	6/30/15
2013011	7	WOOD CANYON RESERVOIR RECOAT	2013	\$715,000	\$0	\$0	\$0	12/31/14
Subtotal				\$44,164,000	\$12,316,509	\$9,651,265	\$6,993,885	

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TABLE 2
QUARTERLY CAPITAL IMPROVEMENT PROGRAM REPORT
MOULTON NIGUEL WATER DISTRICT
QUARTERLY PROJECT STATUS - FOURTH QUARTER - APRIL THROUGH JUNE
FISCAL YEAR: JULY 2013 TO JUNE 2014

PROJECT NUMBER	FUND	PROJECT DESCRIPTION	YEAR PROJECT APPROVED	TOTAL PROJECT AMOUNT	EXPENDED FROM INCEPTION TO DATE	FY 2013-2014 ADOPTED BUDGET	FY2013-2014 EXPENDED TO DATE	ESTIMATED COMPLETION DATE
PROJECTS IN PROGRESS/UNDER DESIGN								
2006038	7	REPLACE DIGITAL LINES W/WIRELESS N	2006	\$2,315,267	\$1,500,781	\$100,000	\$25,538	12/31/15
2006099	12	ETWD/MNWD INTERTIE W/30 DIEMER PI	2006	\$456,000	\$1,956	\$454,123	\$0	6/30/15
2008049	12	SOUTH ORANGE COASTAL OCEAN DESAL	2008	\$700,000	\$690,763	\$20,000	\$123	12/31/15
2009115	7	SAN JUAN CREEK 30 EFFLUENT TM	2009	\$2,900,000	\$162,275	\$79,072	\$10,907	6/30/15
2009167	7	GEODATABASE REDEVELOPMENT	2009	\$150,000	\$85,987	\$109,000	\$43,250	6/30/15
2010013	12	LA PAZ BRIDGE CROSSING RW PIPELINE	2010	\$370,000	\$56,736	\$0	\$0	6/30/15
2010018	7	MATHIS-OSO BY-PASS	2010	\$200,000	\$54,319	\$181,818	\$27,741	6/30/15
2011010	7	HILLARY PRS REPLACEMENT	2011	\$350,000	\$32,768	\$335,388	\$10,484	6/30/15
2011011	7	INSPECT 54 CIP LINE ANTONIA-BRIDL	2011	\$258,674	\$248,788	\$20,000	\$0	6/30/15
2011012	7	LARGO PRS REPLACEMENT	2011	\$350,000	\$32,768	\$335,388	\$10,484	6/30/15
2011014	7	SEISMIC & STRUCTURAL ASSESS STEEL	2011	\$217,192	\$186,624	\$83,082	\$46,831	6/30/15
2011015	7	WILKES PRS REPLACEMENT	2011	\$350,000	\$32,768	\$335,388	\$10,484	6/30/15
2011026	7	RANCHO UNDERGROUND PWPS REFURBISHM	2011	\$250,000	\$4,815	\$0	\$0	6/30/15
2012007	7	LOWER SALADA LS VENTILATION UNIT REPLACEMENT	2012	\$110,000	\$3,249	\$106,883	\$0	6/30/15
2012008	7	REGIONAL LS VENTILATION UNIT REPLACEMENT	2012	\$110,000	\$3,249	\$106,883	\$0	6/30/15
2012009	7	BEACON HILL PS PUMP/GENERATOR REPLACEMENT	2012	\$575,000	\$42,473	\$75,000	\$42,473	6/30/15
2012024	7	UPPER SALADA LF AUX. GENERATOR REPLACEMENT	2012	\$375,000	\$29,450	\$375,000	\$29,450	6/30/15
2012028	14	GENERATOR AT BEAR BRAND RESERVOIR	2012	\$40,000	\$6,592	\$40,000	\$6,592	6/30/15
2012029	14	GENERATOR AT BRIDLEWOOD TAKEOUT	2012	\$40,000	\$6,592	\$40,000	\$6,592	6/30/15
2012030	14	GENERATOR AT MARGUERITE RESERVOIR	2012	\$40,000	\$6,592	\$40,000	\$6,592	6/30/15
2012031	14	GENERATOR AT MATHIS RES PS	2012	\$40,000	\$6,592	\$40,000	\$6,592	6/30/15
2012033	14	GENERATOR AT SEVILLE RESERVOIR	2012	\$40,000	\$6,592	\$40,000	\$6,592	6/30/15
2013005	7	LOWER SALADA LS FORCE MAIN REPLACEMENT	2013	\$1,100,000	\$14,532	\$100,000	\$14,532	6/30/15
2013004	7	REGIONAL LS FORCE MAIN REPLACEMENT	2013	\$1,100,000	\$28,278	\$100,000	\$28,278	6/30/15
2013010	7	GALLUP SEWER REPLACEMENT	2013	\$19,000	\$3,475	\$0	\$3,475	6/30/15
Subtotal				\$12,456,133	\$3,249,014	\$3,117,025	\$337,010	

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TABLE 2
QUARTERLY CAPITAL IMPROVEMENT PROGRAM REPORT
MOULTON NIGUEL WATER DISTRICT
QUARTERLY PROJECT STATUS - FOURTH QUARTER - APRIL THROUGH JUNE
FISCAL YEAR: JULY 2013 TO JUNE 2014

PROJECT NUMBER	FUND	PROJECT DESCRIPTION	YEAR PROJECT APPROVED	TOTAL PROJECT AMOUNT	EXPENDED FROM INCEPTION TO DATE	FY 2013-2014 ADOPTED BUDGET	FY2013-2014 EXPENDED TO DATE	ESTIMATED COMPLETION DATE
FUTURE PROJECTS								
2013002	7	MATHIS RW RES RECOAT & IMPROVE	2013	\$800,000	\$0	\$800,000	\$0	80%
	14	CLOR-TEC BUILDING DESIGN PLAN		\$100,000				80%
2012011	7	EASEMENT REHABILITATION PROGRAM - Phase 1	2012	\$7,850,000	\$0	\$190,000	\$0	76%
	7	EASEMENT REHABILITATION PROGRAM - Phase 2		\$6,000,000				76%
	7	LINDA VISTA DR SEWER LINING		\$302,000				76%
	7	NATIONAL PARK SEWER LINING		\$253,000				76%
2011033	7	ASSET MANAGEMENT PROGRAM/CMMS	2011	\$350,000	\$0	\$70,000	\$0	72%
	7	CORROSION CONTROL PROGRAM		\$150,000				72%
	7	PACIFIC PARK PS ENGINE REPLACEMENT		\$505,000				72%
	7	ROLLING HILLS PS ENGINE & PUMP REPLACEMENT		\$565,000				72%
	7	SHEEP HILL PS ENGINE& PUMP REPLACEMENT		\$565,000				72%
	7	STEEL TANKS SEISMIC & STRUCT RETROFITS - PW		\$1,800,000				72%
	7	STEEL TANKS SEISMIC & STRUCT RETROFITS - RW		\$1,200,000				72%
	14	WASTEWATER MASTER PLAN		\$500,000				72%
2011043	14	3A OUTFALL LINE VALVES	2011	\$410,000				68%
	12	SOUTH COUNTY PIPELINE TAKEOUT FACILITY		\$2,200,000				68%
	14	WATER MASTER PLAN		\$700,000				68%
2011037	7	MISSION VIEJO HS LINE/VAULT REFURB	2011	\$160,000				64%
2012010	7	CVP 16-INCH PW LINE REHABILITATION	2012	\$650,000	\$0	\$50,000	\$0	64%
	7	VAULT REMOVAL (11 SITES)		\$400,000				64%
	7	ALISO CREEK LS REHABILITATION		\$200,000				64%
2009010	14	MISSION HOSPITAL SECONDARY FEED	2009	\$380,000				60%
2011028	7	VALENCIA LS REFURBISHMENT	2011	\$200,000				60%
2011040	14	RES&PUMP LS SITE ACCESS	2011	\$170,000				60%
2012012	7	FIELD GIS - SEWER LINE CLEANING & MH	2012	\$40,000	\$0	\$40,000	\$0	60%
	7	54-INCH CIP IMPROVEMENTS		\$500,000				60%
	7	MATHIS PUMP IMPROVEMENTS		\$400,000				60%
2010001	14	650-ZONE NIGUEL ROAD INTERTIE	2010	\$640,000	\$0	\$0	\$0	56%
	14	MARGUERITE/OSO CIP TAKEOUT		\$2,500,000				56%
	7	RESERVOIR SITE OVERFLOW AND DRAINAGE IMPROVEMENTS		\$400,000				56%
	7	3A ETM CREEK BANK STABILIZATION		\$2,000,000				56%
	7	3A ETM REPLACEMENT - AVE DE LA VISTA		\$2,100,000				56%
	7	3A ETM REPLACEMENT - CAMINO CAPO		\$3,300,000				56%
2012013	7	FIELD GIS - VALVE TURNING DATA SOFTWARE	2012	\$40,000	\$0	\$40,000	\$0	52%
	14	SECURITY ENHANCEMENTS		\$1,000,000				52%
	7	HIGHLAND PUMP PRESSURE RELIEF TO 650 ZONE		\$150,000				52%
	14	RECYCLED MASTER PLAN		\$300,000				52%
	14	OSO CREEK SEWER PARALLEL PIPELINE		\$1,200,000				52%
2011034	7	GIS VIEWER AND CONFIGURATION	2011	\$60,000	\$0	\$60,000	\$0	48%
2011045	14	N ALISO LS BY-PASS & SITE IMPROVEM	2011	\$200,000	\$9,990	\$0	\$0	48%

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TABLE 2
QUARTERLY CAPITAL IMPROVEMENT PROGRAM REPORT
MOULTON NIGUEL WATER DISTRICT
QUARTERLY PROJECT STATUS - FOURTH QUARTER - APRIL THROUGH JUNE
FISCAL YEAR: JULY 2013 TO JUNE 2014

PROJECT NUMBER	FUND	PROJECT DESCRIPTION	YEAR PROJECT APPROVED	TOTAL PROJECT AMOUNT	EXPENDED FROM INCEPTION TO DATE	FY 2013-2014 ADOPTED BUDGET	FY2013-2014 EXPENDED TO DATE	ESTIMATED COMPLETION DATE
2011077	14	MOULTON PEAK RADIO TOWER IMPROVEME	2011	\$115,000				48%
	12	PRESSURE REDUCING STATION AT SADDLEBACK RW RES		\$200,000				48%
2012016	7	LITTLE NIGUEL PS ROOF REPLACEMENT	2012	\$20,000				44%
	14	OSO-TRABUCO SEWER CONNECTION		\$107,000				40%
	7	3A ETM SJ CREEK-COUNTY OF ORANGE PHASE VIII	2012	\$900,000				28%
2011032	7	OLD RANCH ROAD EASEMENT REFURBISHM	2011	\$100,000				20%
	7	MAIN OFFICE A/C UNITS REPLACEMENT		\$150,000				20%
	7	PZ450 ALISO CREEK POTABLE LINE RELOCATION		\$255,000				20%
Subtotal				\$43,087,000	\$9,990	\$1,250,000	\$0	
SOCWA & JRWSS PROJECTS								REMAINING BALANCE
JRWSS14	7	SCWD/JRWSS CAPITAL PROJECT	2013	\$12,606,901	n/a	\$2,605,331	\$169,534	\$2,435,797
SOCWA112	7	2013/2014 SOCWA CAPITAL PC 2(R)	2013	\$9,952,725	n/a	\$171,131	\$369,988	-\$198,857
SOCWA113	7	2013/2014 SOCWA PC 5	2013	\$96,614	n/a	\$280,313		\$280,313
SOCWA114	7	2013/2014 SOCWA PC 3A(R)	2013	\$13,777,784	n/a	\$11,633	\$264,687	-\$253,054
SOCWA115	7	2013/2014 SOCWA CAPITAL PC 15(R)	2013	\$6,878,955	n/a	\$819,000	\$1,019,474	-\$200,474
SOCWA116	7	2013/2014 SOCWA CAPITAL PC 17(R)	2013	\$25,841,606	n/a	\$2,826,556	\$766,830	\$2,059,726
SOCWA117	7	2013/2014 SOCWA PC 21	2013	\$723,909	n/a	\$560,000		\$560,000
SOCWA118	7	2013/2014 SOCWA PC 24	2013	\$69,903	n/a	\$32,888		\$32,888
Subtotal				\$69,948,397		\$7,306,852	\$2,590,513	\$4,123,451
PLACEHOLDER PROGRAMS					COMMITTED	REMAINING BALANCE		
	14	UNANTICIPATED PROJECTS FUND 14	2013	\$5,850,000		\$100,000	N/A	\$100,000
	7	UNANTICIPATED PROJECTS FUND 7	2013	\$20,500,000	(\$411,000)	\$500,000	N/A	\$89,000
	14	AMP BOOSTER PS	2013	\$2,000,000			N/A	N/A
	7	RESERVOIR RECOATING PROGRAM	2013	\$4,000,000			N/A	N/A
	12	RECYCLED WATER RETROFITS PROGRAM	2013	\$450,000			N/A	N/A
	7	RESERVOIR RECOATING PROGRAM - RW	2013	\$3,312,000			N/A	N/A
	7	MH REHABILITATION PROGRAM	2013	\$3,150,000			N/A	N/A
	7	SEWER LINING PROGRAM	2013	\$2,100,000			N/A	N/A
	7	PW PROJECTS PER ASSET MANAGEMENT MODEL	2013	\$11,996,000			N/A	N/A
	7	RW PROJECT PER ASSET MANAGEMENT MODEL	2013	\$7,536,000			N/A	N/A
	7	WW PROJECT PER ASSET MANAGEMENT MODEL	2013	\$5,962,000			N/A	N/A
Subtotal				\$66,856,000		\$600,000	\$0	\$189,000
TOTAL				\$244,153,691	\$17,033,514	\$23,854,294	\$10,793,205	

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