



moulton niguel water district

**BOARD OF DIRECTORS' MEETING
MOULTON NIGUEL WATER DISTRICT
26880 Aliso Viejo Pkwy, Suite 150, Aliso Viejo
May 13, 2021
CLOSED SESSION – 5:00 PM
OPEN SESSION – 6:00 PM
Approximate Meeting Time: 3 Hours**

**IN AN EFFORT TO PREVENT THE SPREAD OF COVID-19 (CORONAVIRUS), AND
IN ACCORDANCE WITH THE GOVERNOR'S EXECUTIVE ORDER N-29-20,
THERE WILL BE NO PUBLIC LOCATION FOR THE PUBLIC TO ATTEND THIS
BOARD MEETING IN PERSON. MEMBERS OF THE PUBLIC MAY LISTEN AND
PROVIDE PUBLIC COMMENT TELEPHONICALLY BY CALLING THE
FOLLOWING NUMBER:**

**DIAL: 1-669-900-9128
MEETING ID: 942-941-7034#
PASSCODE: 26161#**

1. CALL MEETING TO ORDER:

CLOSED SESSION:

2. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9

Receipt of claim
Claimant: Kim Reh

3. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9

Receipt of claim
Claimant: Stephanie Grace

OPEN SESSION 6:00 PM

4. **PLEDGE OF ALLEGIANCE:**

5. **PUBLIC COMMENTS:**

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.

CONSENT CALENDAR ITEMS:(Items on the Consent Calendar have been discussed at the regularly scheduled Administrative and Technical Committee meetings)

Consent items: Unless the General Manager or the Board requests that an item be removed from the Consent Calendar, all items will be acted upon as a whole and by one vote. Requests for discussion of any specific item should be made to the Presiding Officer in conjunction with the discussion of the consent motion.

6. **MINUTES OF THE MARCH 1, 2021 SPECIAL BOARD OF DIRECTORS MEETING**

7. **MINUTES OF THE APRIL 8, 2021 BOARD OF DIRECTORS MEETING**

8. **MINUTES OF THE APRIL 14, 2021 SPECIAL BOARD OF DIRECTORS MEETING**

9. **CONSTRUCTION CONTRACT AWARD FOR UPPER SALADA LIFT STATION
AUXILIARY GENERATOR REPLACEMENT**

It is recommended that the Board of Directors award the construction services contract to Pacific Hydrotech Corporation in the amount of \$869,380; authorize the General Manager or Assistant General Manager to execute the contract; and to approve change orders up to 10% of the contract value.

10. **PURCHASE OF SERVICE TRUCK WITH CRANE**

It is recommended that the Board of Directors approve the purchase of a 2022 Ford F-450 with Service Body and Crane for \$87,268.

TECHNICAL MATTERS:

11. **AMENDMENT NO.1 FOR ON-CALL CONSTRUCTION SUPPORT SERVICES**

It is recommended that the Board of Directors approve Amendment No. 1 to the On-Call Construction Support Services Agreements with Ferreira Construction Co., Inc., in the amount of \$1,250,000 for a total not-to-exceed amount of \$2,500,000 and Amendment No. 1 to the On-Call Construction Support Services Agreement with T. E. Roberts, Inc. in the amount of \$1,250,000 for a total not-to-exceed amount of \$2,500,000; and authorize the General Manager or Assistant General Manager to execute the amendments.

LEGAL MATTERS:

12. **PUBLIC HEARING ON THE WATER SHORTAGE CONTINGENCY PLAN AND
ADOPTION OF AN ORDINANCE APPROVING THE WATER SHORTAGE**

CONTINGENCY PLAN AND PRESCRIBING WATER CONSERVATION RULES AND REGULATIONS (ORDINANCE 21-)

The District will conduct a public hearing on the Water Shortage Contingency Plan. Following the public hearing, and subject to any modifications to the Water Shortage Contingency Plan as directed by the Board of Directors as a result of the public hearing, it is recommended that the Board of Directors adopt the Ordinance entitled, "Adopting the Water Shortage Contingency Plan and Prescribing Water Conservation Rule and Regulations".

INFORMATION ITEMS:

13. MONTHLY FINANCIAL REPORT
14. SOUTH COAST WATER DISTRICT RATE INCREASE PUBLIC HEARING NOTIFICATION FOR THE LAGUNA SUR/MONARCH POINT AREA
15. FISCAL YEAR 2021-22 PROPOSED BUDGET

CLOSED SESSION:

16. CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code Section 54957.6
Agency designated representative: Board President Brian Probolsky
Unrepresented employee: General Manager

RETURN TO OPEN SESSION:

17. CONSIDERATION AND POSSIBLE ACTION TO APPROVE AMENDMENT TO THE GENERAL MANAGER'S CONTRACT

It is recommended that the Board of Directors consider, and possibly take action to approve, Amendment No. 11 to the Employment Contract for Services as General Manager of the Moulton Niguel Water District.

GENERAL MANAGER MATTERS:(Brief general updates on District matters and/or brief general updates from staff - Informational purposes only.)

PRESIDENT'S REPORT:

BOARD REPORTS:

FUTURE AGENDA ITEMS (Any items added under this section are for discussion at future meetings only.):

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, 26880 Aliso Viejo Parkway, Suite 150, Aliso Viejo, 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.



moulton niguel water district

**DRAFT
MINUTES OF THE SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF THE
MOULTON NIGUEL WATER DISTRICT**

March 1, 2021

A Special Meeting of the Board of Directors of the Moulton Niguel Water District was held in accordance with the Governor’s Executive Order N-29-20 in an effort to prevent the spread of COVID-19 (Coronavirus). As a result, there was no public location for the public to attend in person. The meeting was called to order at 5:01 PM on March 1, 2021. There were present and participating at 26880 Aliso Viejo Pkwy, Suite 150, Aliso Viejo, California:

DIRECTORS

Duane Cave	Vice President
Richard Fiore	Director
Donald Froelich	Vice President
Bill Moorhead	Director
Brian Probolsky	President
Diane Rifkin	Director
Sherry Wanninger	Director

Also present and participating were:

STAFF MEMBERS IN-PERSON

Joone Lopez	General Manager
Matt Collings	Assistant General Manager
Rod Woods	Director of Engineering
Paige Gulck	Board Secretary
Laura Rocha	MNWD

**STAFF MEMBERS, LEGAL COUNSEL, AND MEMBERS OF THE PUBLIC
TELEPHONICALLY**

Johnathan Cruz	Director of Financial Planning & Innovation
Todd Novacek	Director of Operations
Jose Solorio	Government Affairs Officer
Jeff Ferre	Best, Best, & Krieger (General Counsel)

Tim Bonita	Recording Secretary
Trevor Agrelius	MNWD
Matt Brown	MNWD
Monobina Mukherjee	MNWD
Lindsey Stuvick	MNWD
Kaden Young	MNWD
Michael George	Delta Watermaster

1. CALL MEETING TO ORDER

The meeting was called to order by President Probolsky at 5:01 p.m. President Probolsky stated that the meeting was being conducted by teleconference pursuant to the Brown Act waivers provided for under the Governor's Executive Orders in response to the COVID-19 State of Emergency. As stated on the agenda, there was no public location for attending the meeting in person. The agenda also stated that the public could listen and provide comment telephonically by calling the number listed on the agenda.

2. PLEDGE OF ALLEGIANCE

Bill Moorhead led the Pledge of Allegiance.

3. PUBLIC COMMENTS

President Probolsky stated that as permitted under the Brown Act, and in order to provide an equal opportunity for members of the public to provide comment without everyone talking over one another, public comments, on items on or off the agenda, would be taken during the Public Comment portion of the meeting. President Probolsky then asked if there was anyone on the phone who would like to provide comment. Hearing none, the Public Comment portion of the meeting was closed.

PRESENTATION

4. PRESENTATION FROM DELTA WATERMASTER, MICHAEL GEORGE

Michael George from Delta Watermaster provided a presentation.

DISCUSSION ITEMS

5. 2020 LONG-RANGE WATER RELIABILITY PLAN UPDATE (RESOLUTION 21-04)

It is recommended that the Board of Directors approve the resolution entitled, "Setting Forth Goals for Potable Water System and Supply Reliability."

Matt Collings provided information on the item. Discussion ensued regarding the item.

MOTION DULY MADE BY DONALD FROELICH AND SECONDED BY SHERRY WANNINGER, ITEM 5 WAS APPROVED AS PRESENTED. A ROLL CALL VOTE WAS TAKEN AND THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, RICHARD FIORE, DONALD FROELICH, BILL MOORHEAD, DIANE RIFKIN, SHERRY WANNINGER, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.

6. WATER SHORTAGE CONTINGENCY PLAN UPDATE

Laura Rocha presented the Water Shortage Contingency Plan.

ADJOURNMENT

The meeting was adjourned at 7:45 p.m.

Respectfully submitted,

Tim Bonita
Recording Secretary

DRAFT



moulton niguel water district

**DRAFT
MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
MOULTON NIGUEL WATER DISTRICT**

April 8, 2021

A Regular Meeting of the Board of Directors of the Moulton Niguel Water District was held in accordance with the Governor’s Executive Order N-29-20 in an effort to prevent the spread of COVID-19 (Coronavirus). As a result, there was no public location for the public to attend in person. The meeting was called to order at 6:02 PM on April 8, 2021. There were present and participating at 26880 Aliso Viejo Pkwy, Suite 150, Aliso Viejo, CA:

DIRECTORS

Duane Cave	Vice President
Richard Fiore	Director
Donald Froelich	Vice President
Bill Moorhead	Director
Brian Probolsky	President
Diane Rifkin	Director
Sherry Wanninger	Director

Also present and participating were:

STAFF MEMBERS IN-PERSON

Joone Lopez	General Manager
Matt Collings	Assistant General Manager
Matt Brown	MNWD

**STAFF MEMBERS, LEGAL COUNSEL, AND MEMBERS OF THE PUBLIC
TELEPHONICALLY**

Rod Woods	Director of Engineering
Johnathan Cruz	Director of Financial Planning & Innovation
Gina Hillary	Director of Human Resources
Todd Novacek	Director of Operations

Jose Solorio	Government Affairs Officer
Jeff Ferre	Best, Best, & Krieger (General Counsel)
Tim Bonita	Recording Secretary
Trevor Agrelius	MNWD
Todd Dmytryshyn	MNWD
Patrick Garner	MNWD
Ronin Goodall	MNWD
David Larsen	MNWD
Genevieve Ramirez	MNWD
Lindsey Stuvick	MNWD
Kadan Young	MNWD
Jayson Schmitt	Chandler Asset Management

1. CALL MEETING TO ORDER:

The meeting was called to order by President Probolsky at 6:02 p.m. President Probolsky stated that the meeting was being conducted by teleconference pursuant to the Brown Act waivers provided for under the Governor’s Executive Orders in response to the COVID-19 State of Emergency. As stated on the agenda, there was no public location for attending the meeting in person. The agenda also stated that the public could listen and provide comment telephonically by calling the number listed on the agenda.

2. PLEDGE OF ALLEGIANCE:

Director Wanninger led the Pledge of Allegiance.

3. PUBLIC COMMENTS:

President Probolsky stated that as permitted under the Brown Act, and in order to provide an equal opportunity for members of the public to provide comment without everyone talking over one another, public comments, on items on or off the agenda, would be taken during the Public Comment portion of the meeting. President Probolsky then asked if there was anyone on the phone who would like to provide comment. Hearing none, the Public Comment portion of the meeting was closed.

PRESENTATION ITEM:

4. QUARTERLY INVESTMENT REPORT - CHANDLER ASSET MANAGEMENT

Jayson Schmitt from Chandler Asset Management presented the Quarterly Investment Report.

CONSENT CALENDAR ITEMS:(Items on the Consent Calendar have been discussed at the regularly scheduled Administrative and Technical Committee meetings)

6. MINUTES OF THE MARCH 15, 2021 SPECIAL BOARD OF DIRECTORS

MEETING

7. MINUTES OF THE MARCH 19, 2021 SPECIAL BOARD OF DIRECTORS MEETING

MOTION DULY MADE BY DUANE CAVE AND SECONDED BY RICHARD FIORE, ITEMS 6 AND 7 WERE APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, RICHARD FIORE, DONALD FROELICH, BILL MOORHEAD, DIANE RIFKIN, SHERRY WANNINGER, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.

5. MINUTES OF THE MARCH 11, 2021 BOARD OF DIRECTORS MEETING

This item was pulled by Richard Fiore. Discussion ensued regarding items 11 and 12 of the March 11, 2021 minutes.

MOTION DULY MADE BY RICHARD FIORE AND SECONDED BY SHERRY WANNINGER, ITEM 5 WAS APPROVED AS AMENDED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, RICHARD FIORE, DONALD FROELICH, BILL MOORHEAD, DIANE RIFKIN, SHERRY WANNINGER, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.

8. PROJECT AGREEMENT FOR THE LA PAZ ROAD RECYCLED WATER PIPELINE BRIDGE CROSSING

It is recommended that the Board of Directors approve the Project Agreement between the City of Mission Viejo and the Moulton Niguel Water District; authorize the General Manager to execute the agreement; and authorize the staff to reimburse the City of Mission Viejo for construction costs up to \$631,250.

This item was pulled by Sherry Wanninger. Discussion ensued regarding the item.

MOTION DULY MADE BY BRIAN PROBOLSKY AND SECONDED BY DUANE CAVE, TO APPROVE THE PROJECT AGREEMENT BETWEEN THE CITY OF MISSION VIEJO AND THE MOULTON NIGUEL WATER DISTRICT; AUTHORIZE THE GENERAL MANAGER TO EXECUTE THE AGREEMENT AND DIRECT STAFF TO BRING BACK THE CONSTRUCTION BIDS FOR AUTHORIZATION BY THE BOARD OF DIRECTORS AT A FUTURE MEETING. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, RICHARD FIORE, DONALD FROELICH, BILL MOORHEAD, DIANE RIFKIN, SHERRY WANNINGER, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.

9. CONSTRUCTION CONTRACT AWARD FOR THE 2020-21 PRESSURE REDUCING STATION REHABILITATIONS

It is recommended that the Board of Directors award the construction services contract to

T.E. Roberts in the amount of \$97,445; authorize the General Manager or Assistant General Manager to execute the contract; and to approve change orders up to 10% of the contract value.

This item was pulled by Bill Moorhead. Discussion ensued regarding the item.

MOTION DULY MADE BY DUANE CAVE AND SECONDED BY BILL MOORHEAD, ITEM 9 WAS APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, RICHARD FIORE, DONALD FROELICH, BILL MOORHEAD, DIANE RIFKIN, SHERRY WANNINGER, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.

10. MOBILE POTABLE WATER PUMP PURCHASE

It is recommended that the Board of Directors approve the purchase of a Quadplex Variable Speed Mobile Pump System for \$150,689.

This item was pulled by Brian Probolsky. Discussion ensued regarding the item.

MOTION DULY MADE BY SHERRY WANNINGER AND SECONDED BY DIANE RIFKIN, ITEM 10 WAS APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, RICHARD FIORE, DONALD FROELICH, BILL MOORHEAD, DIANE RIFKIN, SHERRY WANNINGER, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.

ADMINISTRATIVE MATTERS:

11. AUTHORIZATION OF 2021 "NEXT LEVEL SERVICE" CUSTOMER ENGAGEMENT PLAN (RESOLUTION 21-)

It is recommended that the Board of Directors approve the resolution entitled, "Authorizing 2021 "Next Level Service" Customer Engagement Plan".

This item was tabled to a future meeting.

12. ADOPTION OF RESOLUTION IN SUPPORT OF DIRECTOR CATHY GREEN'S CANDIDACY TO SERVE AS VICE PRESIDENT OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES FOR 2021-2022 (RESOLUTION 21-10)

It is recommended that the Board of Directors approve the resolution entitled, "In Support of Director Cathy Green's Candidacy to Serve as Vice President of the Association of California Water Agencies for 2021-2022."

President Probolsky provided a brief introduction to the item.

MOTION DULY MADE BY RICHARD FIORE AND SECONDED BY DONALD FROELICH, ITEM 12 WAS APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, RICHARD FIORE, DONALD FROELICH, BILL MOORHEAD, DIANE RIFKIN, SHERRY WANNINGER, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.

INFORMATION ITEM:

13. MONTHLY FINANCIAL REPORT

Trevor Agrelius provided the Monthly Financial Report.

GENERAL MANAGER MATTERS:(Brief general updates on District matters and/or brief general updates from staff - Informational purposes only.)

Joone Lopez provided the following updates:

- *Trevor Agrelius will be speaking at the GFOA national conference in July about the District's successful early implementation of GASB 87.*
- *Water Shortage Contingency Plan Workshop is scheduled for April 14.*
- *The District has completed the Healthcare Renewal with Anthem Blue Cross. Staff did an excellent job in obtaining the renewal with a minimal cost increase.*

PRESIDENT'S REPORT:

President Probolsky stated that he attended the SOCEC event on March 12th, the South County Agencies meeting on March 25th and the MWDOC Elected Officials Forum on April 1st.

BOARD REPORTS:

Director Froelich attended the MWDOC Board meeting on April 7th

Director Moorhead attended the WaterNow Alliance Conference April 6-8

Director Fiore attended the WACO meeting on April 2nd and the Mission Viejo Chamber meeting on April 8th. Director Fiore also attended the SOCEC and MWDOC Elected Officials Forum.

Director Wanninger attended multiple MWDOC meetings in March and April.

FUTURE AGENDA ITEMS (Any items added under this section are for discussion at future meetings only.):

None.

LATE ITEMS: (Appropriate Findings to be Made)

None.

ADJOURNMENT:

The meeting was adjourned at 8:18 p.m.

Respectfully submitted,

Tim Bonita
Recording Secretary

DRAFT



moulton niguel water district

**DRAFT
MINUTES OF THE SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF THE
MOULTON NIGUEL WATER DISTRICT**

April 14, 2021

A Special Meeting of the Board of Directors of the Moulton Niguel Water District was held in accordance with the Governor’s Executive Order N-29-20 in an effort to prevent the spread of COVID-19 (Coronavirus). As a result, there was no public location for the public to attend in person. The meeting was called to order at 3:06 PM on April 14, 2021. There were present and participating at 26880 Aliso Viejo Pkwy, Suite 150, Aliso Viejo, California:

DIRECTORS

Duane Cave	Vice President
Richard Fiore	Director
Donald Froelich	Vice President
Bill Moorhead	Director
Brian Probolsky	President (arrived at 3:30 p.m.)
Diane Rifkin	Director
Sherry Wanninger	Director

Also present and participating were:

STAFF MEMBERS IN-PERSON

Joone Lopez	General Manager
Matt Collings	Assistant General Manager
Johnathan Cruz	Director of Financial Planning & Innovation
Jose Solorio	Government Affairs Officer
Jeff Ferre	Best, Best, & Krieger (General Counsel)
Paige Gulck	Board Secretary
Tim Bonita	Recording Secretary
Laura Rocha	MNWD
Lindsey Stuvick	MNWD

STAFF MEMBERS, LEGAL COUNSEL, AND MEMBERS OF THE PUBLIC TELEPHONICALLY

Rod Woods	Director of Engineering
Gina Hillary	Director of Human Resources
Todd Novacek	Director of Operations
Trevor Agrelius	MNWD
Matt Brown	MNWD
Justin Finch	MNWD
Rhonda Himley	MNWD
Nick Lopez	MNWD
Deena Malone-Collom	MNWD
Monobina Mukherjee	MNWD
Kaden Young	MNWD

1. CALL MEETING TO ORDER

The meeting was called to order by Vice President Cave at 3:06 p.m. Vice President Cave stated that the meeting was being conducted by teleconference pursuant to the Brown Act waivers provided for under the Governor's Executive Orders in response to the COVID-19 State of Emergency. As stated on the agenda, there was no public location for attending the meeting in person. The agenda also stated that the public could listen and provide comment telephonically by calling the number listed on the agenda.

2. PLEDGE OF ALLEGIANCE

Vice President Cave led the Pledge of Allegiance

3. PUBLIC COMMENTS

Vice President Cave stated that as permitted under the Brown Act, and in order to provide an equal opportunity for members of the public to provide comment without everyone talking over one another, public comments, on items on or off the agenda, would be taken during the Public Comment portion of the meeting. Vice President Cave then asked if there was anyone on the phone who would like to provide comment. Hearing none, the Public Comment portion of the meeting was closed.

DISCUSSION ITEMS

4. Water Shortage Contingency Plan and Ordinance

Matt Collings introduced the item and Laura Rocha presented the item. Discussion ensued regarding the item.

ADJOURNMENT

The meeting was adjourned at 5:08 p.m.

Respectfully submitted,

Tim Bonita
Recording Secretary

DRAFT



moulton niguel water district

STAFF REPORT

TO: Board of Directors **MEETING DATE:** May 13, 2021

FROM: Rod Woods, Director of Engineering
Sheldon Yu, Senior Engineer

SUBJECT: Construction Contract Award for Upper Salada Lift Station
Auxiliary Generator Replacement

SUMMARY:

Issue: Board action is required for the Notice Inviting Sealed Bids for the Upper Salada Lift Station Auxiliary Generator Replacement, Project No. 2012.024.

Recommendation: It is recommended that the Board of Directors award the construction services contract to Pacific Hydrotech Corporation in the amount of \$869,380; authorize the General Manager or Assistant General Manager to execute the contract; and to approve change orders up to 10% of the contract value.

Fiscal Impact: Project No. 2012.024 is budgeted in Fund 7, Replacement and Rehabilitation with a current project budget of \$850,000. The proposed project budget is \$1,241,318. The project will be constructed next fiscal year. Sufficient funds are available in Fund 7 for Fiscal Year 2020-21 and are budgeted for Fiscal Year 2021-22; the overall Fiscal Year 2020-21 CIP budget for Fund 7 is \$41,393,593.

Reviewed by Legal: Yes

BACKGROUND:

The Upper Salada Lift Station was originally constructed in 1979 and is located at 31447 Niguel Road, approximately 800 feet south of Clubhouse Drive. The facility collects wastewater from approximately 13,300 customers within a tributary area of two square miles in the City of Laguna Niguel. The lift station pumps an average of one million gallons per day of wastewater through a forcemain within Niguel Road for approximately 6,500 feet to a summit manhole located near the intersection with La Hermosa Avenue, at which point the force main ends and the wastewater flows by

gravity towards Crown Valley Parkway and ultimately towards the Regional Treatment Plant.

Several major improvements have occurred at the lift station since the original construction in 1979, including the installation of the current emergency standby generator (1990), expansion of the wet well (1999), pump replacements (2006), installation of a super oxygenation odor control system (2007), and most recently the electrical main switchboard and switchgear replacements (2019).

Because of the improvements made to the facility over time, inadequate space is available within the current site for a new generator system to be installed in compliance with current Orange County Fire Authority clearance regulations and electrical codes. As a result, property acquisition to expand the lift station facility was required. Collaborating with the adjacent property owner (Crest De Ville Community Association), a Grant Deed for approximately 1,900 square feet was issued to the District at no charge and recorded with the County of Orange. In addition, a 1,200 square foot Temporary Construction Easement for the contractor's use during construction was secured.

Additionally, within the newly acquired Grant Deed area, underlying easements existed belonging to multiple departments within the County of Orange. Subsequently, through extensive coordination with the County, these respective easements were also quitclaimed and recorded.

To develop the new area and incorporate the space into the current lift station site, this project includes site improvements consisting of: constructing new retaining walls and fencing along the westerly and southerly sides of the lift station where the expansion will occur; on-site asphalt paving; recoating the existing fencing; and installing new slide gate for site access. Additionally, a new diesel engine driven emergency generator will be installed along with a fuel system capable of fueling the generator for a 24-hour period to replace the existing natural-gas standby generator.

Construction documents for the project were prepared by Psomas. A categorical exemption was prepared in accordance with State CEQA Guidelines and a Notice of Exemption was filed with Orange County in May, 2017.

DISCUSSION:

A request for bids was issued to six qualified contractors. The District received two sealed bids for the subject contract on April 15, 2021. The table below summarizes the bids received:

Firm	Bid
Pacific Hydrotech Corporation	\$869,380
SS Mechanical Construction Corporation	\$935,828

Engineer's Estimate	\$741,844
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Staff has determined that the lowest responsible and responsive bidder was Pacific Hydrotech Corporation. Staff has completed its review of the contract documents and has determined that they are in order. Pacific Hydrotech Corporation has performed quality work for the District in the past and is well-qualified to perform this type of work.

Additionally, staff has performed a detailed review of the submitted bid documents and the engineer's estimate and determined that the submitted costs are reasonable considering the current bidding climate for this type of construction. Therefore, staff recommends that the Board approve the construction services contract to Pacific Hydrotech Corporation in the amount of \$869,380.

Additionally, staff intends to procure specialty inspection services related to the electrical and structural work under the existing On-Call Construction Management and Inspection Services Agreements. These services are anticipated to be approximately \$50,000.

SUMMARY OF PROJECT BUDGET:

	Project Budget*	Proposed / Approved Contract	Proposed / Authorized Contingency	Total Proposed / Authorized Amount
Project Items				
Engineering	\$225,000	\$225,000	\$0	\$225,000
Geotechnical	\$10,000	\$10,000	\$0	\$10,000
Construction Contract	\$540,000	\$869,380	\$86,938	\$956,318
Specialty Inspection	\$50,000	\$50,000	\$0	\$50,000
Legal, Permits, District Labor	\$25,000	\$25,000	\$0	\$25,000
Totals	\$850,000	\$1,179,380	\$86,938	\$1,266,318

*\$170,034.84 has been expended to date.

Currently Proposed Amount

Attachments:

1. Exhibit A – Location Map
2. Exhibit B – Photos
3. Exhibit C – Vendor Contact List
4. Exhibit D – Pacific Hydrotech Corporation Bid Documents



Path: G:\GIS\Projects\Projects_Ongoing\Staff_Report_Exhibits\5\UpperSalada\US.mxd

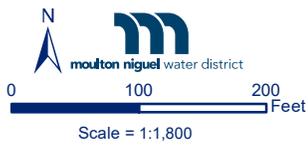


Exhibit "A" Location Map
Upper Salada Lift Station Auxiliary Generator Replacement
Contract No. 2012.024



Upper Salada Lift Station (panoramic)



Upper Salada Lift Station (looking north)



Existing Generator
at Upper Salada
Lift Station



Generator at Del Avion Lift Station
(Installed 2018)

Exhibit "B" Photos
Upper Salada Lift Station Auxiliary Generator Replacement
Contract No. 2012.024

BID FORM
PROPOSAL TO
MOULTON NIGUEL WATER DISTRICT
FOR THE CONSTRUCTION OF:
UPPER SALADA LIFT STATION AUXILIARY GENERATOR REPLACEMENT
PROJECT CONTRACT NO. 2012.024

Name of Bidder: Pacific Hydrotech Corporation

Business Address: 314 E 3rd Street, Perris, CA 92570

Phone No. (951) 943-8803

TO: THE BOARD OF DIRECTORS,
MOULTON NIGUEL WATER DISTRICT (OWNER)

Pursuant to, and in compliance with, your Notice Inviting Sealed Proposals (“Bid(s)”) and the other documents relating thereto, the undersigned bidder, being fully familiar with the terms of the Contract Documents, local conditions affecting the performance of the Contract, the character, quality, quantities, and scope of the Work, and the cost of the Work at the place where the Work is to be done, hereby proposes and agrees to perform within the time stipulated in the Contract, including all of its component parts and everything required to be performed, and to furnish any and all of the labor, materials, tools, equipment, transportation, services, permits, utilities, and all other items necessary to perform the Contract and complete, in a workmanlike manner, all of the Work required in connection with the construction of said Work all in strict conformity with the plans and specifications and other Contract Documents, including Addenda Nos. 1, _____, and _____, for the prices hereinafter set forth.

The undersigned, as bidder, declares that the only persons or parties interested in this proposal as principals are those named herein and that this proposal is made without collusion with any person, firm, or corporation as set forth in more detail in the Non Collision Affidavit executed herewith. Further, the bidder proposes and agrees, if the proposal is accepted, that it will execute a Contract with the OWNER in the form set forth in the Contract Documents and that bidder will accept in full payment thereof the following prices to wit:

SCHEDULE OF WORK ITEMS

PROPOSAL FOR: UPPER SALADA LIFT STATION AUXILIARY GENERATOR
REPLACEMENT

CONTRACT NO. 2012.024

ITEM NO.	APPROX. QUANTITY	UNITS	DESCRIPTION	UNIT PRICE	TOTAL AMOUNT
1	1	LS	Mobilization/Demobilization	LS	\$ <u>42000</u>
2	1	LS	Verification of Utility Locations and Field Dimensions	LS	\$ <u>3000</u>
3	1	LS	Generator and Active Rypos DPF (See pre-negotiated proposal in Appendix D)	LS	\$ <u>172,980.00</u>
4	1	LS	All work associated with the Generator and Active Rypos DPF not included in the pre-negotiated proposal but required per plans and specifications including installation and all associated appurtenances	LS	\$ <u>5700</u>
5	1	LS	Diesel Fuel Tank	LS	\$ <u>117200</u>
6	1	LS	Startup and Testing	LS	\$ <u>4400</u>
7	1	LS	Record Documents, O&M, Manuals and Warranties	LS	\$ <u>500</u>
8	1	LS	Structural, Mechanical and Electrical Demolition	LS	\$ <u>16200</u>
9	1	LS	Site Demolition	LS	\$ <u>40500</u>
10	1	LS	Site Improvements	LS	\$ <u>27400</u>
11	1	LS	Site Perimeter Wall and Fence Improvements	LS	\$ <u>281600</u>
12	1	LS	Relocation of Load Bank	LS	\$ <u>9800</u>
13	1	LS	New Electrical Conduits and Wiring	LS	\$ <u>68200</u>
14	1	LS	SCADA Improvements	LS	\$ <u>0</u>

15	1	LS	Sliding Gate, including installation and all associated appurtenances	LS	\$ <u>38300</u>
16	1	LS	Restore concrete swale, concrete pavement, trail, and vegetation	LS	\$ <u>41600</u>
			Subtotal:		\$ <u>869,380</u>
			Addition (+)		\$(+) <u>Ø</u>
			Deduction (-)		\$(-) <u>Ø</u>
			Total Bid:		\$ <u>869,380</u>

TOTAL AMOUNT OF BID (WRITTEN IN WORDS):

EIGHT HUNDRED SIXTY NINE THOUSAND

THREE HUNDRED EIGHTY DOLLARS

Signature of Bidder: _____



Company Name: Pacific Hydrotech Corporation

Date: _____

4/9/21

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.

* Provision is made here for the bidder to include an addition or deduction in their Bid, if bidder wishes, to reflect any last-minutes adjustments in price. The addition or deduction, if made, will be proportionately applied to the progress payments for items N/A, _____, _____, and _____. (If no items are listed, the addition or deduction shall be treated as a separate bid item, and payment or deduction for this item shall be proportionate to the percentage payment for the completed work.)

Selection of lowest responsible bidder will be based on Base Bid Items + Optional Bid Items + Addition - Deduction.

(Public Contracts Code Section 7106)

NONCOLLUSION AFFIDAVIT TO BE EXECUTED
BY BIDDER AND SUBMITTED WITH BID

State of CALIFORNIA)
) ss
County of RIVERSIDE)

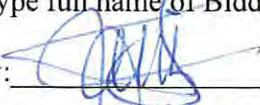
JOSELITO GUINTU, being first duly sworn, deposes and says that he/she is VICE PRESIDENT of Pacific Hydrotech Corporation, the party making the foregoing bid, that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation;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

Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on 4/9/21 [date], at Perris [city], California [state].

BIDDER:

Pacific Hydrotech Corporation
[Type full name of Bidder]

By: 

JOSELITO GUINTU V.P.
[Print name and title]

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

STATE OF)
) ss
COUNTY OF)

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

WITNESS my hand and official seal.

(SEAL) Signature

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California }
County of RIVERSIDE

On April 9, 2021 before me, KRISTINE LEW, NOTARY PUBLIC
Date Here Insert Name and Title of the Officer
personally appeared JOSELITO.GUINTU
Name(s) of Signer(s)

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



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

WITNESS my hand and official seal.

Signature Kristine Lew
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: NONCOLLUSION AFFIDAVIT TO BE EXECUTED BY BIDDER AND SUBMITTED WITH BID
Document Date: 04/09/2021 Number of Pages: 1
Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Joselito Guintu Signer's Name: NONE
 Corporate Officer – Title(s): VICE PRESIDENT Corporate Officer – Title(s): _____
 Partner – Limited General Partner – Limited General
 Individual Attorney in Fact Individual Attorney in Fact
 Trustee Guardian or Conservator Trustee Guardian or Conservator
 Other: _____ Other: _____
Signer is Representing: PACIFIC HYDROTECH CORPORATION Signer is Representing: _____

**STATEMENTS BY BIDDER &
DESIGNATION OF SUBCONTRACTORS
UPPER SALADA LIFT STATION AUXILIARY GENERATOR REPLACEMENT
PROJECT CONTRACT NO. 2012.024**

Bidder shall indicate opposite each item listed below the name of the manufacturer or supplier and location of plant proposed to be used under the Contract. Award of Contract under this proposal (bid) will not imply approval by OWNER of a manufacturer or supplier listed by the bidder. However, if a manufacturer or supplier is acceptable to OWNER, the successful bidder shall furnish the items from the manufacturer or supplier indicated. Any manufacturer or supplier listed in the Contract may be substituted, changed, or omitted by the successful bidder, subject to the approval of OWNER, without subjecting OWNER to any liability for the substitution, change or omission.

The listing of any manufacturer or supplier in the Agreement does not, and is not intended to, grant any right, title, or interest in the Contract for the benefit of the named manufacturer or supplier. Each bidder shall inform in writing each named manufacturer or supplier that the so named manufacturer or supplier is listed for information purposes only and they may be substituted, changed, or omitted by the successful bidder, subject to the approval of OWNER, without subjecting OWNER to any liability for the substitution, change or omission. The successful bidder shall reimburse OWNER for any expenses incurred by OWNER as a result of the successful bidder's failure to so notify each named manufacturer or supplier.

The listing of lead times for delivery is for informational purposes only and will not affect the Contract time(s) specified herein or entitle the successful bidder to an extension(s) of time. The successful bidder is responsible for obtaining delivery of all items at times that will ensure completion within the Contract time(s).

A. The bidder intends to furnish materials supplied by the following manufacturers (bidder to list ONE manufacturer only for each item.) Lead-time for delivery, from date of signing Contract, shall be as follows:

<u>Item</u>	<u>Manufacturer</u>	<u>Calendar Days</u>
Diesel Fuel Tank	CONVAULT	91
Waterproof Membrane	CARLISLE WATERPROOFING	10
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

B. In compliance with the Subletting and Subcontracting Fair Practices Act (California Public Contract Code Sections 4100 - 4114) and any amendments thereof, each bidder shall set forth below: (a) **the name, license number, and location of the place of business** of each subcontractor who will perform work or labor or render services to the prime contractor in or about the Project, or a subcontractor who under subcontract to the prime contractor, specially

fabricates and installs a portion of the work or improvements according to detailed drawings contained in the plans and specifications in an amount in excess of one-half of one percent of the prime contractor's total bid; and (b) the portion and description of the work which will be done by each subcontractor under this Act.

Name of Subcontractor, CONTRACTOR License Number, & DIR Registration Number	Address of Offices	Division of Work or Trade to Be Subcontracted
RP CONTROLS 981508 1000642037	1895 W COMMONWEALTH ^{AJF} FULLERTON, CA 92633	ELECTRICAL
MC PAINTING 695478 1000026859	504 JONES RD. OCEANSIDE, CA 92058	COATINGS
ONYX PAVING 630360 1000004798	2890 E LA CRESTA ^{AF} ANAHEIM, CA 92806	ASPHALT PAVING
CMC COMMERCIAL 778010 1000000298	METALS 5425 INDUSTRIAL PKWY SAN BERNARDINO, CA 92407 CA	REBAR
ECONO FENCE 337734 1000001395	5261 PEDLEY RD RIVERSIDE, CA 92509	FENCE

C. Except as hereinabove provided, bidder acknowledges and agrees that bidder will perform all required Work in accordance with Section 4106 of the Public Contracts Code.

D. Person who inspected site of the proposed Work for your firm:

Name: David Layson Date of Inspection: 3/30/2021

Name: _____ Date of Inspection: _____

E. It is agreed that, if requested by the OWNER, the bidder shall furnish a notarized financial statement, references, and other information, sufficiently comprehensive to permit an appraisal of its current financial condition.

F. The undersigned represents the bidder is licensed in accordance with the California State CONTRACTOR's License Law, as follows:

License: Primary Class A License No. 518355

DIR Registration No. 1000002987

Supplemental Classification held, if any: B

BID SECURITY DECLARATION
UPPER SALADA LIFT STATION AUXILIARY GENERATOR REPLACEMENT
PROJECT CONTRACT NO. 2012.024

ACCOMPANYING THIS PROPOSAL IS Bidder's Bond

Insert the words "Bidders Bond," "Cashier's Check," or "Certified Check," as the case may be, in an amount which is equal to (at least) ten percent (10%) of the total amount of the Bid, payable in lawful money of the United States to the

MOULTON NIGUEL WATER DISTRICT ("OWNER")

The undersigned deposits the above-named security as a proposal guarantee and agrees that it shall be forfeited to the OWNER in case this proposal is accepted by the OWNER and the undersigned fails to execute a Contract with the OWNER as specified in the Contract Documents or fails to furnish the required payment and performance bonds with sureties satisfactory to OWNER and required insurance certificates and endorsements. Should the OWNER be required to engage the services of attorney(s) in connection with the enforcement of this Bid, bidder promises to pay OWNER's reasonable attorneys' fees and costs, incurred with or without suit. The bidder's liability to OWNER for failure to do any of the foregoing shall not be limited to the amount of the deposited security in the form set forth above.

The names of all persons interested in the foregoing proposals as principals are as follows: (NOTICE – If bidder or other interested person is a **corporation**, state legal name of corporation, also names of the president, secretary, treasurer, and manager thereof; if a **general partnership**, state true name of firm, also names of all individual partners composing firm; if a **limited partnership**, the names of all general partners and limited partners; if bidder or other interested person is an **individual**, state first and last names in full; if the bidder is a **joint venture**, state the complete name of each venturer).

Please see attached resolution *

PACIFIC HYDROTECH CORPORATION
a California Corporation

CORPORATE RESOLUTION
March 25, 2021

RESOLVED, that James Kirk Harns – President, Sean Harns – President Water Works Division, Joselito Guintu – Vice President, June Diaz – CFO; each has the authority to sign contracts on behalf of the corporation.

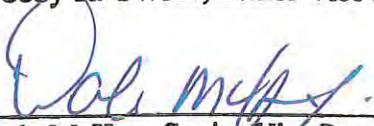
BE IT FURTHER RESOLVED that these resolutions may be executed in any number of counterparts and delivered by facsimile, e-mail PDF or other electronic means, each of which shall be deemed an original and all of which when taken together shall constitute one and the same instrument.



James Kirk Harns, President



Bobby R. Owens, Senior Vice President



Dale McKay, Senior Vice President



Sean J. Harns, President – Water Works Division



Greg Chehey, Vice President



Joselito M. Guintu, Vice President



Sean F. Finnegan, Shareholder



Christy L. Harns, Secretary

ADDENDA ACKNOWLEDGMENT

Bidder shall signify receipt of all addenda (if any) here:

Addenda Nos. 1

Respectfully submitted,

Pacific Hydrotech Corporation
CONTRACTOR or Authorized Representative

By: 

314 E 3rd Street

Perris, CA 92570
Complete Business Address

(951) 943-8803
Telephone Number

518355
CONTRACTOR's License Number

Dated: 4 / 9 /, 2021

NOTE: If bidder is a corporation, the legal name of the **corporation** shall be set forth above, together with the signature of the officer or officers authorized to sign contracts on behalf of the corporation and the corporate seal. If bidder is a **partnership**, the true name of the firm shall be set forth above, together with the signature of the partner or partners authorized to sign contracts on behalf of the partnership. If the bidder is an **individual**, his signature shall be placed above. If the bidder is a **joint venture**, the name of the joint venture shall be set forth above with the signature of an authorized representative of each venturer.

CERTIFICATION OF BIDDER AND QUALIFICATIONS

The undersigned bidder certifies that bidder is, at the time of bidding, and shall be, throughout the period of the Contract, licensed by the State of California to do the type of Work required under the terms of the Contract Documents. Bidder further certifies that bidder is skilled and regularly engaged in the general class and type of Work called for in the Contract Documents.

The undersigned bidder certifies that it is not an ineligible contractor for the purposes of California Labor Code Section 1777.1 or 1777.7. The undersigned further certifies that no subcontractor to be used for the performance of the Work is an ineligible contractor for the purposes of Labor Code Section 1777.1 or 1777.7.

The bidder represents that bidder is competent, knowledgeable and has special skills regarding the nature, extent and inherent conditions of the Work to be performed. Bidder further acknowledges that there are certain peculiar and inherent conditions existent in the construction of the Work, which may create, during the construction program, unusual or peculiar unsafe conditions hazardous to persons and property.

Bidder expressly acknowledges that bidder is aware of such peculiar risks and that bidder has the skill and experience to foresee and to adopt protective measures to adequately and safely perform the construction Work with respect to such hazards.

Furthermore, bidder hereby certifies to OWNER that all representations, certifications, and statements made by bidder, as set forth in this bid, are true and correct and are made under penalty of perjury.

Signed this 9 day of APRIL, 2021

Pacific Hydrotech Corporation
Name of Bidder

518355
CONTRACTOR's License No.



Signature of Bidder

9/30/2021
License Expiration Date

V.P.
Title of Signator

NOTICE: Pursuant to the requirements of California Business and Professions Code, Section 7028.15(e), a bid submitted to the OWNER by a contractor who is not licensed pursuant to Chapter 9, of Division 3, of the Business and Professions Code, shall be considered nonresponsive and shall be rejected as provided for by law.

Principal and Surety agree that if the OWNER is required to engage the services of an attorney(s) in connection with the enforcement of this bond, each shall pay OWNER's costs and reasonable attorney fees incurred with or without suit.

Executed on April 7, 2021

Pacific Hydrotech Corporation

Principal

By

JOSE LUIS QUINTANA

V.P.

Title

(CORPORATE SEAL)

(ATTACH NOTARY ACKNOWLEDGMENT OF AUTHORIZED REPRESENTATIVE OF PRINCIPAL)

Any claims under this bond may be addressed to:

Liberty Mutual Insurance Company

(Name and address of Surety)

790 The City Drive South, Suite 200

Orange, CA 92868

(Name and address of Surety's agent for service of process in California, if different from above)

Surety: (714) 634-5712 / Agent: (619) 238-1828

(Telephone number of Surety's agent in California)

(ATTACH NOTARY ACKNOWLEDGMENT)

Liberty Mutual Insurance Company

Surety

By

(Attorney-in-Fact)

Lawrence F. McMahon

NOTICE

No substitution or revision to this bond form will be accepted. Sureties must be authorized to do business, and have an agent for service of process, in California. A certified copy of Power of Attorney must be attached.

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California }
County of RIVERSIDE

On April 9, 2021 before me, KRISTINE LEW, NOTARY PUBLIC
Date Here Insert Name and Title of the Officer
personally appeared JOSELITO GUINTU
Name(s) of Signer(s)

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



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

WITNESS my hand and official seal.

Signature *Kristine Lew*
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: BID BOND

Document Date: 04/07/2021 Number of Pages: 2

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Joselito Guintu

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

Signer is Representing: PACIFIC HYDROTECH CORPORATION

Signer's Name: NONE

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

Signer is Representing: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT Civil Code § 1189

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

STATE OF CALIFORNIA

County of San Diego }

On APR 07 2021 before me, Maria Guise, Notary Public,
Date Insert Name of Notary exactly as it appears on the official seal

personally appeared Lawrence F. McMahon
Name(s) of Signer(s)

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

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

Witness my hand and official seal.

Signature [Handwritten Signature]
Signature of Notary Public Maria Guise



Place Notary Seal Above

OPTIONAL

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

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

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



Signer is Representing:
Surety Company

Signer's Name: _____

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



Signer is Representing:



This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Liberty Mutual Insurance Company
The Ohio Casualty Insurance Company
West American Insurance Company

Certificate No: 8204402-024019

POWER OF ATTORNEY

KNOWN ALL PERSONS BY THESE PRESENTS: That The Ohio Casualty Insurance Company is a corporation duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, Dale G. Harshaw; Geoffrey Shelton; Janice Martin; John R. Qualin; Lawrence F. McMahon; Minna Huovila; Sarah Myers; Tara Bacon

all of the city of San Diego state of CA each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 22nd day of October, 2020.



Liberty Mutual Insurance Company
The Ohio Casualty Insurance Company
West American Insurance Company

By: [Signature]
David M. Carey, Assistant Secretary

State of PENNSYLVANIA ss
County of MONTGOMERY

On this 22nd day of October, 2020 before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of Liberty Mutual Insurance Company, The Ohio Casualty Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at King of Prussia, Pennsylvania, on the day and year first above written.



COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Teresa Pastella, Notary Public
Upper Merion Twp., Montgomery County
My Commission Expires March 28, 2021
Member, Pennsylvania Association of Notaries

By: [Signature]
Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

ARTICLE IV - OFFICERS: Section 12. Power of Attorney.

Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

ARTICLE XIII - Execution of Contracts: Section 5. Surety Bonds and Undertakings.

Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

Certificate of Designation - The President of the Company, acting pursuant to the Bylaws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

Authorization - By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Renee C. Llewellyn, the undersigned, Assistant Secretary, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 7th day of April, 2021.



By: [Signature]
Renee C. Llewellyn, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

For bond and/or Power of Attorney (POA) verification inquiries, please call 610-832-8240 or email HOSUR@libertymutual.com.

**BIDDER'S CERTIFICATE OF INSURANCE FOR
GENERAL LIABILITY, AUTOMOTIVE LIABILITY, PROFESSIONAL LIABILITY,
WORKERS' COMPENSATION AND ALL RISK**
(To Accompany Proposal)

**UPPER SALADA LIFT STATION AUXILIARY GENERATOR REPLACEMENT
PROJECT
CONTRACT NO. 2012.024**

As a required part of the Bidder's proposal the Bidder must attach either of the following to this page.

- 1) Certificates of insurance and endorsements showing conformance with the requirements as listed in Section 8 of the General Provisions and Special Provisions herein for each of:
 - Commercial General Liability
 - Business Automobile Liability
 - Professional Liability
 - Workers Compensation
 - All Risk Builders Risk, if required

OR,

- 2) Statement with an insurance carrier's notarized signature stating that the carrier can, and, upon payment of fees and/or premiums by the Bidder, will issue to the Bidder policies of insurance for Commercial General Liability, Business Automobile Liability, Professional Liability, Workers Compensation and All Risk Builders Risk, if required, in conformance with the requirements herein and certificates of insurance and endorsements to the OWNER showing conformance with the requirements herein.

All certificates of insurance and endorsements and statements of willingness to issue insurance for policies offered to meet the specification of this contract must:

- i. Meet the conditions stated in The Notice Inviting Bids, the General Provisions, and the Special Provisions for this work for each insurance company that the CONTRACTOR proposes.
- ii. As to business automobile insurance policies, cover any vehicle used in the performance of the contract, used onsite or offsite, whether owned, non-owned or hired, and whether scheduled or non-scheduled.



AGENCY CUSTOMER ID: PACIFIC HY

JLOPEZ

LOC #: 0

ADDITIONAL REMARKS SCHEDULE

Page 1 of 1

AGENCY THE BROKERAGE COMMERCIAL INSURANCE SERVICES, Inc.		NAMED INSURED Pacific Hydrotech Corporation 314 E. 3rd St. Perris, CA 92570	
POLICY NUMBER SEE PAGE 1			
CARRIER SEE PAGE 1	NAIC CODE SEE P 1	EFFECTIVE DATE: SEE PAGE 1	

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: ACORD 25 FORM TITLE: Certificate of Liability Insurance

Cancellation:

***Except 10 Days Notice of Cancellation for Non-Payment of Premium.**

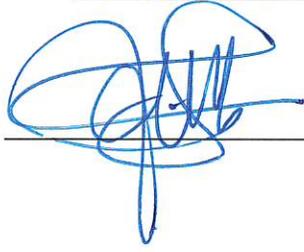
Should this policy be cancelled before the expiration date, The Brokerage Commercial Insurance Services, Inc. will mail 30 (thirty) days written notice to those Certificate Holders which require such action per contract or agreement.*

BIDDER'S CERTIFICATION

I acknowledge receipt of Addendum No. 1 and accept all conditions contained herein.

Date: 4/9/21

BIDDER: PACIFIC HYDROTECH CORP

BY:  _____



moulton niguel water district

STAFF REPORT

TO: Board of Directors **MEETING DATE:** May 13, 2021

FROM: Todd Novacek, Director of Operations
Adrian Tasso, Superintendent of Operations

SUBJECT: Purchase of Service Truck with Crane

SUMMARY:

Issue: Purchase of a 2022 Ford F-450 with Service Body and 3500-pound crane (Tool Truck).

Recommendation: It is recommended that the Board of Directors approve the purchase of a 2022 Ford F-450 with Service Body and Crane for \$87,268.

Fiscal Impact: Sufficient funds are included in the adopted Fiscal Year 2020-2021 budget for the purchase of the service truck.

Reviewed by Legal: Not applicable

BACKGROUND:

The District maintains a total of 62 potable water, recycled water, and wastewater facilities throughout its service area. Maintenance activities include replacement of pumps, motors, valves and other heavy equipment. Currently, the District utilizes Unit #54 (see attached photos) to transport the equipment. The crane assists staff to remove the existing infrastructure and install the replacement equipment. The existing Unit #54 is a 2004 Chevrolet 3500 with 138,000 miles increasing maintenance requirements. District staff is proposing to replace the truck with a similar new truck of similar size and function.

DISCUSSION:

District staff sent a request for quotations (RFQ) to six vendors to find the best pricing based on the vehicle requirements. Staff evaluated the quotations and found that Fritts Ford had the lowest price for the required vehicle. The quotations received are summarized in the table below.

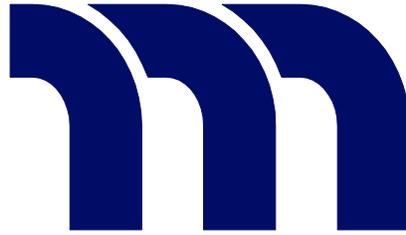
Dealer	Total Price
Fritts Ford	\$87,268
Vista Ford Lincoln of Oxnard	\$92,105
Ken Grody	No Bid
Tuttle Click Irvine	No Bid
Santa Margarita Ford	No Bid
Villa Ford	No Bid

Staff has reviewed the quotes from the two dealers and is recommending the Board approve the purchase of the 2022 F-450 from Fritts Ford.

Attachment: Exhibit A Service Truck with Crane Photos



**Exhibit "A" Photos
Service Truck with Crane**



moulton niguel water district

STAFF REPORT

TO: Board of Directors **MEETING DATE:** May 13, 2021

FROM: Rod Woods, Director of Engineering
Steve Merk, Superintendent of Engineering

SUBJECT: Amendment No.1 for On-Call Construction Support Services

SUMMARY:

Issue: Board action is required to execute Amendment No. 1 to the On-Call Construction Support Services Agreements with Ferreira Construction Co., Inc., and T. E. Roberts, Inc.

Recommendation: It is recommended that the Board of Directors approve Amendment No. 1 to the On-Call Construction Support Services Agreement with Ferreira Construction Co., Inc. in the amount of \$1,250,000 for a total not-to-exceed amount of \$2,500,000; and Amendment No. 1 to the On-Call Construction Support Services Agreement with T. E. Roberts, Inc. in the amount of \$1,250,000 for a total not-to-exceed amount of \$2,500,000; and authorize the General Manager or Assistant General Manager to execute the amendments.

Fiscal Impact: The fiscal impact will depend on the amount of construction support services required. The agreements will be funded with projects from the Capital Improvement Program and the Operating Budget as needed for construction support services.

Reviewed by Legal: Yes

BACKGROUND:

In May of 2020, the District solicited contracts for on-call construction support services to assist the District with necessary maintenance, repairs, or replacements within the potable water, recycled water, and wastewater systems. The District's Operations Department manages the majority of repair and maintenance activities and will primarily utilize the on-call construction contracts to supplement the existing staff to support the volume of necessary work. In addition, these contractors are utilized when repair work involves activities not normally performed by District staff (e.g. welding, unusual appurtenances, large infrastructure, etc.). Lastly, these

contracts assist staff in responding to emergency repairs throughout the District's service area that require prompt or immediate attention.

In July of 2020, the District's Board of Directors awarded contracts for On-Call Construction Support Services to the following contractors:

- Ferreira Construction Co, Inc.
- Paulus Engineering, Inc.
- Shoffeitt Pipeline, Inc.
- T. E. Roberts, Inc.

Each contract was approved for an amount not-to-exceed \$1,250,000 per agreement and are managed on a work order basis by the District staff. On a quarterly basis, the District staff provides a summary of the construction activities occurring throughout the service area and includes a summary of the work orders issued utilizing the on-call construction contracts. A copy of the current summary of the work orders issued under these contracts has been included as an attachment.

DISCUSSION:

Since the execution of the On-Call Construction Support Services agreements, an increase in the use of outside construction support services has been required. The original estimate of anticipated work under these agreements was not sufficient.

One significant part of this increase has been attributable to service line replacements. Although the Operations Department routinely responds to the leaks and replaces most of the service lines, support from outside contractors has been necessary to address issues in a timely manner. By utilizing outside contractors, the District has been able to reduce its repair times, such that the average time is now under one week for surfacing leaks. District staff continues to review resources to continue to improve repair times.

Over the past several years, there has also been an increase in the number of service line replacements completed by the On-Call Construction Support Contractors, from 60 in FY2018-19, to 91 in FY2019-20, and 139 to date in FY2020-21. A significant portion of this increase over the past 14-months are due to the impacts from the COVID pandemic, such as modified work practices. In addition, this past year has experienced a 30% increase in the number of service line leaks overall (compared to the previous 3 years).

Next, with the efforts and projections of the District's proactive leak detection team, it is anticipated that additional subsurface leaks will be identified that require a residential water service to be removed and replaced within the next two years. Many of the service lines associated with the subsurface leaks will likely need to be completed by the On-Call Construction Support contractors.

Additionally, impacts from Covid and other workload related issues to the District's contractors have required staff to utilize Ferreira Construction Co. Inc. and T.E.

Roberts, Inc. for more work than the other two on-call contractors over the past year. As such, staff is only requesting amendments to these two contracts. There are sufficient funds remaining in the contracts for Paulus Engineering, Inc. and Shoffeitt Pipeline, Inc. at this time.

Staff is recommending that the Board of Directors authorize the General Manager or the Assistant General Manager to execute Amendment No. 1 to the On-Call Construction Support Services Agreement with Ferreira Construction Co., Inc., in the amount of \$1,250,000 for a total not-to-exceed amount of \$2,500,000 and Amendment No. 1 to the On-Call Construction Support Services Agreement with T. E. Roberts, Inc. in the amount of \$1,250,000 for a total not-to-exceed amount of \$2,500,000.

It is expected that these amendments will address the current needs for ongoing repairs and replacements of District infrastructure. However, staff will continue to assess the costs, response times, and other factors associated with utilizing internal crews and outside contractors for system repairs and improvements to provide the best overall value to the District. Considering the current projections for emergency and service line repairs, staff anticipates bringing a subsequent recommendation to the Board of Directors prior to the expiration of the current agreements.

Attachments:

1. On-Call Construction Support Services Work Order Summary
2. Amendment No. 1 to the Agreement with Ferreira Construction Co., Inc. for On-Call Construction Support Services
3. Amendment No. 1 to the Agreement with T. E. Roberts., Inc. for On-Call Construction Support Services
4. Agreement with Ferreira Construction Co., Inc. for On-Call Construction Support Services
5. Agreement with T. E. Roberts, Inc. for On-Call Construction Support Services

On-Call Construction Support Services
Work Order Summary

Work Order	Description	T. E. Roberts	Paulus	Shoffeitt	Ferreira
WO-01	Replace 5 Valves at Crown Valley PS, Laguna Niguel	\$ 57,619.92			
WO-02	Replace Leaking 6-inch Valve Marguerite Parkway, Mission Viejo	\$ 19,230.47			
WO-03	Replace 12-inch Stacked Vents Moulton Parkway, Laguna Hills	\$ 5,414.23			
WO-04	Raise to Grade 2 @ 2-inch Air Vacs Along Railroad near Camino Capistrano	\$ 19,592.89			
WO-05	Replace Leaking Tee and 3 Valves on Via Linda, Mission Viejo				\$ 40,033.93
WO-06	Replace 3 Water Services		\$ 34,004.44		
WO-07	Replace 18 Water Services	\$ 120,232.25			
WO-08	Replace 3 Water Services				\$ 22,160.43
WO-09	Repair Leaking 16" Steel Mainline at Southridge PS/Reservoir				\$ 30,198.65
WO-10	Repair Leak on 24" Southwestern Transmission Main, Mission Viejo		\$ 37,186.52		
WO-11	Replace Tee and 3 @ RW Valves on Greenfield, Laguna Niguel		\$ 56,823.88		
WO-12	Replace 2" Water Services		\$ 19,975.00		
WO-13	Repair 12-inch PW Mainline Leak on Crown Valley Parkway, Laguna Niguel	\$ 36,208.38			
WO-14	Install 2-Inch Service (200-Ft Run) at Laguna Sur Res., Laguna Niguel				\$ 19,448.89
WO-15	Replace 17 Water Services				\$ 120,303.71
WO-16	Replace Leaking 8-inch Tee and Valves on Thackery, Laguna Niguel				\$ 36,385.53
WO-17	Replace 6 Water Services		\$ 27,096.90		
WO-18	Repair Leaking DCDA on Puerta Real, Mission Viejo				\$ 23,905.46
WO-19	Repair 8-inch DI Easement Line on Easton Lane, Laguna Niguel				\$ 6,602.84
WO-20	Repair 12-inch RW Mainline on Rancho Niguel, Laguna Niguel		\$ 48,255.83		
WO-21	Replace 9 valves on Kensington, Laguna Niguel				\$ 83,701.03
WO-22	Replace 10-Inch Valve on Pacific Island Dr., Laguna Niguel	\$ 16,309.74			
WO-23	Replace 4 Water Services	\$ 29,749.01			
WO-24	Repair 12-inch RW Mainline on Alicia Parkway, Laguna Niguel				\$ 153,919.24
WO-25	Replace 5 Water Services		\$ 61,968.26		
WO-26	Repair Potable and RW Mainline Leaks on Nellie Gail Road, Laguna Hills				\$ 64,928.00
WO-27	Repair 10-Inch Potable Mainline on Spadra Lane, Mission Viejo	\$ 10,604.13			
WO-28	Replace 6 Water Services				\$ 28,598.83
WO-29	Repair 21-inch PW Mainline Leak on La Paz Road, Mission Viejo				\$ 29,746.92
WO-30	Replace 12x8-inch Tee and Valves on Niguel Rd., Laguna Niguel	\$ 83,685.53			
WO-31	Replace Leaking Hydrant on Plaza De La Paz, Mission Viejo				\$ 6,833.33
WO-32	Replace Tee and Valves on Jaeger, Laguna Niguel				\$ 34,225.02
WO-33	Replace Valves at PID Reservoir 1 / Pump Station 2, Laguna Niguel	\$ 35,550.47			
WO-34	Replace 10 Water Services	\$ 107,838.23			
WO-35	Replace 8 Water Services	\$ 69,431.17			
WO-36	Replace 4 Water Services		\$ 31,278.40		
WO-37	Replace 5 Water Services				\$ 40,539.89
WO-38	Repair 8-Inch Potable Easement Line on Flying Cloud, Laguna Niguel				\$ 25,133.85
WO-39	Repair 10-Inch Potable Easement Line on Centre Court, Laguna Niguel	\$ 25,178.17			
WO-40	Replace Suction Piping at Highlands PS, Laguna Niguel				
WO-41	Replace 6-inch Valve on Sea Breeze Ln., Laguna Niguel	\$ 9,049.30			

On-Call Construction Support Services
Work Order Summary

Work Order	Description	T. E. Roberts	Paulus	Shoffeitt	Ferreira
WO-42	Repair 8-inch Mainline on Villa Mira, Laguna Niguel				\$ 31,057.08
WO-43	Replace 8-inch Valve Interconnect at Big Niguel PS, Laguna Niguel				
WO-44	Repair 6-Inch Potable Mainline on Pacific Island Dr., Laguna Niguel	\$ 5,934.21			
WO-45	Repair Vent Pipes at Valencia PS, Laguna Hills	\$ 400.58			
WO-46	Replace Pavement at Valencia LS, Laguna Hills	\$ 19,601.17			
WO-47	Replace 10-inch Valve at PID Reservoir 2 / Pump Station 3, Laguna Niguel	\$ 35,550.47			
WO-48	Replace 7 Water Services				\$ 54,052.20
WO-49	Replace 2 Water Services				\$ 11,744.64
WO-50	Replace 2 Water Services				\$ 12,357.40
WO-51	Replace 5 Water Services				\$ 45,835.43
WO-52	Replace Tee and Valves on Puerta Real, Mission Viejo				\$ 53,053.89
WO-53	Repair 12-inch & 8-Inch RW Mainlines at MVCC, Mission Viejo				\$ 113,480.62
WO-54	Replace 11 Water Services	\$ 90,120.00			
WO-55	Leak Investigations on 24" PW Mainline on Aliso Creek Rd., Laguna Niguel	\$ 13,511.55			
WO-56	Remove Stuck Root Cutter in Sewer on Alicia Parkway, Laguna Niguel				\$ 16,316.65
WO-57	Replace 6-inch Tee and Valves on Puerta Real, Mission Viejo				\$ 31,536.96
WO-58	Replace 21 Water Services			\$ 129,462.00	
	Total	\$ 810,811.87	\$ 316,589.23	\$ 129,462.00	\$ 1,136,100.42

**AMENDMENT NO. 1 TO THE AGREEMENT
BETWEEN MOULTON NIGUEL WATER DISTRICT AND
FERREIRA CONSTRUCTION CO., INC. FOR
ON-CALL CONSTRUCTION SUPPORT SERVICES
CONTRACT NO. OM19-20.089a**

This Amendment No. 1 (this "Amendment") is entered into and effective as of _____, amending the On-Call Agreement dated July 13, 2020 (the "Agreement"), by and between Moulton Niguel Water District ("MNWD"), and Ferreira Construction Co., Inc. ("Contractor") (collectively, the "Parties"). Any capitalized terms used but not defined herein shall have the meaning assigned to them in the Agreement.

RECITALS

A. WHEREAS, on July 13, 2020, the Parties entered into the Agreement for on-call services through July 12, 2023 for a total not-to-exceed amount of \$1,250,000; and

B. WHEREAS, the Parties desire to increase the amount Contractor may be paid by an additional \$1,250,000, with the same Scope of Work and Fees as in the Agreement.

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

1. All payments and services associated with this Amendment shall not exceed \$1,250,000.

2. The Parties agree that the total Agreement amount, including this Amendment, shall not exceed Two Million Five Hundred Thousand Dollars (\$2,500,000).

3. All requisite insurance policies to be maintained by the Contractor pursuant to the Agreement will include coverage for this Amendment.

4. All other provisions of the Agreement will remain in full force and effect. In the event of any conflict or inconsistency between the Agreement and this Amendment, the terms of this Amendment shall control.

5. The individuals executing this Amendment and the instruments referenced in it on behalf of the 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.

MOULTON NIGUEL WATER DISTRICT:

FERREIRA CONSTRUCTION CO., INC.:

By: _____

By: _____
(Authorized Representative of Contractor)

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Dated: _____

Dated: _____

**AMENDMENT NO. 1 TO THE AGREEMENT
BETWEEN MOULTON NIGUEL WATER DISTRICT AND
T. E. ROBERTS, INC. FOR
ON-CALL CONSTRUCTION SUPPORT SERVICES
CONTRACT NO. OM19-20.089d**

This Amendment No. 1 (this "Amendment") is entered into and effective as of _____, amending the On-Call Agreement dated July 13, 2020 (the "Agreement"), by and between Moulton Niguel Water District ("MNWD"), and T. E. Roberts, Inc. ("Contractor") (collectively, the "Parties"). Any capitalized terms used but not defined herein shall have the meaning assigned to them in the Agreement.

RECITALS

A. WHEREAS, on July 13, 2020, the Parties entered into the Agreement for on-call services through July 12, 2023 for a total not-to-exceed amount of \$1,250,000; and

B. WHEREAS, the Parties desire to increase the amount Contractor may be paid by an additional \$1,250,000, with the same Scope of Work and Fees as in the Agreement.

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

1. All payments and services associated with this Amendment shall not exceed \$1,250,000.

2. The Parties agree that the total Agreement amount, including this Amendment, shall not exceed Two Million Five Hundred Thousand Dollars (\$2,500,000).

3. All requisite insurance policies to be maintained by the Contractor pursuant to the Agreement will include coverage for this Amendment.

4. All other provisions of the Agreement will remain in full force and effect. In the event of any conflict or inconsistency between the Agreement and this Amendment, the terms of this Amendment shall control.

5. The individuals executing this Amendment and the instruments referenced in it on behalf of the 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.

MOULTON NIGUEL WATER DISTRICT:

T. E. ROBERTS, INC.:

By: _____

By: _____
(Authorized Representative of Contractor)

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Dated: _____

Dated: _____

**ON-CALL CONSTRUCTION SUPPORT SERVICES AGREEMENT
BETWEEN
MOULTON NIGUEL WATER DISTRICT AND
FERREIRA CONSTRUCTION CO., INC.
CONTRACT NO. OM19-20.089a**

This Agreement (the “Agreement”) is made and entered into on 07/13/2020 (“Effective Date”) by and between the Moulton Niguel Water District (“District”) and Ferreira Construction Co., Inc. (“Contractor”). District and Contractor are sometimes individually referred to as “Party” and collectively as “Parties” in this Agreement.

RECITALS

A. District requires individual construction projects to be performed in certain areas throughout the District on an as-needed basis. This Agreement, as well as each Work Order issued pursuant to Section 1, establishes the terms and procedures that will apply to this Work.

B. The objective of this Agreement is for District to authorize Contractor to provide construction support Work on an on-call or emergency basis related to service, repair, and construction of DISTRICT facilities.

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

1. SCOPE OF SERVICES; PRICE; PERFORMANCE STANDARDS

1.1 Contractor shall perform construction support and emergency services (the “Work”) in accordance with the general standards set forth in attached Exhibit A (“Scope of Work and General Provisions”) and the other terms of this Agreement from time to time as directed by District.

1.2 As the need for Work arises, as determined by District, District’s representative shall issue Contractor a written work order (“Work Order”) as set forth in Exhibit B. In response to District’s request, Contractor shall deliver a written cost quote indicating: (a) Contractor’s availability to perform the Work; (b) the not-to-exceed price to perform the Work requested in accordance with the Rate Schedule shown in Exhibit C 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.

1.3. In some cases, 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 construction Work on a time and materials basis in accordance with the Rate Schedule and the terms and conditions of this Agreement.

1.4. Contractor’s Rate Schedule shall include all labor, supervision, materials, equipment, supplies, tools, incidentals, taxes, profit, overhead, bonding, traffic control, and insurance necessary to mobilize, complete the Work, demobilize, and provide cleanup and restoration of construction and work sites.

1.5. 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 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, and to the satisfaction of District.

1.6. The Work shall be done in accordance with the Scope of Work and General Provisions, 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.

1.7 Contractor shall provide a list of any subcontractors to District prior to commencement of Work. Any subcontractor must meet the approval of District. Costs for subcontracted work shall be paid as invoiced by subcontractor plus five percent (5%) markup for administrative costs.

1.8 The Work shall be completed in accordance with all local, state, and federal rules, regulations, and codes applicable to health and safety. 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, District's representatives, and in compliance with all safety laws, rules and regulations of the State, federal, and local agencies. It is Contractor's responsibility to have a current safety program on file with District prior to commencement of any work under this Agreement.

1.9 Contractor shall conduct its operations so 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 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.

2. COMPENSATION

2.1 District agrees to compensate Contractor for Work performed in accordance with Exhibit C ("Rate Schedule"). Total compensation under the Agreement shall not exceed **One Million Two Hundred Fifty Thousand Dollars (\$1,250,000)** without prior written approval by District.

2.2 CONTRACTOR is required to prepare and submit a daily work log to DISTRICT's representative on-site, unless otherwise waived in writing by the DISTRICT Representative. The daily work log shall be submitted each day and be signed off by both Parties. The daily work log will be used to verify CONTRACTOR's invoices for a work order based on time and materials payment. At a minimum, the work log should list each employee, classification, and hours worked each day; the type of equipment used on-site each day, hours of operation; and a brief summary of Work performed.

2.3 Contractor shall submit itemized invoices with supporting documentation including but not limited to, daily logs described above, period of work, paid receipts, and invoices to validate the charges for each invoice. District shall pay invoices within thirty (30) days of receipt. Payments shall be subject to review for compliance by District with the requirements of this Agreement.

2.4 District shall withhold from each payment an amount equal to five percent (5%) of such payment amount ("Retention") as security for adequate performance for work exceeding five thousand dollars (\$5,000) in cost. Notwithstanding the foregoing, after the work is at least fifty percent (50%) complete, if District determines that the work is satisfactorily progressing, District, in its sole discretion, may pay some or all of the remaining payments in full to the Contractor.

2.5 Final Acceptance. Within thirty (30) calendar days of District's "final acceptance" of Work under a Work Order, District will make final payment to Contractor of all invoices and Retention, provided District may withhold amounts as necessary to satisfy properly filed claims for labor or material; estimated actual costs for correcting defective Work; and amounts claimed by District as forfeiture due to delay or offsets. "Final acceptance" shall be defined as the formal action by District of accepting the work under a Work Order as being complete, including the filing of the *Notice of Completion*. No certificate given or payment made under the Agreement shall be conclusive evidence of performance of the Agreement and no payment shall be an acceptance of any defective work or improper materials.

3. TERM OF AGREEMENT AND TERMINATION

3.1 This Agreement shall commence on the Effective Date and continue for a period of **three (3) years**, unless earlier terminated as provided herein.

3.2 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. Any termination by Contractor shall not be effective as to any Work previously performed hereunder, or any Work being undertaken at the time of such termination by Contractor, and shall only apply prospectively. Contractor remains responsible for the completion of any Work still outstanding under a work order in accordance with the terms of this Agreement and work order. Contractor's indemnity and warranty obligations as to any work order, as well as any outstanding obligations of Contractor at the time of any termination, shall survive the expiration or termination of this Agreement. On District's termination, Contractor will be entitled to the reasonable value of the Work performed for which it has not received prior compensation under

a work order, subject to any offset from such payment representing District's damages from any material breach of the terms of this Agreement by Contractor or as otherwise provided for under Section 2. The foregoing provisions are in addition to and not in limitation of any other rights or remedies available to District.

4. PUBLIC WORKS AND PREVAILING WAGE

4.1 Contractor 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 16000 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. Since the Work is being performed as part of an applicable “public works” or “maintenance” project, as defined by the Prevailing Wage Laws, and since the total compensation is \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. A copy of these prevailing wage rates are on file with the Department of Industrial Relations and can be found online with the State of California at <http://www.dir.ca.gov/dlsr/pwd>. 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 Contractor’s principal place of business and at the project site. Contractor shall defend, indemnify, and hold the District, its officials, officers, employees, and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. Contractor and any subcontractor shall forfeit a penalty of up to \$200 per calendar day or portion thereof for each worker paid less than the prevailing wage rates.

4.2 Contractor’s 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 subcontractor under the Contractor. It shall be the responsibility of the Contractor to effectuate compliance on the part of itself and any subcontractors with the requirements for 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.

4.3 Pursuant to Labor Code section 1776, the Contractor and each subcontractor shall maintain weekly certified payroll records showing the name, address, social security number, work classification, straight time and overtime hours paid each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker or other employee employed in connection with the work. Contractor shall certify under penalty of perjury that records maintained and submitted by Contractor are true and accurate. Contractor shall also require subcontractor(s) to certify weekly payroll records under penalty of perjury. In the event of noncompliance with the requirements of this Section, the Contractor shall have ten (10) days in which to comply subsequent to receipt of written notice specifying any item or actions necessary to achieve compliance with this section. If Contractor or subcontractor does not comply after such ten (10)-day period, the Contractor shall, as a penalty to District, forfeit One Hundred Dollars (\$100) for each day, or portion thereof, for each worker until strict compliance is effectuated.

4.4 This Project is subject to compliance monitoring and enforcement by the Department of Industrial Relations (“DIR”). It shall be the Contractor’s sole responsibility to

evaluate and pay the cost of complying with all labor compliance requirements under this Agreement and applicable law. Any stop orders issued by the DIR against Contractor or any subcontractor that affect Contractor's performance of Work, including any delay, shall be Contractor's sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Contractor caused delay subject to any applicable liquidated damages and shall not be compensable by the District. Contractor shall defend, indemnify, and hold the District, its officials, officers, employees, and agents free and harmless from any claim or liability arising out of stop orders issued by the DIR against Contractor or any subcontractor.

4.5 In accordance with Labor Code section 1771.4, the Contractor and each subcontractor shall furnish the certified payroll records directly to the DIR on a weekly basis and in the format prescribed by the DIR, which may include electronic submission. Contractor shall comply with all requirements and regulations from the DIR relating to labor compliance monitoring and enforcement.

4.6 Contractor shall post, at appropriate conspicuous points on the work site, a schedule showing all determined general prevailing wage rates and all authorized deductions, if any, from unpaid wages actually earned.

4.7 Pursuant to Labor Code sections 1725.5 and 1771.1, the Contractor and its subcontractors must be registered with the DIR prior to the execution of a contract to perform public works. By entering into this Agreement, Contractor represents that it is aware of the registration requirement and is currently registered with the DIR. Contractor shall maintain a current registration for the duration of the Agreement. Contractor shall further include the requirements of Labor Code sections 1725.5 and 1771.1 in any subcontract and ensure that all subcontractors are registered at the time this Agreement is entered into and maintain registration for the duration of the Agreement. Contractor's DIR Registration No. is 1000001634.

5. BONDS

5.1 Before commencing performance of the Work contracted for hereunder, Contractor shall furnish Payment and Performance bonds (the "Bonds") as required by Section 9550 of the Civil Code, for 100% of the Agreement not-to-exceed amount, from a single surety licensed and admitted in the State of California and acceptable to the District in the District's sole discretion. Contractor shall deliver all Bonds required hereunder to the District prior to the commencement of Work.

5.2 Should, in District's sole opinion, any bond become insufficient or any surety be found to be unsatisfactory, Contractor shall renew or replace the effected bond within (ten) 10 days of receiving notice from District. In the event the surety or Contractor intends to reduce or cancel any required bond, at least thirty (30) days prior written notice shall be given to the District, and Contractor shall post acceptable replacement bonds at least ten (10) days prior to expiration of the original bonds. No further payments shall be deemed due or will be made under this Contract until any replacement bonds required by this Section are accepted by the District. To the extent, if any, that the Total Contract Price is increased in accordance with the Contract, Contractor shall, upon request of the District, cause the amount of the bond to be increased accordingly and shall promptly deliver satisfactory evidence of such increase to the

District. If Contractor fails to furnish any required bond, the District may terminate the Contract for cause.

5.3 District agrees to reimburse 100% of the total amount of the Bond premiums paid by the Contractor under this Agreement in consideration of Contractor maintaining availability for on-call Work during the term of this Agreement. No mark-up of Bond premium will be allowed. District will reimburse such premium amounts within thirty (30) days of District's receipt of invoice and following Contractor's posting of Bond.

5.4 Contractor shall use District's forms, which are attached hereto as Exhibit D ("Payment Bond"), and Exhibit E ("Performance Bond") for the Bonds.

6. INSURANCE

6.1 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. Contractor shall not commence Work under the Agreement until it has obtained all insurance required by the Agreement and shall be provided by Contractor with the Contractor's executed copy of this Agreement.

6.2 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 an AM Best rating of no less than "A- VII". *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, 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 10 to District.

6.3 Commercial general liability in a combined limit of not less than \$2,000,000 per occurrence, \$4,000,000 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.

6.4 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.

6.5 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 must include a waiver of subrogation.**

6.6 Contractor shall furnish District with certificates of insurance and endorsements effecting coverage required by this Contract on forms satisfactory to the District. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf and shall be on forms approved by the District. All certificates and endorsements must be received and approved by the District before work commences. The District reserves the right to require complete, certified copies of all required insurance policies, at any time.

6.7 All subcontractors shall meet the requirements of this Section before commencing Work. Contractor shall furnish separate certificates and endorsements for each subcontractor. Subcontractor policies of General Liability insurance shall name the District, its officials, employees, agents, and authorized volunteers as additional insureds using form ISO 20 38 04 13 or endorsements providing the exact same coverage. All coverages for subcontractors shall be subject to all of the requirements stated herein except as otherwise agreed to by the District in writing.

6.8 Contractor shall report to the District, in addition to Contractor's insurer, any and all insurance claims submitted by Contractor in connection with the Work under this Contract.

6.9 Nothing in the insurance requirements set forth in this Agreement or under the bonding terms is to be construed as limiting the liability of Contractor or Contractor's insurers or sureties. Contractor agrees that the provisions of this Section 10 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.

7. INDEMNIFICATION

7.1 To the fullest extent permitted by law, Contractor shall hold harmless, indemnify, and defend, including the duty and cost to defend as provided by Section 2778 of the California Civil Code, District and its directors, officers, employees, engineers and representatives as well as all public agencies issuing permits in connection with the Work, and all property owners of the Work site ("indemnitees"), from liability, claims, damages, demands, actions, attorney's fees, costs and expenses arising out of the performance of the Work under this Agreement, or actual or alleged non-performance, or the furnishing of materials by Contractor or its subcontractors, including but not limited to, claims by the Contractor or Contractor's employees for damages to person or property, except for the sole negligence or willful misconduct or active negligence of the District, its directors, officers, engineers, employees and representatives.

7.2 In furtherance of Contractor's obligations in this Section 5, Contractor shall defend itself and the indemnitees against any and all liabilities, claims, losses, damages, actions,

attorney's fees, costs and expenses arising out of the performance of the Work, or actual or alleged non-performance, or the furnishing of materials by Contractor or its subcontractors, including but not limited to claims by the Contractor or Contractor's employees for damages to person or property.

7.3 This indemnity obligation shall survive the termination or expiration of the Agreement and the completion of any Work pursuant to any work order, or otherwise.

8. WARRANTY

8.1 Contractor fully warrants and guarantees, for a period of three hundred sixty-five (365) days from the date of "final acceptance" (as defined in section 2.4) of any work by District ("Warranty Period"), that: (1) all goods, materials, and equipment supplied are new, are of first class material and workmanship and are free from defects; and (2) that all work will be of good quality, performed to the standard of care customary in Contractor's trade or profession. Under this guarantee, Contractor shall repair and replace any and all work, together with any other work which may be displaced in so doing, that does not meet the terms above under (1) and (2) within the Warranty Period, without expense whatsoever to District and with ordinary wear and tear and unusual abuse or neglect excepted. Neither District inspection nor failure to inspect shall relieve Contractor of any obligation hereunder. If in District's opinion, any article, material, or work fails to conform to specifications or is otherwise defective, Contractor shall promptly replace same at Contractor's expense. No acceptance or payment by District shall constitute a waiver of the foregoing, and nothing herein shall exclude or limit any manufacturers, suppliers or other express warranties, or warranties implied by law.

8.2 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. Contractor agrees to furnish District, and assign over to District as required, all appropriate warranty certificates upon completion of the work. No warranty whether provided for in this Section 6 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.

9. RECORDS

9.1 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.

9.2 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 this Agreement. Contractor, upon request, shall make the records of the Work available for the purposes described in this Section 7 at all reasonable times during the period Contractor is required to preserve and maintain such records.

10. CLAIMS

10.1 The claim terms set forth in this Agreement shall apply to those claims governed by Public Contract Code Section 20104 *et seq.* arising out of this Agreement.

10.2 In accordance with Public Contract Code Section 9201, District shall timely notify Contractor if District receives any third-party claim relating to the Work, or this Agreement. District shall be entitled to recover from Contractor District's reasonable costs incurred in providing such notification.

10.3 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.

11. GENERAL TERMS

11.1 This Agreement, including all documents and exhibits and appendices attached hereto, or incorporated herein by reference, and the executed work orders represent the entire agreement between District and Contractor and supersedes all prior negotiations, representations or agreements, either written or oral, including any previous agreements or contracts between the Parties to the extent the same are inconsistent with the terms hereof.

11.2 This Agreement shall not be considered modified, altered, changed, or amended in any respect unless documented in writing and signed by both Parties.

11.3 This Agreement shall be interpreted according to the laws of the State. 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 hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure 394.

11.4 All notices hereunder and communications regarding interpretation of the terms of the Contract or changes thereto shall be provided by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

DISTRICT:

Moulton Niguel Water District
P.O. Box 30203
Laguna Niguel, CA 92607
Attn: Director of Engineering

CONTRACTOR:

Ferreira Construction co., Inc.
10370 Commerce Center Dr.
Suite B-200
Rancho Cucamonga, CA 91730
Attn: Bree Scott

Any notice so given shall be considered received by the other Party three (3) days after deposit in the U.S. Mail as stated above and addressed to the Party at the above address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

11.5 If any section of this 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 this Agreement, the application of any such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of this Agreement as a whole.

11.6 Contractor shall not, either voluntarily or by action of law, assign or transfer this Contract or any obligation, right, title or interest assumed by Contractor herein without the prior written consent of District. If Contractor attempts an assignment or transfer of this Contract or any obligation, right, title or interest herein, District may, at its option, terminate and revoke the Contract and shall thereupon be relieved from any and all obligations to Contractor or its assignee or transferee.

11.7 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.

11.8 The failure of either Party to request performance in accordance with the terms of this Agreement shall not be deemed a waiver of the right to enforce the terms of this Agreement.

11.9 Contractor is an independent Contractor under this Agreement and not an employee of District. The personnel of Contractor are comprised of persons experienced in the work associated with the Services in all aspects.

11.10 All documents or other information developed or received by Contractor and related to the Work shall be delivered to District as the property of District.

11.12 Each Party represents and warrants this Agreement is valid and binding, is duly authorized by appropriate corporate or approving action, and that the person initialing this Agreement has the authority to bind such Party to this Agreement

11.13 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.

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.

-Signatures on following page-

MOULTON NIGUEL WATER DISTRICT:

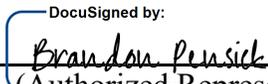
By:  _____
386397D8EC41493...

Printed Name: Matt Collings

Title: Assistant General Manager

Dated: 07/13/2020

FERREIRA CONSTRUCTION CO., INC.:

By:  _____
Authorized Representative of Contractor

Printed Name: Brandon Pensick

Title: Vice President

Dated: 07/10/2020

SCOPE OF WORK

I. The services of a CONTRACTOR are required, on an as-needed basis, for the timely construction, maintenance, repair, abandonment, and/or relocation of water distribution and sewer conveyance facilities. Typical work may include, but is not limited to the following:

1. Repair, relocate, replace, abandon, and install aboveground and underground water mains and pipelines, fire hydrants, large services (larger than 2”), small services (2” and below), line stops or insert valves, vaults, valves, meter vaults, and meter vault lids.
2. Repair, relocate, replace, abandon, and install aboveground and underground sewer pipelines; and any related facilities and equipment to the foregoing.
3. Locate and pothole utility substructures, underground conduits, and underground substructures related to the facilities and work above.
4. Replace and install concrete sidewalks, concrete driveway approaches, concrete curb and gutter, concrete spandrels and cross gutters, concrete pavement, and asphalt concrete pavement related to the facilities and work above.

Actual Services to be performed under the Agreement will be pursuant to individual Requests.

II. Materials shall be furnished by CONTRACTOR for completion of Work as specified in each Request. If not explicitly specified, shop drawings shall be submitted for approval prior to installation.

III. CONTRACTOR shall operate in and around active or energized pipelines and equipment and shall conduct itself in accordance with all applicable federal, state, and local laws and regulations. CONTRACTOR shall follow DISTRICT’S Standard Specifications in the testing and activation of new and existing water system components or facilities. Required system outages shall be scheduled with and approved by DISTRICT before the required date. The requirements for repairing, replacing, or installing water or sewer facilities to complete the Work shall be described in the individual Request.

IV. The services of a CONTRACTOR are required, on an as-needed basis, to provide emergency Services to repair and/or replace and inspect damages to the Water System. Typical Work will include, but not be limited to the following:

1. Inspect and evaluate damages and restore services to water distribution, production facilities; sewer conveyance facilities.
2. Repair and/or replace mains, pipelines, valves, fire hydrants, services, meters, line stops, vaults, sampling stations, conduits, and substructures.
3. Clean up environmental/hazardous spills and by-products of combustion and/or disinfection.

V. CONTRACTOR shall perform all work in accordance with the following:

1. District's General Provisions [attached]**:
 - a. Section 4, subdivisions 1, 3-6
 - b. Section 5, subdivisions 1, 4, 7-8, 10-14
 - c. Section 6, subdivisions 1-2, 6
 - d. Section 7, subdivisions 1-10,12-18, 23-27
 - e. Section 9, subdivision 6

2. District's Standard Specifications for the Construction of Domestic Water, Sewer and Recycled Water Facilities, accessible via the District's website at: <http://www.mnwd.com/standards-specifications/>. Note: Contractors are advised that the District's water distribution system contains a significant amount of asbestos cement pipe. Contractors (or listed subcontractor) shall be properly certified for the removal and transport of asbestos cement pipe in accordance with Specification Section 15072.

For the typical anticipated work requests, refer to District's Standard Drawings W-6, W-7, W-8, W-11, and W-12 [attached].

3. Requirements of City with authority over work site/permit terms

***** In the event any statutory sections cited or referred to in the General Provisions above are updated at the time a Request is issued, all such updates and terms shall be deemed controlling, and are incorporated prospectively by this reference.***

GENERAL PROVISIONS

4-1 WORK TO BE DONE

The Work to be done consists of furnishing all transportation, labor, materials, tools, equipment, services, permits, utilities and all other items which are necessary or appurtenant to construct and complete the entire project and construct the project designated in the Contract Documents, and to leave the grounds in a neat and presentable condition .

4-3 OBSTRUCTIONS

The Contractor shall remove and dispose of all structures, debris, or other obstructions of any character necessary to accommodate the Work. Where such obstructions consist of improvements not required by law to be removed by the Owner thereof, all such improvements shall be removed, maintained, and permanently replaced by the Contractor at his expense except as otherwise specifically provided in the Contract Documents.

4-4 UTILITIES

The Engineer/Architect has endeavored to determine the existence of utilities at the site of the Work from the records of the Owners of known utilities in the vicinity of the Work. The positions of these utilities as derived from such records are shown on the Plans. The service connections to these utilities are not shown on the Plans.

The Contractor shall make his own investigations, including exploratory excavations, to determine the locations and type of existing service laterals or appurtenances when their presence can be inferred from the presence of other visible facilities, such as buildings, meter and junction boxes, on or adjacent to the site of the Work. If the Contractor discovers Utility facilities not identified in the Plans or Specifications or in a position different from that shown in the Plans and Specifications, he shall immediately notify in writing the Owner's Representative and the Owner of the Utility facility.

The Owner shall have the responsibility for the timely removal, relocation, protection, and temporary maintenance of existing main or trunkline Utility facilities which are not indicated in the Plans and Specifications with reasonable accuracy.

In case it would be necessary to remove, relocate, protect, or temporarily maintain a Utility because of interference with the Work, the Work on such Utility shall be performed and paid for as follows:

When it is necessary to remove, relocate, protect, or temporarily maintain an existing main or trunkline Utility facility not indicated in the Plans and Specifications with reasonable accuracy, the Owner will compensate the Contractor for the cost of locating, for the costs of repairing damage not due to the failure of the Contractor to exercise reasonable care, for the costs of removing, relocating, protecting, or temporarily maintaining such Utility facilities, and for the costs for equipment on the site necessarily idled during such Work. These costs, the Work to be done by the Contractor in locating, removing, relocating, protecting or temporarily maintaining such Utility facilities shall be covered by a written change order conforming to the provisions of Section 4-2,

CHANGES IN THE WORK, and Section 9-1, PAYMENT FOR CHANGES IN THE WORK. The Owner may make changes in the alignment and grade of the Work to obviate the necessity to remove, relocate, protect, or temporarily maintain such Utility facilities or to reduce the costs of the Work involved in removing, relocating, protecting or temporarily maintaining such Utility facilities. Changes in alignment and grade will be ordered in accordance with Section 4-2, CHANGES IN THE WORK. The Contractor shall not be assessed liquidated damages for delay in completion of the project, when such delay was caused by a failure of the owner of the utility to provide for removal or relocation of such facility.

When it is necessary to remove, relocate, protect, or temporarily maintain a Utility (other than (1) existing main or trunkline Utility facilities not indicated in the Plans and Specifications with reasonable accuracy, or (2) existing service laterals or appurtenances when their presence cannot be inferred from the presence of other visible facilities, such as buildings, meter and junction boxes, on or adjacent to the site of the Work) the cost of which is not required to be borne by the Owner thereof, the Contractor shall bear all expenses incidental to the Work on the Utility or damage thereto. The Work on the Utility shall be done in a manner satisfactory to the Owner thereof; it being understood that the Owner of the Utility has the option of doing such Work with his own forces, or permitting the Work to be done by the Contractor. No representations are made that the obligations to remove, relocate, protect, or temporarily maintain any Utility and to pay the cost thereof is or is not required to be borne by the Owner such Utility, and it shall be the responsibility of the Contractor to investigate to find out whether or not said cost is required to be borne by the Owner of the Utility.

The right is reserved to governmental agencies and to Owners of utilities to enter any time upon any street, alley, right-of-way, or easement for the purpose of making changes in their property made necessary by the Work and for the purpose of maintaining and making repairs to their property.

4-5 PLANS AND SPECIFICATIONS FURNISHED BY THE OWNER

The Owner will furnish to the Contractor free of charge all copies of Plans and Specifications reasonably necessary for the execution of the Work. The Contractor shall keep one set of Plans and Specifications in good order available to the Owner's Representative at the site of the Work.

4-6 FINAL CLEANUP

Upon completion and before making application for Acceptance of the Work, the Contractor shall clean all rights-of-way, streets, borrow pits, and all other grounds occupied by him in connection with the Work of all rubbish, excess materials, temporary structures, and equipment, and all parts of the Work and grounds occupied by him shall be left in a neat and presentable condition.

5-1 AUTHORITY OF THE OWNER'S REPRESENTATIVE

The Owner's Representative shall decide any and all questions which may arise as to the interpretation of the Plans and Specifications and shall have authority to disapprove or reject materials and equipment furnished and Work performed which, in his opinion, is not in accordance with the Contract Documents.

5-4 MANUFACTURER'S INSTRUCTIONS

All materials and equipment shall be applied, installed, connected, erected, used, cleaned, and conditioned in accordance with the instructions of the applicable manufacturer, fabricator, supplier or distributor, except as otherwise specifically provided in the Contract Documents.

5-7 ERRORS OR DISCREPANCIES NOTED BY CONTRACTOR

It is the duty of the Contractor to promptly notify the Owner's Representative in writing of any design, materials, or specified method that the Contractor believes may prove defective or insufficient. If the Contractor believes that a defect of insufficiency exists in design, materials, or specified method and fails to promptly notify the Owner's Representative in writing of this belief, the Contractor waives any right to assert that defect or insufficiency in design materials, or specified method at any later date in any legal or equitable proceeding against the Owner, or in any subsequent arbitration or settlement conference between the Owner and the Contractor. The Owner's Representative, on receipt of any such notice, will promptly investigate the circumstances and give appropriate instructions to the Contractor. Until such instructions are given, any Work done by the Contractor after he comes to the belief that a defect or insufficiency exists in design, materials, or specified method which is directly or indirectly affected by such alleged defect or insufficiency in design, materials, or specified method will be at his own risk and he shall bear all cost arising therefrom.

If the Contractor, either before commencing Work or in the course of the Work, finds any discrepancy between the Specifications and the Plans or between either of them and the physical conditions at the site of the Work or finds any error or omission in any of the Plans or in any survey, he shall promptly notify the Owner's Representative of such discrepancy, error, or omission. If the Contractor observes that any Plans or Specifications are at variance with any applicable law, ordinance, regulation, order or decree, he shall promptly notify the Owner's Representative in writing of such conflict. The Owner's Representative, on receipt of such notice, will promptly investigate the circumstances and give appropriate instructions to the Contractor. Until such instructions are given, any Work done by the Contractor after his discovery of such error, discrepancy, or conflict which is directly or indirectly affected by such error, discrepancy, or conflict will be at his own risk and he shall bear all costs rising therefrom.

5-8 SUPERVISION AND SUPERINTENDENCE

The Contractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. The Contractor shall be solely responsible for the means, methods, techniques, sequences and procedures of construction, but the Contractor shall not be solely responsible for the negligence of others in the design or selection of a specific means, method, technique, sequence, or procedure of construction which is indicated in and required by the Contract Documents except as otherwise provided in the Section 5-7 ERRORS OR DISCREPANCIES NOTED BY CONTRACTOR.

The Contractor shall be responsible to see that the completed Work complies with the Contract Documents.

The Contractor shall designate and keep on the Work site at all times during its progress a competent superintendent, who shall not be replaced without written notice to the Owner's Representative. The superintendent will be the Contractor's representative at the site and shall have authority to act on behalf of the Contractor. All communications given to the superintendent shall be as binding as if given to the Contractor. During periods when the Work is suspended, the Contractor shall make appropriate arrangements for any emergency Work which may be required.

Whenever the superintendent is not present on any particular part of the Work where the Owner's Representative may desire to inform the Contractor relative to interpretation of the Plans and Specifications or to disapproval or rejection of materials or Work performed, the Owner's Representative may so inform the foreman or other worker in charge of the particular part of the Work in reference to which the information is given. Information so given shall be as binding as if given to the superintendent.

5-10 QUALITY AND SAFETY OF MATERIALS AND EQUIPMENT

All equipment, materials, and supplies to be incorporated in the Work shall be new, unless otherwise specified. All equipment, materials, and supplies shall be produced in a good and workmanlike manner. When the quality of a material, process, or article is not specifically set forth in the Plans and Specifications, the best available quality of the material, process, or article shall be provided.

Whenever any material, process, or article is indicated or specified by grade, patent or proprietary name, or by name of manufacturer, such specification shall be deemed to be used for the purpose of facilitating description of the materials, process, or articles desired and shall be deemed to be followed by the words "or equal", and the Contractor may offer any material, process, or article which shall be substantially equal or better in every respect to that so indicated or specified; provided, however, that if the material, process or article ordered by the Contractor is not, in the opinion of the Owner's Representative, equal or better in every respect to that specified, then the Contractor must furnish the material, process, or article or one that in the opinion of the Owner's Representative is the substantial equal or better in every respect. In the event that the Contractor furnishes material, process, or article more expensive than that specified, the difference in cost of such material, process, or article so furnished shall be borne by the Contractor.

In accordance with Section 4380 of the Government Code, the Contractor shall submit data substantiating requests for substitution of "equal" items within 35 Days after award of the Contract. This 35-day period of time is included in the number of Days allowed for the completion of the Work.

All materials, equipment, and supplies provided shall, without additional charge to Owner, fully conform with all applicable state and federal safety laws, rules, regulations, and orders, and it shall be Contractor's responsibility to provide only such materials, equipment, and supplies notwithstanding any omissions in the Contract Documents therefor or that a particular material, equipment, or supply was specified.

5-11 STANDARDS, CODES, SAMPLES AND TESTS

Whenever reference is made to a standard, code, specification, or test and the designation representing the date or adoption or latest revision thereof is omitted, it shall mean the latest revision of such standard, code, specification, or test in effect on the day the Notice Inviting Sealed Proposals (Bids) is dated.

The tests shall be made in accordance with commonly recognized procedures of technical organizations and such special procedures as may be prescribed elsewhere in the Plans and Specifications. The Contractor shall furnish without charge such samples for testing as may be required by the Owner's Representative. Tests and samples may be required at the source of materials as well as at the site of the Work.

5-12 OBSERVATION OF WORK BY OWNER'S REPRESENTATIVE

The Owner's Representative shall at all times have access to the Work during construction and shall be furnished with every reasonable facility for ascertaining full knowledge respecting the progress, workmanship, and character of materials and equipment used and employed in the Work.

Whenever the Contractor varies the normal period during which Work or any portion of it is carried on each day, he shall give timely notice to the Owner's Representative so that the Owner's Representative may, if he wishes, be present to observe the Work in progress. If the Contractor fails to give such timely notice, any Work done in the absence of the Owner's Representative will be subject to rejection.

The Contractor shall give timely notice to the Owner's Representative in advance of backfilling or otherwise covering any part of the Work so that the Owner's Representative may, if he wishes, observe such part of the Work before it is concealed.

The observation, if any, by the Owner's Representative of the Work shall not relieve the Contractor of any of his obligations to fulfill the Contract as prescribed. Defective Work shall be made good, and materials, and equipment furnished and Work performed which is not in accordance with the Contract Documents may be rejected notwithstanding the fact that such materials, equipment, and Work have been previously observed by the Owner's Representative or that payment therefor has been included in an estimate for payment.

5-13 REMOVAL OF DEFECTIVE AND UNAUTHORIZED WORK

Any Work which does not conform to the requirements of the Contract Documents shall be remedied or removed and replaced by the Contractor, together with any other Work which may be displaced in so doing, and no compensation will be allowed him for such removal, replacement, or remedial Work. All nonconforming materials shall be immediately removed from the site.

Any Work done beyond the lines and grades shown on the Plans or established by the Owner's Representative or any changes in, additions to, or deductions from the Work done without written authority will be considered as unauthorized and will not be paid for. Work so done may be ordered remedied, removed, or replaced by the Contractor.

Upon failure on the part of the Contractor to comply promptly with any order of the Owner's Representative made under the provisions of this Section, the Owner's Representative shall have authority to cause nonconforming materials, rejected Work, or unauthorized Work to be remedied, removed, or replaced at the Contractor's expense and to deduct the costs from any monies due or to become due the Contractor.

5-14 ONE YEAR GUARANTEE

Besides guarantees required elsewhere, the Contractor shall and hereby does guarantee the Work for a period of one year after the date of Acceptance of the Work by the Owner except for any portion of the Work that is utilized or placed into service by the Owner in accordance with the provisions of the Section on USE OF COMPLETED PORTIONS. The guarantee period for portions of the Work so utilized or placed into service shall be one year commencing on the date of the written notification to the Contractor described in the Section on USE OF COMPLETED PORTIONS. The Contractor shall repair or remove and replace

any and all such Work, together with any other Work which may be displaced in so doing, that is found to be defective in workmanship and/or materials within said one year periods, without expense whatsoever to the Owner, ordinary wear and tear and unusual abuse or neglect excepted. In the event of failure to comply with the above-mentioned conditions within one week after being notified in writing, the Owner is hereby authorized to proceed to have the defects remedied and made good at the expense of the Contractor who hereby agrees to pay the cost and charges therefor immediately on demand. Such action by the Owner will not relieve the Contractor of the guarantees required by this Section or elsewhere in the contract documents.

The performance bond and the payment bond shall continue in full force and effect for the guarantee period.

If, in the opinion of the Owner, defective Work creates a dangerous condition or requires immediate corrections or attention to prevent further loss to the Owner or to prevent interruption of operations of the Owner, the Owner will attempt to give the notice required by this Section. If the Contractor cannot be contacted or does not comply with the Owner's request for correction within a reasonable time as determined by the Owner, the Owner may, notwithstanding the provisions of this Section, proceed to make such correction or provide such attention; and the costs of such corrections or attention shall be charged against the Contractor. Such action by the Owner will not relieve the Contractor of the guarantees required by this Section or elsewhere in the Contract Documents.

This Section does not in any way limit the guarantee on any items for which a longer guarantee is specified or on any items for which a manufacturer or supplier gives a guarantee for a longer period. The Contractor agrees to act as a co-guarantor with such manufacturer or supplier and shall furnish the Owner all appropriate guarantee or warranty certificates upon completion of the project. No guarantee period whether provided for in this Section or elsewhere shall in any way limit the liability of Contractor or his sureties or insurers under the indemnity or insurance provisions of these General Provisions or the Special Provisions.

6-1 SUB-CONTRACTING

If the Contractor shall subcontract any part of Contract, the Contractor shall be as fully responsible to the Owner for the acts and omissions of his Subcontractor and of the persons either directly or indirectly employed by his Subcontractor as he is for the acts and omissions of persons directly employed by himself. Nothing contained in the Contract Documents shall create any contractual relationship between any Subcontractor and the Owner. The Contractor shall bind every Subcontractor to be bound by the terms

of the Contract Documents as applicable to its Work.

The divisions and sections of any Specifications and the identifications or any Drawings shall not control Contractor in dividing the Work among Subcontractors or suppliers or delineating work to be performed by any specific trade. The divisions of the Specifications are complementary, and anything mentioned or shown in a division of the Specifications or in a specific trade drawing shall be of like effect as if shown in all divisions of the Specifications and in all Drawings.

Contractor is prohibited from performing any of the Work with a Subcontractor who is ineligible to perform such Work pursuant to Section 1777.1 or 1777.7 of the Labor Code. Contractor agrees that in accordance with Public Contract Code Section 6109, a subcontract with an ineligible Subcontractor is void as a matter of law, amounts paid to the Subcontractor shall be returned to Owner, and Contractor is responsible for paying wages of the Subcontractor's employees if the Subcontractor is allowed to perform any part of the Work.

Contractor shall not award work to Subcontractors in excess of 50% percent of the Contract amount without prior written approval of Owner. Except as provided by law, Contractor shall not employ any Subcontractor, supplier, or other person or organization (including but not limited to those who are to furnish the principal items of materials or equipment), whether initially or as a substitute, against whom Owner may have reasonable objection.

Contractor shall give prompt written notice to Owner as to the identity and qualifications of any Subcontractor, supplier, or other person or organization to whom Contractor intends to award work, and of Contractor's intent to remove or replace a Subcontractor, supplier, or other person.

All Work performed for Contractor by a Subcontractor, supplier or other person or organization will be in accordance with an appropriate sub-agreement between Contractor and the Subcontractor, supplier, or other person or organization which specifically binds the Subcontractor, supplier, or other person or organization to the applicable terms and conditions of the Contract Documents for the benefit of Owner.

If requested in writing by Owner, Contractor shall deliver to Owner a copy of each sub-agreement with a Subcontractor, supplier, or other person or organization performing a part of the Work within seven days of Owner's request.

6-2 ASSIGNMENT

The performance of the Contract shall not be assigned, except upon the written consent of the Owner. Consent will not be given to any proposed assignment which would relieve the original Contractor or his surety of their responsibilities under the Contract, nor will the Owner consent to any assignment of a part of the Work under the Contract.

Upon obtaining a prior written consent of the Owner, the Contractor may assign monies due or to become due him under the Contract, to the extent permitted by law, but any assignment of monies shall be subject to all proper setoffs in favor of the Owner and to all deductions provided for in the Contract, and particularly all money withheld, whether assigned or not, shall be subject to being used by the Owner for the completion of the Work in the event that the Contractor should be in default therein.

No assignment of this Contract will be approved unless it shall contain a provision that the funds to be paid to the assignee under the assignment are subject to a prior lien for services rendered or materials supplied for performance of the Work called for under the Contract in favor of all persons, firms, or corporations rendering such services or supplying such materials and that the Owner may withhold funds due until all Work required by the Contract Documents is completed to the Owner's satisfaction.

6-6 USE OF COMPLETED PORTIONS

When the Work or any portion of it is sufficiently complete to be utilized or placed into service, the Owner shall have the right upon written notification to the Contractor to utilize such portions of the Work and to place the operable portions into service and to operate same.

Upon said notice and commencement of utilization or operation by the Owner, the Contractor shall be relieved of the duty of maintaining the portions so utilized or placed into operation; provided, however, that nothing in this Section shall be construed as relieving the Contractor of the full responsibility for completing the Work in its entirety, for making good defective Work and materials, for protecting the Work from damage, and for being responsible for damage, and for the Work as set forth in the General Provisions and other Contract Documents nor shall such action by the Owner be deemed completion and Acceptance, and such action shall not relieve the Contractor, its sureties, or insurers of the provisions of the Sections on CONTRACTOR'S INSURANCE, INDEMNITY, and GUARANTEES.

7-1 OBSERVING LAWS AND ORDINANCES

The Contractor shall keep himself fully informed of all existing and future laws, ordinances, and regulations which in any manner affect those engaged or employed in the Work or the materials used in the Work or which in any way affect the conduct of the Work and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over same. If any discrepancy or inconsistency is discovered in the Plans, Specifications, or Contract for the Work in relation to any such law, ordinance, regulation, order, or decree, he shall forthwith report the same to the Owner's Representative in writing and cease operations on that part of the Work until the Owner's Representative has given him appropriate instructions as provided for in the Section on ERRORS OR DISCREPANCIES NOTED BY CONTRACTOR.

The Contractor shall at all times observe and comply with and shall cause all his agents, employees, Subcontractors, and suppliers to observe and comply with all such existing and future laws, ordinances, regulations, orders, and decrees, and shall hold harmless, indemnify, and defend the Owner, the Engineer/Architect, the Owner's Representative, and their consultants, and each of their directors, officers, employees, and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order, or decree, by the Contractor, his employees, agents, Subcontractors, or suppliers.

7-2 PERMITS AND LICENSES

The Contractor shall procure all permits and licenses, pay all charges and fees, and give all notices necessary and incidental to the due and lawful prosecution of the Work.

7-3 INVENTIONS, PATENTS, AND COPYRIGHTS

The Contractor shall pay all royalties and assume all costs arising from the use of any invention, design, process, materials, equipment, product, or device which is the subject of patent rights or copyrights.

The Contractor shall hold harmless, indemnify, and defend the Owner, the Engineer/Architect, the Owner's Representative, and their consultants, and each of their directors, officers, employees, and agents from and against all claims, damages, losses, expenses, and other costs, including costs of defense attorneys' fees, arising out of any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, materials, equipment, product or device, and shall defend all such claims in connection with any alleged infringement of such right.

7-4 PUBLIC CONVENIENCE AND SAFETY

The Contractor shall so conduct his operations as to offer the least possible obstruction and inconvenience to the public, and he shall have under construction no greater length or amount of Work that he can

prosecute properly with due regard to the rights of the public. Convenient access to driveways, houses and buildings along the line of 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.

The 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 construction Work and to give directions to the public.

7-5 RESPONSIBILITY FOR LOSS, DAMAGE, OR INJURIES

The Contractor shall be responsible for all claims demands, or liability from any cause arising out of or resulting from or in connection with the performance of the Work, excepting only those as may be caused solely and exclusively by the fault or negligence of the Owner, Engineer/Architect, the Owner's Representative, or their consultants, or their directors, officers, employees, and agents. Such responsibility shall extend to claims, demands, or liability for loss, damage, or injuries occurring after completion of the Work as well as during the progress of the Work.

7-6 CONTRACTOR'S RESPONSIBILITY FOR THE WORK

Until the Acceptance of the Work, the Contractor shall have the responsible charge and care of the Work and of the materials to be used therein (including materials for which he has received partial payment or materials which have been furnished by the Owner) and shall bear the risk of injury, loss, or damage to any part thereof by the action of the elements or from any other cause, whether arising from the execution or from the non-execution of the Work.

The Contractor shall rebuild, repair, restore, and make good all injuries, losses, or damages to any portion of the Work or materials occasioned by any cause before its completion and Acceptance and shall bear

the expense thereof. Where necessary to protect the Work or materials from damage, the Contractor shall at his expense provide suitable drainage and erect such temporary structures as are necessary to protect the Work or materials from damage. The suspension of the Work or the granting of any extension of time from any cause whatever shall not relieve the Contractor of his responsibility for the Work and materials as herein specified.

In an emergency affecting the safety of life or property, including adjoining property, the Contractor, without special instructions or authorizations, is authorized to act at his discretion to prevent such threatened loss or injury.

Notwithstanding the foregoing provisions of this Section, the Contractor shall not be responsible for the cost of repairing and restoring damage to the Work, which damage is determined to have been proximately caused by an Act of God, in excess of 5% of the contracted amount, provided that the Work damaged is built in accordance with accepted and applicable building standards and the Plans and Specifications. For the purposes of this paragraph, "Acts of God" shall include only the following occurrences or conditions and effect: earthquakes in excess of a magnitude of 3.5 on the Richter Scale and tidal waves.

7-7 PRESERVATION OF PROPERTY

The Contractor shall exercise due care to avoid injury to existing improvement or facilities, Utility facilities, adjacent property, and trees and shrubbery that are not to be removed.

All trees, shrubbery, and landscaping that are not to be removed, and pole lines, fences, signs, survey markers and monuments, buildings and structures, conduits, pipelines under or above ground, sewer and waterlines, all highway or street facilities, and any other improvements or facilities within or adjacent to the Work shall be protected from injury or damage, and the Contractor shall provide and install suitable safeguards to protect such objects from injury or damage. If such objects are injured or damaged by reason of the Contractor's operation, they shall be replaced or restored at the Contractor's expense to a condition as good as when the Contractor entered upon the Work or as good as required by the Plans and Specifications if any such objects are a part of the Work being performed.

The fact that any such pipe or other underground facility is not shown on the Plans shall not relieve the Contractor of his responsibility under this Section.

In addition to any requirements imposed by law, the Contractor shall shore up, brace, underpin, and protect as may be necessary, all foundations and other parts of all existing structures adjacent to and adjoining the site of the Work which are in any way affected by the excavations or other operations connected with the performance of the Work. Whenever any notice is required to be given by the Owner or the Contractor to any adjacent or adjoining landowner or other party before commencement of any Work such notice shall be given by the Contractor.

In any emergency affecting the safety of life or property, including adjoining property, the Contractor, without special instructions or authorizations, is authorized to act at his discretion to prevent such threatened loss or injury.

7-8 EXCAVATION AND/OR DIGGING TRENCHES

As required by Labor Code Section 6705, if the total amount of the Contract is in excess of \$25,000, the Contractor shall submit to the Owner for Acceptance, in advance of excavation, a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation of any trench or trenches 5 feet or more in depth. The plan shall be prepared by a registered civil or structural Engineer. As a part of the plan, a note shall be included stating that the registered civil or structural Engineer certifies that the plan complies with the CAL-OSHA Construction Safety Orders, or that the registered civil or structural Engineer certifies that the plan is not less effective than the shoring, bracing, sloping, or other provisions of the Safety Orders.

The Owner or the Engineer/ Architect or their consultants may have made investigations of the subsurface conditions in areas where the Work is to be performed. If so, these investigations are identified in the Special Provisions and the records of such investigations are available for inspection at the office of the Engineer/Architect. The detailed plan showing the design of shoring, etc., which the Contractor is required to submit to the Owner for Acceptance in advance of excavation will not be accepted by the Owner if the plan is based on subsurface conditions which are more favorable than those revealed by the investigations made by the Owner or the Engineer/Architect or their consultants; nor will the plan be accepted if it is based on soils related design criteria which is less restrictive than the criteria set forth in the report on the aforesaid investigations of subsurface conditions.

The detailed plan showing the design of shoring, etc., shall include surcharge loads for nearby embankments and structures, for spoil banks, and for construction equipment and other construction loadings. The plan shall indicate for all trench conditions the minimum horizontal distances from the side of the trench at its top to the near side of the surcharge loads.

Nothing contained in this Section shall be construed as relieving the Contractor of the full responsibility for providing shoring, bracing, sloping, or other provisions which are adequate for worker protection.

As required by Public Contracts Code Section 7104, in any Contract which involves digging trenches or other excavations that extend deeper than four feet below the surface, the Contractor shall promptly, and before the following conditions are disturbed, notify the Owner, in writing, of any:

- (1) Material that the Contractor believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law.
- (2) Subsurface or latent physical conditions at the site differing from those indicated.
- (3) Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract.

Owner shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in the Contractor's cost of, or the time required for, performance of any part of the Work, shall issue a change order under the procedures described in the Contract.

In the event that a dispute arises between the Owner and the Contractor whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in the Contractor's cost of, or time required for, performance of any part of the Work, the Contractor shall not be excused from any scheduled completion date provided for by the Contract, but shall proceed with all work to be performed under the Contract. The Contractor shall retain any and all rights provided either by the Contract or by law which pertain to the resolution of disputes and protests between the parties.

7-9 SAFETY

In accordance with generally accepted construction practices, the Contractor shall be solely and completely responsible for conditions of the job site, including safety of all persons and property during performance of the Work, and the Contractor shall fully comply with all state, federal and other laws, rules, regulations, and orders relating to safety of the public and workers.

The right of the Engineer/Architect or the Owner's Representative to conduct construction review or observation of the Contractor's performance will not include review or observation of the adequacy of the Contractor's safety measure in, on, or near the construction site.

7-10 PERSONAL LIABILITY

No director, officer, employee, or agent of the Owner, the Engineer/Architect, the Owner's Representative, or their consultants shall be personally responsible for any liability arising under or by virtue of the Contract.

7-12 HOURS OF LABOR

The Contractor shall forfeit as a penalty to the Owner \$25.00 for each worker employed in the execution of the Contract by the Contractor or any Subcontractor under him 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 the basic rate of pay as provided in said Section 1815.

All work necessary to be performed after regular working hours, on Saturdays and Sundays, or holidays, shall be performed without additional expense to the Owner.

The Owner will provide inspection during normal working hours, as established in the Special Provisions, Monday through Friday. Inspection before or after this time will be charged to the Contractor as reimbursable inspection time. Inspections on weekends requires two days' notice for review and approval.

7-13 PREVAILING WAGE

A. The Contractor shall comply with Labor Code Section 1775. In accordance with said Section 1775,

the Contractor shall forfeit as a penalty to the Owner \$200.00 for each calendar day or portion thereof for each worker paid less than the stipulated prevailing rates for such Work or craft in which such worker is employed for any Work done under the Contract by him or by any Subcontractor under him 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.

- B. For all contracts for which bids are opened on or after March 1, 2015, or contracts are awarded on or after April 1, 2015, the Contractor and any subcontractor shall be registered with the Department of Industrial Relations and qualified to perform work pursuant to Sections 1725.5 and 1771.1 of the California Labor Code. Pursuant to Sections 1725.5 and 1771.1, as applicable, the Contractor shall be responsible for providing proof of current registration for both the Contractor and any subcontractor prior to performing any work. Notwithstanding anything to the contrary, if at any time during the performance of the Work, the Contractor or any of its subcontractors, which is otherwise required by law to be registered with DIR, is not duly registered pursuant to Labor Code Section 1725.5 (including, without limitation, if the DIR revokes the registration), the DISTRICT may cancel the Contract and/or replace the Contractor or subcontractor with a contractor or subcontractor that is duly registered pursuant to Labor Code Section 1725.5.
- C. The Contractor acknowledges that this project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.
- D. The Contractor and all subcontractors shall be responsible for posting appropriate job site notices, pursuant to the requirements set forth in the Labor Code and related regulations. Furthermore, the Contractor and all subcontractors shall be responsible for furnishing the records specified in Section 1776 of the Labor Code directly to the Labor Commissioner, pursuant to the procedures set forth in Section 1771.4 of the Labor Code.

7-14 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 filed in accordance with Labor Code Section 1773.8.

7-15 APPRENTICES

Attention is directed to the provisions in Sections 1777.5 and 1777.6 of the Labor Code concerning the employment of apprentices by the Contractor or any Subcontractor under him.

The Contractor and any Subcontractor under him 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 up to \$100 for each calendar day of non-compliance (or up to \$300 per day if prior violation(s)) which shall be withheld from progress payments by Owner upon notice from the Department of Industrial Relations. (Labor Code Section 1777.7)

7-16 WARRANTY OF TITLE

No materials, supplies, or equipment for the Work under this Contract shall be purchased subject to any chattel mortgage or under a conditional sale Contract or other agreement by which an interest therein or any part thereof is retained by the seller or supplier. The Contractor warrants clear and good title to all materials, supplies, and equipment installed and incorporated in the Work and agrees upon completion of all Work to deliver the premises together with all improvements and appurtenances constructed or placed thereon by him to the Owner free from any claims, liens, encumbrances, or charges and further agrees that neither he nor any person, firm, or corporation furnishing any material or labor for any Work covered by the Contract shall have any right to a lien upon the premises or any improvement or appurtenance thereon, provided that this shall not preclude the Contractor from installing metering devices or other equipment of Utility companies or of municipalities, the title of which commonly retained by the Utility company or the municipality. Nothing contained in this Section, however, shall defeat or impair the right of such persons furnishing materials or labor under any bond given by the Contractor for their protection, or any right under any law permitting such persons to look to funds due the Contractor in the hands of the Owner. The provisions of this Section shall be inserted in all subcontracts and material contracts, and notices of its provision shall be given to all persons furnishing materials for the Work when no formal Contract is entered into for such materials.

7-17 PROPERTY RIGHTS IN MATERIALS

Nothing in the Contract shall be construed as vesting in the Contractor any right of property in the materials used after they have been attached or affixed to the Work or the soil, or after payment has been made for materials delivered to the site of the Work, or stored subject to or under the control of the Owner.

All such materials shall become the property of the Owner upon being so attached or affixed or upon payment for materials delivered to the site of the Work or stored subject to or under the control of the Owner.

Soil, stone, gravel, and other materials found at the site of the Work and which conform to the Plans and Specifications for incorporation into the Work may be used in the Work. No other use shall be made of such materials except as may be otherwise described in the Plans and Specifications.

All excess excavated soil, stone, gravel, and other materials from the site of the Work shall become the property of the Contractor upon removal of such materials from the site of the Work.

7-18 MUTUAL RESPONSIBILITY OF CONTRACTORS

Nothing in the Contract shall be interpreted as granting to the Contractor exclusive occupancy of the site

of the project. The Contractor must ascertain to his own satisfaction the scope of the project and the nature of any other Contracts that have been or may be awarded by the Owner in the construction of the project, to the end that the Contractor may perform this Contract in the light of such other Contracts, if any.

The Contractor shall not cause any unnecessary hindrance or delay to any other Contractor working on the project. If the performance of any Contract for the project is likely to be interfered with by the simultaneous performance of some other Contract or Contracts, the Owner's Representative shall decide which Contractor shall cease Work temporarily and which Contractor shall continue or whether the Work under the Contracts can be coordinated so that the Contractors may proceed simultaneously. On all questions concerning conflicting interest of Contractors performing related Work, the decision of the Owner's Representative shall be binding upon all Contractors concerned and the Owner, the Engineer/Architect, the Owner's Representative, and their consultants shall not be responsible for any damages suffered or extra costs incurred by the Contractor resulting directly or indirectly from the award or performance of attempted performance of any other Contract or Contracts on the project or caused by a decision or omission of the Owner's Representative respecting the order of precedence in the performance of the Contracts.

If through acts of neglect on the part of the Contractor, any other contractor or any Subcontractor shall suffer loss of damage on the Work, the Contractor agrees to settle with such other contractor or Subcontractor by agreement or arbitration, if such other contractor or Subcontractor will so settle. If such other contractor or Subcontractor shall assert any claim against the Owner, the Engineer/Architect, the Owner's Representative, or their consultants, on account of any damage alleged to have been so sustained, the Owner shall notify Contractor who shall hold harmless, indemnify, and defend the Owner, the Engineer/Architect, the Owner's Representative, and their consultants and each of their directors, officers, employees, and agents against any such claim, including all attorneys' fees and any other costs incurred by the indemnified parties relative to any such claim.

7-23 LANDS AND RIGHTS-OF-WAY

The lands and rights-of-way for the facility to be constructed will be provided by the Owner. The Contractor shall make his own arrangements and pay all expenses for additional area required by him outside the limits of the Owner's lands and rights-of-way.

Work in public right-of-way shall be done in accordance with the requirements of the permit issued by the public agency in whose right-of-way the Work is located in addition to conforming to the Plans and specifications. If a permit is not required, the Work shall conform to the standards of the public agency involved in addition to conforming to the Plans and Specifications.

7-24 WAIVER OF RIGHTS

Except as otherwise specifically provided in the Contract Documents, no action or failure to act by the Owner, Engineer/Architect, Owner's Representative, or Contractor shall constitute a waiver of any right or duty afforded any of them under the Contract Documents, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder.

7-25 TAXES

The Contractor shall pay all sales, consumer, use, and other taxes.

NOTICE OF TAXABLE POSSESSORY INTEREST - The terms of this document may result in the creation of a possessory interest. If such a possessory interest is vested in a private party to this document, the private party may be subjected to the payment of personal property taxes levied on such interest.

7-26 ASSIGNMENT OF ANTI-TRUST ACTIONS

In entering into a public works Contract or subcontract to supply goods, services, or materials pursuant to a public works Contract, the Contractor or Subcontractor offers and agrees to assign to the awarding body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2 [commencing with Section 16700] of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to the public works Contract or the subcontract. This assignment shall be made and become effective at the time the Owner tenders final payment to the Contractor, without further acknowledgment by the parties.

In submitting a bid to a public purchasing body, the Bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2 [commencing with Section 16700] of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the Bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the Bidder.

7-27 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 Contract.

All payroll records shall be certified as accurate by the applicable Contractor or Subcontractor 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 Owner, 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 Owner, 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 Owner, 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 Subcontractor 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 provisions of this Section or Labor Section Code 1776 within ten Days of the date a written request for compliance is received shall result in a forfeiture of \$100.00 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 Owner shall withhold penalties under this Section or Labor Code Section 1776 from the Contractor's payments then due.

9-6 RESOLUTION OF CONSTRUCTION CLAIMS

This Section is intended as a summary of the provisions of Section 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 Section shall govern the resolution of any claim of \$375,000 or less which may be made by the Contractor hereunder.

As used in this Section, "claim" is defined as a separate demand by the 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 the Owner.

The Contractor shall make all claims in writing and include the documents necessary to substantiate the claims. Any claim by the 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 the Contractor must be filed on or before the date of final payment; provided, however, nothing in this Section is intended to extend the time limits or supersede notice requirements which may otherwise be provided within the Contract Documents for the filing of claims by the Contractor including, but not limited to, those provided in Section 6-4 (Time for Completion and Forfeiture Due to Delay), Section 6-5 (Extension of Time) and Section 4-2 (Changes in the Work).

Claims Less Than \$50,000.

The Owner shall respond in writing within 45 Days of receipt of the claim, or the Owner may request, in writing, within 30 Days of receipt of the claim, any additional documentation supporting the claim or relating to defenses or claims the Owner may have against the Contractor. If additional information is thereafter required, it shall be requested and provided upon mutual agreement of the Owner and the Contractor. If the Owner requests additional documentation, the Owner's written response to the claim shall be submitted to the Contractor within 15 Days after receipt of the additional documentation, or

within the same time period as used by the Contractor in producing the additional documentation, whichever is greater.

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

The Owner 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 the Owner may have against the Contractor. If additional information is thereafter required, it shall be requested and provided upon mutual agreement of the Owner and the Contractor. If the Owner requests additional documentation, the Owner's written response to the claim shall be submitted to the Contractor within 30 Days after receipt of the additional documentation, or within the same time period as used by the Contractor in producing the additional information, whichever is greater.

Procedure Following Owner's Response

If the Contractor disputes the Owner's written response, or the Owner fails to respond within the time prescribed, the Contractor may, by giving written notice to the Owner within 15 Days of receipt of the Owner's response (or within 15 Days of the Owner's failure to respond), demand an informal conference to meet and confer for settlement of the issues in dispute. Upon such demand, the Owner 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, the Contractor may file a claim pursuant to Government Code Section 900 et seq. If a court action is thereafter filed to resolve the claim, the court must, within the time specified by law, submit the matter to nonbinding mediation unless waived by mutual stipulation of the Owner and the Contractor. If after the mediation process, the matter remains in dispute, the case must then be submitted to judicial arbitration pursuant to the applicable law.

Work Order Form

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

This Work Order is executed pursuant to the “**AGREEMENT FOR ON-CALL CONSTRUCTION SUPPORT SERVICES BETWEEN MOULTON NIGUEL WATER DISTRICT AND FERREIRA CONSTRUCTION** (Contract No. OM19-20.089A) 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.

I. PRIOR TO COMMENCEMENT OF WORK

Work Order No.: _____

Work Description: _____

Work Location: (address/intersection, City) _____

Estimated Work Cost: (attach quote/proposal) \$ _____

Estimated Time for Completion: _____

Notice to Proceed Given: [Date] _____ [By] _____

ACKNOWLEDGED AND AGREED:

OWNER’S REPRESENTATIVE:

CONTRACTOR’S REPRESENTATIVE:

Sign: _____
Director, Officer, AGM, or GM

Sign: _____

Print Name: _____

Print Name: _____

II. OWNER’S ACCEPTANCE OF COMPLETED WORK

Actual Work Cost: (attach backup information as required) \$ _____

OWNER accepts all work completed under this Work Order on the date below, subject to all terms of the Agreement.

OWNER’S REPRESENTATIVE:

Sign: _____

Date: _____

If Actual Work Cost is less than or equal to Estimated Work Cost, Project Manager signs.
If Actual exceeds Estimated by more than 10%, Director, Officer, AGM, or GM must sign.

Item No.	Description	Unit Price	Unit
1.	Furnish and install Fire Hydrant Assembly with 25-foot long run in accordance with District Standard Drawing W-7. Assume that installation is within residential area; traffic control per WATCH Manual, but traffic control plans are not required.	<u>\$20,149.00</u>	Each
2.	Perform repair to existing 12-inch ductile iron pipeline within collector street (traffic control per WATCH Manual, but traffic control plans not required). Assume repair consists of installing 10-feet of Class 150 C-900 PVC, plus 2 flexible couplings Romac "MACRO" extended range couplings, wrapped and greased with Type 316 stainless steel hardware (no substitutes).	<u>\$15,497.00</u>	Each
3.	Perform removal and replacement to existing 8" gate valve within residential street (traffic control per WATCH Manual, but traffic control plans not required). Assume repair consists of removing and replacing an 8" gate valve, plus 2 flexible couplings (no substitutes), wrapped and greased with type 316 stainless steel hardware.	<u>\$15,550.00</u>	Each

Note: It is intended that the unit prices submitted for the items above are comprehensive for the work contemplated. Include the following activities as a minimum:

- Procurement of required permit
- Trench protection
- Trenching, bedding, compaction, backfill, pavement removal
- Temporary paving (i.e. cold A.C. patch) prior to final paving.
- Complete removal and clean-up of jobsite, including removal of USA markings by pressure washing
- Restoration of existing facilities disturbed or damaged during construction
- Legal disposal of all excavated materials including dirt, paving, piping, valves, concrete, and related facilities.

4.	Final 2-inch grind and cap for area less than 100 square feet.	<u>\$51.00</u>	Per Square Foot
5.	Removal and replacement of 10-foot sidewalk panel.	<u>\$1,210.00</u>	Each

Must include labor and equipment rates (billing rates) as part of this fee proposal

Signature of Proposer



Company Name

Ferreira Construction Co. Inc.
Ferreira Coastal Construction Co.

Date

06.02.2020



T&M Rates- July 2020 to June 2021

Ferreira Construction Co, Inc dba Ferreira Coastal Construction

Field Union Labor Rates	Straight Time Rate	1-1/2 x Rate	2 x Rate
300 Labor Apprentice	\$82.04	\$123.06	\$164.08
300 Labor Foreman VI	\$113.14	\$169.71	\$226.28
300 Laborer I	\$104.17	\$156.25	\$208.33
300 Laborer II	\$105.15	\$157.73	\$210.31
300 Laborer III	\$106.14	\$159.21	\$212.28
300 Laborer IV	\$108.92	\$163.38	\$217.85
300 Laborer V	\$109.55	\$164.33	\$219.10
986/420 Driver VI	\$108.48	\$162.73	\$216.97
Local 12 VI	\$137.23	\$205.85	\$274.47
Local 12 VIII	\$137.43	\$206.14	\$274.86
Local 12 XII	\$137.95	\$206.93	\$275.90
Local 12 XII (Foreman)	\$141.54	\$212.31	\$283.08

T&M Rates- July 2020 to June 2021
Ferreira Construction Co, Inc dba Ferreira Coastal Construction

Labor Type	Category	Cost Per	forecast		FICA 7.65 %	FUTA .8%	Liability/ Umbrella			Subtotal Taxes - Insurance	Health	Pension	Vacation	Training	Other	Total Fringe Benefits	Safety SM	Total Burden	OH on Gross		Unit Reg. Cost	Unit OT Cost	Unit DT Cost
			increase	Base Cost			5.73%	SUTA 5.4 %	W/C 16.15 %								Tools, Exp & Whse		Wage & Burden 15%	Profit 15%			
300 Labor Apprentice	Laborers	HR	\$ 2.50	\$ 33.09	\$2.53	\$0.26	\$1.90	\$1.79	\$5.34	\$11.82	\$5.23	\$1.68	\$3.41	\$0.69	\$1.11	\$12.12	\$5.00	\$28.94	\$9.30	\$10.70	\$82.04	\$123.06	\$164.08
300 Labor Foreman VI	Foreman	HR	\$ 2.50	\$ 42.74	\$3.27	\$0.34	\$2.45	\$2.31	\$6.90	\$15.27	\$7.47	\$8.40	\$4.87	\$0.69	\$1.11	\$22.54	\$5.00	\$42.81	\$12.83	\$14.76	\$113.14	\$169.71	\$226.28
300 Laborer I	Laborers	HR	\$ 2.50	\$ 37.74	\$2.89	\$0.30	\$2.16	\$2.04	\$6.10	\$13.48	\$7.47	\$8.40	\$4.87	\$0.69	\$1.11	\$22.54	\$5.00	\$41.02	\$11.81	\$13.59	\$104.17	\$156.25	\$208.33
300 Laborer II	Laborers	HR	\$ 2.50	\$ 38.29	\$2.93	\$0.31	\$2.19	\$2.07	\$6.18	\$13.68	\$7.47	\$8.40	\$4.87	\$0.69	\$1.11	\$22.54	\$5.00	\$41.22	\$11.93	\$13.72	\$105.15	\$157.73	\$210.31
300 Laborer III	Laborers	HR	\$ 2.50	\$ 38.84	\$2.97	\$0.31	\$2.23	\$2.10	\$6.27	\$13.88	\$7.47	\$8.40	\$4.87	\$0.69	\$1.11	\$22.54	\$5.00	\$41.42	\$12.04	\$13.84	\$106.14	\$159.21	\$212.28
300 Laborer IV	Laborers	HR	\$ 2.50	\$ 40.39	\$3.09	\$0.32	\$2.31	\$2.18	\$6.52	\$14.43	\$7.47	\$8.40	\$4.87	\$0.69	\$1.11	\$22.54	\$5.00	\$41.97	\$12.35	\$14.21	\$108.92	\$163.38	\$217.85
300 Laborer V	Laborers	HR	\$ 2.50	\$ 40.74	\$3.12	\$0.33	\$2.33	\$2.20	\$6.58	\$14.56	\$7.47	\$8.40	\$4.87	\$0.69	\$1.11	\$22.54	\$5.00	\$42.10	\$12.43	\$14.29	\$109.55	\$164.33	\$219.10
986/420 Driver VI	Drivers	HR	\$ 2.50	\$ 34.62	\$2.65	\$0.28	\$1.98	\$1.87	\$5.59	\$12.37	\$18.62	\$6.00	\$3.15	\$1.22	\$1.05	\$30.04	\$5.00	\$47.41	\$12.30	\$14.15	\$108.48	\$162.73	\$216.97
Local 12 VI-App Step 4	Operators	HR	\$ 2.50	\$ 39.87	\$3.05	\$0.32	\$2.28	\$2.15	\$6.44	\$14.25	\$11.60	\$9.65	\$3.55	\$1.05	\$1.89	\$27.74	\$5.00	\$46.99	\$13.03	\$14.98	\$114.87	\$172.30	\$229.73
Local 12 VI	Operators	HR	\$ 2.50	\$ 52.33	\$4.00	\$0.42	\$3.00	\$2.83	\$8.45	\$18.70	\$11.60	\$9.65	\$3.55	\$1.05	\$1.89	\$27.74	\$5.00	\$51.44	\$15.57	\$17.90	\$137.23	\$205.85	\$274.47
Local 12 VIII	Operators	HR	\$ 2.50	\$ 52.44	\$4.01	\$0.42	\$3.00	\$2.83	\$8.47	\$18.74	\$11.60	\$9.65	\$3.55	\$1.05	\$1.89	\$27.74	\$5.00	\$51.48	\$15.59	\$17.93	\$137.43	\$206.14	\$274.86
Local 12 XII	Operators	HR	\$ 2.50	\$ 52.73	\$4.03	\$0.42	\$3.02	\$2.85	\$8.52	\$18.84	\$11.60	\$9.65	\$3.55	\$1.05	\$1.89	\$27.74	\$5.00	\$51.58	\$15.65	\$17.99	\$137.95	\$206.93	\$275.90
Local 12 XII (Foreman)	Foreman	HR	\$ 2.50	\$ 54.73	\$4.19	\$0.44	\$3.14	\$2.96	\$8.84	\$19.56	\$11.60	\$9.65	\$3.55	\$1.05	\$1.89	\$27.74	\$5.00	\$52.30	\$16.05	\$18.46	\$141.54	\$212.31	\$283.08



Ferreira Construction Co, Inc DBA Ferreira Coastal Construction
 Template with Explanations and Examples

Publication: CALTRANS April 2020 to March 2021: Ferreira will put 15% mark-up on all of the below listed rates

Prepared By: Bree Scott
 Date: 17-Mar-20

Column1	Equipment	Model No.	Equip. Code	Capacity	Unit	Rate	Page#	Stand by Factor	Multi Shift Factor	Make Code	Make	Code	Notes
1	Peterbilt 367/Tractor (GWR 54K LBS)	367	TR-01	54K	HR	\$ 70.62	34	0.15	0.87	T&T	Peterbilt	48-60	
2	Ford F250/XL Pickup (GWR 10K LBS)	F-250	T-01	10K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
3	Ford F150/XLT Pickup (GWR 7K LBS)	F-150	T-02	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
4	Ford F350/Utility Body (GWR 11.5K LBS)	F-350	T-03	11.5K	HR	\$ 40.16	34	0.13	0.88	T&T	Ford	12-20	
5	GMC 5500/Contractor Body (GWR 19.5K LBS)	5500	T-04	19.5K	HR	\$ 40.16	34	0.13	0.88	T&T	GMC	12-20	
6	GMC 5500/Contractor Body (GWR 19.5K LBS)	5500	T-05	19.5K	HR	\$ 40.16	34	0.13	0.88	T&T	GMC	12-20	
7	GMC 5500/Contractor Body (GWR 19.5K LBS)	5500	T-06	19.5K	HR	\$ 40.16	34	0.13	0.88	T&T	GMC	12-20	
8	Ford F650/Fence Truck (GWR 26K LBS)	F-650	T-07	26K	HR	\$ 42.49	34	0.13	0.88	T&T	Ford	20-28	
9	Ford F750/Mechanic Truck (GWR 26K LBS)	F-750	T-08	26K	HR	\$ 42.49	34	0.13	0.88	T&T	Ford	20-28	
10	Freightliner 114SD/Pounder (Large) (GWR 54K LBS)	114SD	T-09	54K	HR	\$ 189.81	4	0.25	0.78	TXMA	Freightliner	5099	
11	Ford F150/XLT Pickup 4x4 Crewcab (GWR 7K LBS)	F-150	T-10	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
12	Ford F150/XLT Pickup 4x2 Crewcab (GWR 7K LBS)	F-150	T-11	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
13	Ford F150/XLT Pickup 4x2 Crewcab (GWR 7K LBS)	F-150	T-12	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
14	Ford F150/ XLT Pickup 4x2 Crewcab (GWR 7K LBS)	F-150	T-13	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
15	Jeep 4x2 SUV	Grand Cherokee	T-14	6.5K	HR	\$ 31.00	34	0.13	0.88	T&T	Jeep	06-12	
16	Ford F150/XLT Pickup 4x2 Crewcab (GWR 7K LBS)	F-150	T-15	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
17	Ford F650/Flatbed Fence Truck (GWR 26K LBS)	F-650	T-16	26K	HR	\$ 42.49	34	0.13	0.88	T&T	Ford	20-28	
18	Ford F550/Traffic Signal Truck (GWR 19.5K LBS)	F-550	T-17	19.5K	HR	\$ 40.16	34	0.13	0.88	T&T	Ford	12-20	
19	Ford F550/Traffic Signal Truck (GWR 19.5K LBS)	F-550	T-18	19.5K	HR	\$ 40.16	34	0.13	0.88	T&T	Ford	12-20	
20	Ford F550/ 16' Stake Bed (GWR 19.5K LBS)	F-550	T-19	19.5K	HR	\$ 40.16	34	0.13	0.88	T&T	Ford	12-20	
21	Ford F550/16' Stake Bed (GWR 19.5K LBS)	F-550	T-20	19.5K	HR	\$ 40.16	34	0.13	0.88	T&T	Ford	12-20	
22	Ford F150/XLT Pickup 4x2 Supercab (GWR 7K LBS)	F-150	T-21	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
23	Ford F150/Pickup 4x2 Regular Cab (GWR 7K LBS)	F-150	T-22	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
24	Ford F150/Pickup 4x2 Regular Cab (GWR 7K LBS)	F-150	T-23	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
25	Ford F250/ Reg Cab Utility Body (GWR 10K LBS)	F-250	T-24	10K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
26	Ford F350/ Crew Cab Utility Body (GWR 11.5K LBS)	F-350	T-25	11.5K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
27	Ford Ranger/ Pickup	Ranger	T-26	5K	HR	\$ 27.42	34	0.13	0.88	T&T	Ford	00-06	
28	Ford F350/ Reg Cab Utility Body (GWR 11.5K LBS)	F-350	T-27	11.5K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
29	Ford F350/ Reg Cab Utility Body (GWR 11.5K LBS)	F-350	T-28	11.5K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
30	Ford F750/Pounder (Small) (GWR 33K LBS)	F-750	T-29	33K	HR	\$ 124.43	4	0.23	0.79	TXMA	Ford	5097	
31	Ford F550/Bucket Truck AT37G (GWR 19.5K LBS)	F-550	T-30	19.5K	HR	\$ 40.16	34	0.13	0.88	T&T	Ford	12-20	
32	Ford F550/Traffic Signal Truck (GWR 19.5K LBS)	F-550	T-31	19.5K	HR	\$ 40.16	34	0.13	0.88	T&T	Ford	12-20	
33	Ford F550/Traffic Signal Truck (GWR 19.5K LBS)	F-550	T-32	19.5K	HR	\$ 40.16	34	0.13	0.88	T&T	Ford	12-20	
34	Peterbilt 348/2262 Manix 22T Boom Truck (GWR 54K LBS)	348	T-33	54K	HR	\$ 70.62	34	0.15	0.87	T&T	Peterbilt	48-60	
35	Ford F150/XLT Pickup 4x2 Supercab (GWR 7K LBS)	F-150	T-34	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
36	Ford F150/XL 4x2 Supercab Pickup (GWR 7K LBS)	F-150	T-35	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
37	Ford F250/ XL 4x2 Supercab Pickup (GWR 10K LBS)	F-250	T-36	10K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
38	Ford F350/ Reg Cab Utility Truck (GWR 11.5K LBS)	F-350	T-37	11.5K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
39	Ford F550/Mason Dump (GWR 19.5K LBS)	F-550	T-38	19.5K	HR	\$ 40.16	34	0.13	0.88	T&T	Ford	12-20	
40	Ford Expedition	Expedition	T-39	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
41	Ford F650/24' Flatbed Stake (GWR 26K LBS)	F-650	T-40	26K	HR	\$ 42.49	34	0.13	0.88	T&T	Ford	20-28	
42	Ford F650/ 18' Flatbed Dump (GWR 26K LBS)	F-650	T-41	26K	HR	\$ 42.49	34	0.13	0.88	T&T	Ford	20-28	
43	Ford F350/Reg Cab Utility Body (GWR 11.5K LBS)	F-350	T-42	11.5K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
44	Ford F350/Reg Cab Utility Body (GWR 11.5K LBS)	F-350	T-43	11.5K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
45	Ford F350/Reg Cab Utility Body (GWR 11.5K LBS)	F-350	T-44	11.5K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
46	Ford F150/XL 4x2 Supercab Pickup (GWR 7K LBS)	F-150	T-45	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
47	Ford F150/XL 4x2 Supercab Pickup (GWR 7K LBS)	F-150	T-46	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
48	Ford F150/ Pickup 4x2 Regular Cab (GWR 7K LBS)	F-150	T-47	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
49	Ford F550/ Traffic Signal Truck (GWR 19.5K LBS)	F-550	T-48	19.5K	HR	\$ 40.16	34	0.13	0.88	T&T	Ford	12-20	
50	Ford F550/Traffic Signal Truck (GWR 19.5K LBS)	F-550	T-49	19.5K	HR	\$ 40.16	34	0.13	0.88	T&T	Ford	12-20	
51	Ford F150/XLT 4x2 Crewcab (GWR 7K LBS)	F-150	T-50	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
52	Ford F150/ XL 4x2 Reg cab 8' bed (GWR 7K LBS)	F-150	T-51	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
53	Ford F550/ Contractor Body (GWR 19.5K LBS)	F-550	T-52	19.5K	HR	\$ 40.16	34	0.13	0.88	T&T	Ford	12-20	
54	Ford F550/ Contractor Body (GWR 19.5K LBS)	F-550	T-53	19.5K	HR	\$ 40.16	34	0.13	0.88	T&T	Ford	12-20	
55	Ford F650/Flatbed Fence Truck (GWR 26K LBS)	F-650	T-54	26K	HR	\$ 42.49	34	0.13	0.88	T&T	Ford	20-28	
56	Ford F550/Mechanic Truck (GWR 19.5K LBS)	F-550	T-55	26K	HR	\$ 42.49	34	0.13	0.88	T&T	Ford	20-28	
57	Ford F750/Water Truck (GWR 26K LBS)	F-750	T-56	33K	HR	\$ 47.91	34	0.13	0.88	T&T	Ford	28-36	
58	Ford F550/Traffic Signal Truck (GWR 19.5K LBS)	F-550	T-57	19.5K	HR	\$ 40.16	34	0.13	0.88	T&T	Ford	12-20	
59	Ford F550/Traffic Signal Truck (GWR 19.5K LBS)	F-550	T-58	19.5K	HR	\$ 40.16	34	0.13	0.88	T&T	Ford	12-20	
60	Ford F150/XL 4x2 Supercab Pickup (GWR 7K LBS)	F-150	T-59	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
61	Ford F150/ XLT Pickup 4x2 Crewcab (GWR 7K LBS)	F-150	T-60	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
62	Ford F250/XL 4x2 Supercab Pickup (GWR 10K LBS)	F-250	T-61	10K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
63	Ford F350/ Reg Cab Utility Truck (GWR 11.5K LBS)	F-350	T-62	11.5K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
64	Ford F350/ Reg Cab Utility Truck (GWR 11.5K LBS)	F-350	T-63	11.5K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
65	Ford F750/ Water Truck (GWR 33K LBS)	F-750	T-64	33K	HR	\$ 47.91	34	0.13	0.88	T&T	Ford	28-36	
66	Ford F750/ Water Truck (GWR 33K LBS)	F-750	T-65	33K	HR	\$ 47.91	34	0.13	0.88	T&T	Ford	28-36	
67	Ford F250/Reg Cab Pickup (GWR 10K LBS)	F-250	T-66	10K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
68	Ford F-250/Reg Cab Pickup (GWR 10K LBS)	F-250	T-67	10K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
69	Ford F250/Supercab (GWR 10K LBS)	F-250	T-68	10K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
70	Ford F350/ Crewcab (GWR 11.5K LBS)	F-350	T-69	11.5K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
71	Ford F750/Pounder (Small) (GWR 33K LBS)	F-750	T-70	33K	HR	\$ 124.43	4	0.23	0.79	TXMA	Ford	5097	
72	Ford F750/ 22' Flatbed Truck (GWR 33K LBS)	F-750	T-71	33K	HR	\$ 47.91	34	0.13	0.88	T&T	Ford	28-36	
73	Ford F250/Supercab Diesel (GWR 10K LBS)	F-250	T-72	10K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
74	Ford F250/ Crew Cab 4x4 Diesel (GWR 10K LBS)	F-250	T-73	10K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
75	Ford F150 Crew Cab Pickup (GWR 7K LBS)	F-150	T-74	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
76	Ford F150/ Super Cab Pickup (GWR 7K LBS)	F-150	T-75	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
77	Ford F650/Flatbed Fence Truck (GWR 26K LBS)	F-650	T-76	26K	HR	\$ 42.49	34	0.13	0.88	T&T	Ford	20-28	
78	Ford F750/ 22' Flatbed Truck (GWR 33K LBS)	F-750	T-77	33K	HR	\$ 47.91	34	0.13	0.88	T&T	Ford	28-36	
79	Ford F-750/Pounder (Small) (GWR 33K LBS)	F-750	T-78	33K	HR	\$ 124.43	4	0.23	0.79	TXMA	Ford	5097	
80	Ford F-650/Flatbed Fence Truck (GWR 26K LBS)	F-650	T-79	26K	HR	\$ 42.49	34	0.13	0.88	T&T	Ford	20-28	
81	Ford F-550/ Mechanic Truck (19.5K LBS)	F-550	T-80										

Column1	Equipment	Model No.	Equip. Code	Capacity	Unit	Rate	Page#	Stand by Factor	Multi Shift Factor	Make Code	Make	Code	Notes
93	Ford F550/Traffic Signal Truck (GVWR 19.5K LBS)	F-550	T-92	19.5K	HR	\$ 40.16	34	0.13	0.88	T&T	GMC	12-20	
94	Ford F550/Traffic Signal Truck (GVWR 19.5K LBS)	F-550	T-93	19.5K	HR	\$ 40.16	34	0.13	0.88	T&T	GMC	12-20	
95	Ford F-650/Flatbed Fence Truck (GVWR 26K LBS)	F-650	T-94	26K	HR	\$ 42.49	34	0.13	0.88	T&T	Ford	20-28	
96	Ford F-650/Flatbed Fence Truck (GVWR 26K LBS)	F-650	T-95	26K	HR	\$ 42.49	34	0.13	0.88	T&T	Ford	20-28	
97	Ford F-250/Reg Cab Pickup (GVWR 10K LBS)	F-250	T-96	10K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
98	Ford F150/XTL 4x4 Crewcab (GVWR 7K LBS)	F-150	T-100	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
99	Ford F150/XTL 4x2 Crewcab (GVWR 7K LBS)	F-150	T-101	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
100	Ford F350/ Reg Cab Utility Truck (19.5K LBS)	F-350	T-102	11.5K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
101	Ford F-550/ Contractor Body (19.5K LBS)	F-550	T-103	19.5K	HR	\$ 40.16	34	0.13	0.88	T&T	Ford	12-20	
102	Ford F-550/ Contractor Body (19.5K LBS)	F-550	T-104	19.5K	HR	\$ 40.16	34	0.13	0.88	T&T	Ford	12-20	
103	Ford F-650/Flatbed Fence Truck (GVWR 26K LBS)	F-650	T-105	26K	HR	\$ 42.49	34	0.13	0.88	T&T	Ford	20-28	
104	Ford F-650/Flatbed Fence Truck (GVWR 26K LBS)	F-650	T-106	26K	HR	\$ 42.49	34	0.13	0.88	T&T	Ford	20-28	
105	Ford F150/XTL 4x2 Crewcab (GVWR 7K LBS)	F-150	T-107	7K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
106	Ford F-550/ Contractor Body (19.5K LBS)	F-550	T-108	19.5K	HR	\$ 40.16	34	0.13	0.88	T&T	Ford	12-20	
107	Ford F-550/ Contractor Body (19.5K LBS)	F-550	T-109	19.5K	HR	\$ 40.16	34	0.13	0.88	T&T	Ford	12-20	
108	Ford F750/ 22' Flatbed Truck (GVWR 33K LBS)	F-750	T-110	33K	HR	\$ 47.91	34	0.13	0.88	T&T	Ford	28-36	
109	Ford F750/ 22' Flatbed Truck (GVWR 33K LBS)	F-750	T-111	33K	HR	\$ 47.91	34	0.13	0.88	T&T	Ford	28-36	
110	Ford/Hybrid	C-Max	C-01	3K	HR	\$ 27.42	34	0.13	0.88	T&T	Ford	00-06	
111	Ford/Hybrid	C-Max	C-02	3K	HR	\$ 27.42	34	0.13	0.88	T&T	Ford	00-06	
112	Ford/Hybrid	C-Max	C-03	3K	HR	\$ 27.42	34	0.13	0.88	T&T	Ford	00-06	
113	Ford/Hybrid	C-Max	C-04	3K	HR	\$ 27.42	34	0.13	0.88	T&T	Ford	00-06	
114	Ford/Car	Edge	C-05	3K	HR	\$ 27.42	34	0.13	0.88	T&T	Ford	00-06	
115	Ford/ Hybrid	C-Max	C-06	3K	HR	\$ 27.42	34	0.13	0.88	T&T	Ford	00-06	
116	Ford/Hybrid	C-Max	C-07	3K	HR	\$ 27.42	34	0.13	0.88	T&T	Ford	00-06	
117	Ford/Car	Escape	C-08	3K	HR	\$ 27.42	34	0.13	0.88	T&T	Ford	00-06	
118	Freightliner CL120/Super-10 Dump (GVWR 54K LBS)	CL-120	DT-01	80K	HR	\$ 79.48	34	0.13	0.88	T&T	Freightliner	60	
119	Freightliner CL120/ Super-10 Dump (GVWR 54K LBS)	CL-120	DT-02	80K	HR	\$ 79.48	34	0.13	0.88	T&T	Freightliner	60	
120	GMC 5500/ Mason Dump (GVWR 19.5K LBS)	5500	DT-03	26K	HR	\$ 42.49	34	0.13	0.88	T&T	GMC	20-28	
121	Ford F650/ 5-7 Yard Dump (GVWR 26K LBS)	F-650	DT-04	26K	HR	\$ 42.49	34	0.13	0.88	T&T	Ford	20-28	
122	Kenworth T880/Super-10 Dump Truck (GVWR 54K LBS)	T880	DT-05	80K	HR	\$ 79.48	34	0.13	0.88	T&T	Kenworth	60	
123	Ford F750/7-9 Yard Dump Truck (GVWR 33K LBS)	F-750	DT-06	50K	HR	\$ 64.07	34	0.15	0.87	T&T	Ford	36-48	
124	Ford F550/ Mason Dump (GVWR 19.5K LBS)	F-550	DT-07	26K	HR	\$ 42.49	34	0.13	0.88	T&T	GMC	20-28	
125	Ford F750/ 7-9 Yard Dump Truck (GVWR 33K LBS)	F-750	DT-08	50K	HR	\$ 64.07	34	0.15	0.87	T&T	Ford	36-48	
126	Sunrise Ford F-550/Mason Dump (GVWR 19.5K LBS)	F-550	DT-09	26K	HR	\$ 42.49	34	0.13	0.88	T&T	GMC	20-28	
127	Case/Backhoe	430E	BH-01	430E	HR	\$ 62.66	17	0.13	0.88	CAT	Case	1865E	
128	Case/Backhoe	430E	BH-02	430E	HR	\$ 62.66	17	0.13	0.88	CAT	Case	1865E	
129	Case/ Backhoe	580SN	BH-03	580SN	HR	\$ 48.77	17	0.13	0.88	CASE	Case	1744	
130	Case/ Backhoe	580SN	BH-04	580SN	HR	\$ 48.77	17	0.13	0.88	CASE	Case	1744	
131	Case/ Backhoe	580SN	BH-05	580SN	HR	\$ 48.77	17	0.13	0.88	CASE	Case	1744	
132	Case/ Backhoe	580SN	BH-06	580SN	HR	\$ 48.77	17	0.13	0.88	CASE	Case	1744	
133	Case/ Backhoe	580SN	BH-07	580SN	HR	\$ 53.40	17	0.13	0.88	CASE	Case	1746	
134	Case/ Backhoe	580SN	BH-08	580SN	HR	\$ 48.77	17	0.13	0.88	CASE	Case	1744	
135	Case/ Backhoe	580SN	BH-09	580SN	HR	\$ 48.77	17	0.13	0.88	CASE	Case	1744	
136	Case/ Backhoe	580SN	BH-10	580SN	HR	\$ 48.77	17	0.13	0.88	CASE	Case	1744	
137	Case/ Backhoe	580SN	BH-11	580SN	HR	\$ 53.40	17	0.13	0.88	CASE	Case	1746	
138	Case/ Backhoe	580SN	BH-12	580SN	HR	\$ 53.40	17	0.13	0.88	CASE	Case	1746	
139	Cat/Ride-on DD Roller (smooth) (3-5 Ton)	CB214E	VR-01	3-5 TON	HR	\$ 30.33	25	0.18	0.84	CAT	Cat	8025	
140	Bomag/Ride-on DD Roller (smooth) (3-5 Ton)	BW100SL-5	VR-02	3-5 TON	HR	\$ 33.79	25	0.18	0.84	BMAG	Bomag	1325C	
141	Laymor/Ride-on Sweeper	BHC	PS-01	4	HR	\$ 30.36	4	0.16	0.85	MITD	Laymor	ALL	
142	Broce/Ride-on Sweeper	BB250B	PS-02	4	HR	\$ 30.36	4	0.16	0.85	MITD	Broce	ALL	
143	Murray/40'Lowbed Trailer (50 Ton)	Professional	TL-01	50 TON	HR	\$ 19.49	33	0.43	0.62	LB-A	Murray	200	
144	Trail-Eze/48' Dovetail Equip Trailer (27.5 Ton)	DHT7048	TL-02	27.5 TON	HR	\$ 15.46	33	0.43	0.62	LB-A	Trail-Eze	100	
145	Dorsey/53' Step Deck Trailer (27.5 Ton)	DOCTS48	TL-03	27.5 TON	HR	\$ 15.46	33	0.43	0.62	LB-A	Dorsey	100	
146	Fontaine/48' Hibox Flatbed Trailer (27.5 Ton)	HFTW310048SLA	TL-04	27.5 TON	HR	\$ 15.46	33	0.43	0.62	LB-A	Fontaine	100	
147	Trailmax/25' Tilt Deck Trailer (23 Ton)	TD-40-T	TL-05	23 TON	HR	\$ 6.78	33	0.43	0.62	TB-2	Trailmax	22-25	
148	Eager Beaver/19' Equipment Trailer (9 Ton)	9HDB	TL-06	12.5 TON	HR	\$ 5.87	33	0.43	0.62	TB-2	Eager Beaver	12-14	
149	Belshie/18' Equipment Trailer (11 Ton)	T9-2EP	TL-07	11 TON	HR	\$ 5.22	33	0.43	0.62	TB-2	Belshie	10-12	
150	Tommaster/10' Tilt Trailer (2.25 Ton)	T3T	TL-08	2.25 TON	HR	\$ 0.82	33	0.43	0.62	TB-1	Tommaster	02-04	
151	Marksman/ Dump Trailer (5 Ton)	GPDT6X10T	TL-09	5 TON	HR	\$ 1.46	33	0.43	0.62	TB-2	Marksman	04-06	
152	DV MFTG/Utility Trailer 8x20' (7 Ton)	140A-20	TL-10	7 TON	HR	\$ 4.53	33	0.43	0.62	TB-2	DV MFTG	08-10	
153	SPCNA Frame Wire Trailer	SPCN	TL-11	2 TON	HR	\$ 0.82	33	0.43	0.62	TB-1	SPCNA	02-04	
154	DV MFTG/Utility Trailer 8x20' (6 Ton)	120A-20	TL-12	6 TON	HR	\$ 1.46	33	0.43	0.62	TB-2	DV MFTG	04-06	
155	DV MFTG/Utility Trailer 8x20' (5 Ton)	120A-20	TL-13	5 TON	HR	\$ 1.46	33	0.43	0.62	TB-2	DV MFTG	04-06	
156	DV MFTG/Utility Trailer 8x20' (6 Ton)	120A-20	TL-14	6 TON	HR	\$ 1.46	33	0.43	0.62	TB-2	DV MFTG	04-06	
157	DV MFTG/Utility Trailer 8x16' Tilt (7 Ton)	14FT-16	TL-15	7 TON	HR	\$ 4.53	33	0.43	0.62	TB-2	DV MFTG	08-10	
158	Ziemann/20 Ton Equipment Trailer (22 Ton)	2725A	TL-16	22 TON	HR	\$ 6.98	33	0.43	0.62	TB-2	Ziemann	20-22	
159	Marksman/ Dump Trailer (5 Ton)	GPDT6X10T	TL-17	5 TON	HR	\$ 1.46	33	0.43	0.62	TB-2	Marksman	04-06	
160	Multipup/ 500 Gallon Water Trailer	WTSC	TL-18	4 TON	HR	\$ 1.46	33	0.43	0.62	TB-2	Multipup	04-06	
161	Multipup/ 500 Gallon Water Trailer	WTSC	TL-19	4 TON	HR	\$ 1.46	33	0.43	0.62	TB-2	Multipup	04-06	
162	Ziemann/ Small Equipment Trailer (7.5 Ton)	1180	TL-20	7.5 TON	HR	\$ 4.53	33	0.43	0.62	TB-2	Ziemann	08-10	
163	Ziemann/ Small Equipment Trailer (7.5 Ton)	1180	TL-21	7.5 TON	HR	\$ 4.53	33	0.43	0.62	TB-2	Ziemann	08-10	
164	Ziemann/ Roller Trailer (5 Ton)	1160	TL-22	5 TON	HR	\$ 1.46	33	0.43	0.62	TB-2	Ziemann	04-06	
165	Ziemann/16.5 Ton Tilt Equipment Trailer (16.5 Ton)	2327A	TL-23	16.5 TON	HR	\$ 6.31	33	0.43	0.62	TB-2	Ziemann	16-18	
166	DV MFTG/Utility Trailer 8x20' (5 Ton)	140A-20	TL-24	5 TON	HR	\$ 4.53	33	0.43	0.62	TB-2	DV MFTG	08-10	
167	DV MFTG/Utility Trailer 8x20' (5 Ton)	120A-20	TL-25	5 TON	HR	\$ 1.46	33	0.43	0.62	TB-2	DV MFTG	04-06	
168	DV MFTG/Utility Trailer 8x20' (5 Ton)	120A-20	TL-26	5 TON	HR	\$ 1.46	33	0.43	0.62	TB-2	DV MFTG	04-06	
169	Ziemann/17 Ton Equipment Trailer (17 Ton)	2715HD	TL-27	17 TON	HR	\$ 6.31	33	0.43	0.62	TB-2	Ziemann	16-18	
170	Multipup/ 500 Gallon Water Trailer	WTSC	TL-28	4 TON	HR	\$ 1.46	33	0.43	0.62	TB-2	Multipup	04-06	
171	Valew/32' End Dump (27.5 Ton)	VA32-HRED	TL-29	27.5 TON	HR	\$ 126.75	34	0.22	0.79	TRU	Valew	27-32	
172	Multipup/ 500 Gallon Water Trailer	WTSC	TL-30	4 TON	HR	\$ 1.46	33	0.43	0.62	TB-2	Multipup	04-06	
173	PJ Trailer/18' Dump Trailer (8 Ton)	XL Dump	TL-31	8 TON	HR	\$ 1.46	33	0.43	0.62	TB-2	PJ Trailer	04-06	
174	Ingersoll-Rand/34KW Generator	G-40	G-01	34KW	HR	\$ 14.86	6	0.13	0.88	GEN	Ingersoll-Rand	025-050	
175	Ingersoll-Rand/34KW Generator	G-40	G-02	34KW	HR	\$ 14.86	6	0.13	0.88	GEN	Ingersoll-Rand	025-050	
176	Cart-Away/1Yard Mixer Trailer	CMT100	MX-01	1Yard	HR	\$ 4.16	5	0.13	0.89	SORP	Cart-Away	06-11	
177	Multipup/9' of Toweble mixer	MC-94-SH8	MX-02	9 CF	HR	\$ 4.16	5	0.13	0.89	SORP	Multipup	06-11	
178	Cart-Away/1Yard Mixer Trailer	CMT100	MX-03	1Yard	HR	\$ 4.16	5	0.13	0.89	SORP	Cart-Away	06-11	
179	Multipup/9' of Toweble mixer	MC-94-SH8	MX-04	9 CF	HR	\$ 4.16	5	0.13	0.89	SORP	Multipup	06-11	
180	Champion/Rodder Trailer	702536LC	R-01	2 TON	HR	\$ 0.82	33	0.43	0.62	TB-1	Champion	00-02	
181	Champion/Rodder Trailer	702536LC	R-02	2 TON	HR	\$ 0.82	33	0.43	0.62	TB-1	Champion	00-02	
182	Sreco/Rodder Trailer	HS393	R-03	2 TON	HR	\$ 0.82	33	0.43	0.62	TB-1	Sreco	00-02	
183	Hydraulic Breaker Backhoe	TB335QA	HB-01	HR	HR	\$ 25.00							No Caltrans Code
184	Hydraulic Breaker Backhoe		HB-02	HR	HR	\$ 25.00							No Caltrans Code
185	Sulfair/185 Air Compressor Towable	49HP185DPO-JD	AC-01	185	HR	\$ 20.82	1	0.14	0.87	PORT	Sulfair	016-025	
186	Sulfair/185 Air Compressor Towable	49HP185DPO-JD	AC-02	185	HR	\$ 20.82	1	0.14	0.87	PORT	Boss	016-025	
187	Boss 185 Under Deck Compressor	8060UBI	AC-03	185	HR	\$ 20.82	1	0.14	0.87	PORT	Boss	016-025	
188	Boss 185 Under Deck Compressor	8060UBI	AC-04	175	HR	\$ 20.82	1	0.14	0.87	PORT	Vanair	016-025	
189	Vanair 175 Under Deck Compressor	175UDSM PTO	AC-05	175	HR	\$ 20.82							

Column1	Equipment	Model No.	Equip. Code	Capacity	Unit	Rate	Page#	Stand by Factor	Multi Shift Factor	Make Code	Make	Code	Notes
192	Ingersoll-Rand Above Deck Compressor	P-185	AC-08	185	HR	\$ 20.82	1	0.14	0.87	PORT	Sullair	016-025	
193	Sullair/185 Air Compressor Towable	49HP/185DPO/CAJ4	AC-09	185	HR	\$ 20.82	1	0.14	0.87	PORT	Sullair	016-025	
194	Sullair/185 Air Compressor Towable	49HP/185DPO/CAJ4	AC-10	185	HR	\$ 20.82	1	0.14	0.87	PORT	Sullair	016-025	
195	Vanair 175 Under Deck Compressor	175UDSM PTO	AC-11	185	HR	\$ 20.82	1	0.14	0.87	PORT	Sullair	016-025	
196	Sullair/185 Air Compressor Towable	49HP/185DPO/CAJ4	AC-12	185	HR	\$ 20.82	1	0.14	0.87	PORT	Sullair	016-025	
197	Sullair/185 Air Compressor Towable	49HP/185DPO/CAJ4	AC-13	175	HR	\$ 20.82	1	0.14	0.87	PORT	Vanair	016-025	
198	Vanair 175 Under Deck Compressor	175UDSM PTO	AC-14	175	HR	\$ 20.82	1	0.14	0.87	PORT	Vanair	016-025	
199	Vanair 175 Under Deck Compressor	175UDSM PTO	AC-15	185	HR	\$ 20.82	1	0.14	0.87	PORT	Boss	016-025	
200	Boss 185 Under Deck Compressor	8060LUBI	AC-16	185	HR	\$ 20.82	1	0.14	0.87	PORT	Boss	016-025	
201	Boss 185 Under Deck Compressor	8060LUBI	AC-17	175	HR	\$ 20.82	1	0.14	0.87	PORT	Vanair	016-025	
202	Vanair 175 Under Deck Compressor	175UDSM PTO	AC-18	175	HR	\$ 20.82	1	0.14	0.87	PORT	Vanair	016-025	
203	Vanair 175 Under Deck Compressor	175UDSM PTO	AC-19	175	HR	\$ 20.82	1	0.14	0.87	PORT	Sullair	016-025	
204	Sullair/185 Air Compressor Towable	P-185	AC-20	175	HR	\$ 20.82	1	0.14	0.87	PORT	Boss	016-025	
205	Vanair 185 Under Deck Compressor	185UDSM	AC-21	175	HR	\$ 20.82	1	0.14	0.87	PORT	Boss	016-025	
206	Vanair 185 Under Deck Compressor	185UDSM	AC-22	175	HR	\$ 20.82	1	0.14	0.87	PORT	Vanair	016-025	
207	Vanair 185 Under Deck Compressor	185UDSM	AC-23	175	HR	\$ 20.82	1	0.14	0.87	PORT	Vanair	016-025	
208	Doosan/Air Compressor Towable	C185	AC-24	175	HR	\$ 20.82	1	0.14	0.87	PORT	Vanair	016-025	
209	Vanair 185 Under Deck Compressor	185UDSM	AC-25	175	HR	\$ 20.82	1	0.14	0.87	PORT	Vanair	016-025	
210	Vanair 185 Under Deck Compressor	185UDSM	AC-26	175	HR	\$ 20.82	1	0.14	0.87	PORT	Vanair	016-025	
211	Vanair 185 Under Deck Compressor	185UDSM	AC-27	175	HR	\$ 20.82	1	0.14	0.87	PORT	Vanair	016-025	
212	Vanair 185 Under Deck Compressor	185UDSM	AC-28	175	HR	\$ 20.82	1	0.14	0.87	PORT	Vanair	016-025	
213	Manitou/6K Straight Mass Forklift	M30	FL-01	6K	HR	\$ 39.74	6	0.25	0.76	FLT	Manitou	040-060	
214	Marathon/Emulsion Trailer	TPF250	TP-01	4 TON	HR	\$ 1.46	33	0.43	0.62	TB-2	Marathon	04-06	
215	Diamond Bit	PM230T	TP-02	4 TON	HR	\$ 1.46	33	0.43	0.62	TB-2	Diamond Bit	04-06	
216	Diamond Bit	PM230T	TP-03	3500	HR	\$ 1.46	33	0.43	0.62	TB-3	Diamond Bit	04-06	
217	Asphalt Zipper Zipper	AZ360B-173WA	AZ-01		HR	\$ 54.00					Asphalt Zipper		No Caltrans Code
218	Asphalt Zipper Zipper	AZ480-E218	AZ-02		HR	\$ 54.00					Asphalt Zipper		No Caltrans Code
219	Cat/Track Skid Steer	289D	L-01		HR	\$ 36.50	32	0.13	0.88	TRACS	Cat	>50A	
220	Komatsu/Loader	WA320-7	L-02		HR	\$ 105.67	20	0.13	0.88	KOMA	Komatsu	4539	
221	John Deere/Skip Loader	Z10L	L-03		HR	\$ 41.80	18	0.13	0.88	DEER	John Deere	2495	
222	Cat/Track Skid Steer	289D	L-04		HR	\$ 36.50	32	0.13	0.88	TRACS	Cat	>50A	
223	Komatsu/Loader	WA380-B	L-05		HR	\$ 125.78	20	0.13	0.88	KOMA	Komatsu	4541C	
224	Komatsu/Loader	WA380-B	L-06		HR	\$ 125.78	20	0.13	0.88	KOMA	Komatsu	4541C	
225	Hiway Safety/Arrow Board	Solarguide Lite	AB-01		HR	\$ 3.47	32	0.36	0.68	TRAF	Hiway Safety	TM	
226	Hiway Safety/Arrow Board	Solarguide Lite	AB-02		HR	\$ 3.47	32	0.36	0.68	TRAF	Hiway Safety	TM	
227	Hiway Safety/Arrow Board	Solarguide Lite	AB-03		HR	\$ 3.47	32	0.36	0.68	TRAF	Hiway Safety	TM	
228	Hiway Safety/Arrow Board	Solarguide Lite	AB-04		HR	\$ 3.47	32	0.36	0.68	TRAF	Hiway Safety	TM	
229	Hiway Safety/Arrow Board	Solarguide Lite	AB-05		HR	\$ 3.47	32	0.36	0.68	TRAF	Hiway Safety	TM	
230	Hiway Safety/Arrow Board	Solarguide Lite	AB-06		HR	\$ 3.47	32	0.36	0.68	TRAF	Hiway Safety	TM	
231	Hiway Safety/Arrow Board	Solarguide Lite	AB-07		HR	\$ 3.47	32	0.36	0.68	TRAF	Hiway Safety	TM	
232	Hiway Safety/Arrow Board	Solarguide Lite	AB-08		HR	\$ 3.47	32	0.36	0.68	TRAF	Hiway Safety	TM	
233	Hiway Safety/Arrow Board	Solarguide Lite	AB-09		HR	\$ 3.47	32	0.36	0.68	TRAF	Hiway Safety	TM	
234	Hiway Safety/Arrow Board	Solarguide Lite	AB-10		HR	\$ 3.47	32	0.36	0.68	TRAF	Hiway Safety	TM	
235	Hiway Safety/Arrow Board	Solarguide Lite	AB-11		HR	\$ 3.47	32	0.36	0.68	TRAF	Hiway Safety	TM	
236	Hiway Safety/Arrow Board	Solarguide Lite	AB-12		HR	\$ 3.47	32	0.36	0.68	TRAF	Hiway Safety	TM	
237	Hiway Safety/Arrow Board	Solarguide Lite	AB-13		HR	\$ 3.47	32	0.36	0.68	TRAF	Hiway Safety	TM	
238	Hiway Safety/Arrow Board	Solarguide Lite	AB-14		HR	\$ 3.47	32	0.36	0.68	TRAF	Hiway Safety	TM	
239	Komatsu/Excavator (Rubber Pads 2616 hrs, 11/11/17)	PC138	EXC-01		HR	\$ 63.19	9	0.19	0.83	CAT	Komatsu	0302CLR	no code for 138 used Cat 314CL CR equivalent
240	Komatsu/Excavator	PC138	EXC-02		HR	\$ 63.19	9	0.19	0.83	CAT	Komatsu	0302CLR	no code for 138 used Cat 314CL CR equivalent
241	Cat/Mini Excavator	303.5E2 CR	EXC-03		HR	\$ 31.61	8	0.19	0.83	CAT	Cat	0200	
242	Cat/Excavator	335F CR	EXC-04		HR	\$ 167.40	9	0.19	0.83	CAT	Cat	034SCL	
243	Cat/Excavator	335F CR	EXC-05		HR	\$ 167.40	9	0.19	0.83	CAT	Cat	034SCL	
244	Cat/Mini Excavator	303.5E2CR	EXC-06		HR	\$ 31.61	8	0.19	0.83	CAT	Cat	0200	
245	Genie/Light Tower	TML 4000	LT-01		HR	\$ 8.66	6	0.13	0.88	LITE	Genie	4 LIGHT	
246	Doosan/ Light Tower	LSC	LT-02		HR	\$ 8.66	6	0.13	0.88	LITE	Doosan	4 LIGHT	
247	Doosan/ Light Tower	LSC	LT-03		HR	\$ 8.66	6	0.13	0.88	LITE	Doosan	4 LIGHT	
248	Doosan/ Light Tower	LSC	LT-04		HR	\$ 8.66	6	0.13	0.88	LITE	Doosan	4 LIGHT	
249	Doosan/ Light Tower	LSC	LT-05		HR	\$ 8.66	6	0.13	0.88	LITE	Doosan	4 LIGHT	
250	Doosan/ Light Tower	LSC	LT-06		HR	\$ 8.66	6	0.13	0.88	LITE	Doosan	4 LIGHT	
251	Atlas Copco/ Lite Tower	CPLT V5+	LT-07		HR	\$ 8.66	6	0.13	0.88	LITE	Atlas Copco	5 LIGHT	
252	Chicago Pneumatic/ Light Tower	CPLT V5+	LT-08		HR	\$ 8.66	6	0.13	0.88	LITE	Chicago Pneumatic	6 LIGHT	
253	Ditch Witch/ Vacuum Trailer	MV800	VC-01		HR	\$ 16.61							No Caltrans Code
254	Ford Van	Transit 250	V-01	9K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
255	Ford Van	Transit 250	V-02	9K	HR	\$ 31.00	34	0.13	0.88	T&T	Ford	06-12	
256	Ford Van	Transit	V-03	5K	HR	\$ 27.42	34	0.13	0.88	T&T	Ford	00-06	
257	Post Driver		T9 - Post Driver		HR	\$ 189.81	4		0.79	AUGTK	TXMA	5099	
258	Post Driver		T29 - Post Driver		HR	\$ 124.43	4		0.79	AUGTK	TXMA	5097	
259	Post Driver		T70 - Post Driver		HR	\$ 124.43	4		0.79	AUGTK	TXMA	5097	
260	Post Driver		T78 - Post Driver		HR	\$ 124.43	4		0.79	AUGTK	TXMA	5097	
261	Traffic Cones (100-)	700mm (28")			Day	\$ 24.84	32	0.73	1.00	TRAF		D100	
262	Traffic Cones (100-)	700mm (28")			Day	\$ 0.25	32	0.73	1.00	TRAF		D100	
263	TC Sign - Road Closed	6FSS	TRAF		Day	\$ 2.97	32	0.73	1.00	TRAF	6FSS	EACH	
264	TC Sign - Road Work Ahead	6FSS	TRAF		Day	\$ 2.97	32	0.73	1.00	TRAF	6FSS	EACH	
265	TC Sign - Right Lane Closed Ahead	6FSS	TRAF		Day	\$ 2.97	32	0.73	1.00	TRAF	6FSS	EACH	
266	TC Sign - Merge Left	6FSS	TRAF		Day	\$ 2.97	32	0.73	1.00	TRAF	6FSS	EACH	
267	TC Sign - Keep Right	6FSS	TRAF		Day	\$ 2.97	32	0.73	1.00	TRAF	6FSS	EACH	
268	TC Sign - Right Lane Must Turn Right	6FSS	TRAF		Day	\$ 2.97	32	0.73	1.00	TRAF	6FSS	EACH	
269	TC Sign - Double Down Arrow	6FSS	TRAF		Day	\$ 2.97	32	0.73	1.00	TRAF	6FSS	EACH	
270	TC Sign - No Left	6FSS	TRAF		Day	\$ 2.97	32	0.73	1.00	TRAF	6FSS	EACH	
271	TC Sign - Lane Closed	6FSS	TRAF		Day	\$ 2.97	32	0.73	1.00	TRAF	6FSS	EACH	
272	TC Sign - No Left Turn	6FSS	TRAF		Day	\$ 2.97	32	0.73	1.00	TRAF	6FSS	EACH	
273	TC Sign - Lane Closed Ahead	6FSS	TRAF		Day	\$ 2.97	32	0.73	1.00	TRAF	6FSS	EACH	
274	TC Sign - End Road Work	6FSS	TRAF		Day	\$ 2.97	32	0.73	1.00	TRAF	6FSS	EACH	
275	TC Sign - Detour Ahead	6FSS	TRAF		Day	\$ 2.97	32	0.73	1.00	TRAF	6FSS	EACH	
276	TC Sign - Detour Right Arrow	6FSS	TRAF		Day	\$ 2.97	32	0.73	1.00	TRAF	6FSS	EACH	
277	TC Sign - Detour Left Arrow	6FSS	TRAF		Day	\$ 2.97	32	0.73	1.00	TRAF	6FSS	EACH	
278	Type 2 Barricades with Flasher	1BAR	30"x36"		Day	\$ 0.51	32	0.73	1.00	TRAF	1BAR	A1	
279	Type 2 Barricades without flasher	1BAR	30"x36"		Day	\$ 0.26	32	0.73	1.00	TRAF	1BAR	A2	
280	Sign, Stand & 3 Flags	6FSS	TRAF		Day	\$ 2.97	32	0.73	1.00	TRAF	6FSS	EACH	
281	4" Hose 350' (Inlet-Suction)	INH5	PUMWA		HR	\$ 0.18	23	0.37	0.66	PUMWA	INH5	3.5-4	
282	Air Tool (Small Chp Gun)	ATOL	AIRTO	Weigh 10 to 20 lbs	HR	\$ 0.49	1	0.61	0.41	AIRTO	ATOL	10-20	
283	Air Tool (Clay/Rock/Drill/Revetbster)	ATOL	AIRTO	Weigh 30 to 40 lbs	HR	\$ 1.04	1	0.61	0.41	AIRTO	ATOL	30-40	
284	Air Tool (Jack Hammer)	ATOL	AIRTO	Weigh 60 lbs & above	HR	\$ 1.60	1	0.61	0.41	AIRTO	ATOL	60	
285	Jumping Jack (Hand Guided Compactor)	COMP	COMHG	Weigh 0 to 250 lbs	HR	\$ 4.05	4	0.21	0.81	COMHG	COMP	0-250	
286	Concrete Mixer	SORP	CONMX	6 to 11 lbs	HR	\$ 4.16	5	0.13	0.89	CONMX	SORP	06-11	
287	Concrete Vibrator's Head (each)	CVIB	CONVB		HR	\$ 1.11	5	0.33	0.69	CONVB	CVIB	EVHD	
288	Electric Generator	GEN	ELGEN	up to 3 kilowatts	HR	\$ 2.02	6	0.13	0.88	ELGEN	GEN	001-003	
289	2 Light Set	2 LIGHT	ELGEN		HR	\$ 4.25	6	0.13	0.88	ELGEN	LITE	2 LIGHT	

PAYMENT BOND

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, the Moulton Niguel Water District (hereinafter referred to as "District") has awarded to Ferreira Construction Co., Inc. dba Ferreira Coastal Construction Co., (hereinafter referred to as the "Contractor") an agreement for on-call construction support services (OM19-20.089a) (hereinafter referred to as the "Project").

WHEREAS, the work to be performed by the Contractor is more particularly set forth in the Contract Documents for the Project dated _____, (hereinafter referred to as "Contract Documents"), the terms and conditions of which are expressly incorporated herein by reference; and

WHEREAS, Principal is required to furnish a bond in connection with the contract described above; providing that if Principal or any of its Subcontractors shall fail to pay for any materials, provisions, provender, equipment, or other supplies used in, upon, for or about the performance of the work contracted to be done, or for any work or labor done thereon of any kind, or for amounts due under the Unemployment Insurance Code or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of Principal and its Subcontractors with respect to such work or labor the Surety on this bond will pay for the same to the extent hereinafter set forth.

NOW THEREFORE, we, the Principal and _____ as Surety, are held and firmly bound unto the District in the penal sum of One Million Two Hundred Fifty Thousand Dollars (\$1,250,000) lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if Principal, his or its subcontractors, heirs, executors, administrators, successors or assigns, shall fail to pay any of the persons named in Section 9100 of the Civil Code, fail to pay for any materials, provisions or other supplies, used in, upon, for or about the performance of the work contracted to be done, or for any work or labor thereon of any kind, or amounts due under the Unemployment Insurance Code with respect to work or labor performed under the contract, or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department or Franchise Tax Board from the wages of employees of the contractor and his subcontractors pursuant to Section 18663 of the Revenue and Taxation Code, with respect to such work and labor the Surety or Sureties will pay for the same, in an amount not exceeding the sum herein above specified, and also, in case suit is brought upon this bond, all litigation expenses incurred by the District in such suit, including reasonable attorneys' fees, court costs, expert witness fees and investigation expenses.

This bond shall inure to the benefit of any of the persons named in Section 9100 of the Civil Code so as to give a right of action to such persons or their assigns in any suit brought upon this bond.

It is further stipulated and agreed that the Surety on this bond shall not be exonerated or released

from the obligation of this bond by any change, extension of time for performance, addition, alteration or modification in, to, or of any contract, plans, specifications, or agreement pertaining or relating to any scheme or work of improvement herein above described, or pertaining or relating to the furnishing of labor, materials, or equipment therefore, nor by any change or modification of any terms of payment or extension of the time for any payment pertaining or relating to any scheme or work of improvement herein above described, nor by any rescission or attempted rescission or attempted rescission of the contract, agreement or bond, nor by any conditions precedent or subsequent in the bond attempting to limit the right of recovery of claimants otherwise entitled to recover under any such contract or agreement or under the bond, nor by any fraud practiced by any person other than the claimant seeking to recover on the bond and that this bond be construed most strongly against the Surety and in favor of all persons for whose benefit such bond is given, and under no circumstances shall Surety be released from liability to those for whose benefit such bond has been given, by reason of any breach of contract between the District and original contractor or on the part of any obligee named in such bond, but the sole conditions of recovery shall be that claimant is a person described in Section 9100 of the Civil Code, and has not been paid the full amount of his claim.

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract to be performed thereunder, shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of Contract, including but not limited to the provisions of Sections 2819 and 2845 of the California Civil Code.

IN WITNESS WHEREOF, two (2) identical counterparts of this instrument, each of which shall for all purposes be deemed an original thereof, have been duly executed by the Principal and Surety above named, on the ____ day of _____ 20____ the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative pursuant to authority of its governing body.

(Corporate Seal of Principal,
if corporation)

Principal (Property Name of Contractor)

By _____
(Signature of Contractor)

(Seal of Surety)

Surety

By _____
Attorney in Fact

Signatures of those signing for the Contractor and Surety must be notarized and evidence of corporate authority attached. A Power-of-Attorney authorizing the person signing on behalf of the Surety to do so must be attached hereto.

PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, the Moulton Niguel Water District (hereinafter referred to as "District") has awarded to Ferreira Construction Co., Inc. dba Ferreira Coastal Construction Co., (hereinafter referred to as the "Contractor") an agreement for on-call construction support services (OM19-20.089a) (hereinafter referred to as the "Project").

WHEREAS, the work to be performed by the Contractor is more particularly set forth in the Contract Documents for the Project dated _____, (hereinafter referred to as "Contract Documents"), the terms and conditions of which are expressly incorporated herein by reference; and

WHEREAS, the Contractor is required by the Contract Documents to perform the terms thereof and to furnish a bond for the faithful performance of the Contract Documents.

NOW, THEREFORE, we, _____, the undersigned Contractor and _____ as Surety, a corporation organized and duly authorized to transact business under the laws of the State of California, are held and firmly bound unto the District in the sum of One Million Two Hundred Fifty Thousand Dollars, (\$1,250,000), the sum being not less than one hundred percent (100%) of the total amount of the Contract, for which amount well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that, if the Contractor, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and agreements in the Contract Documents and any alteration thereof made as therein provided, on its part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their intent and meaning; and shall faithfully fulfill all obligations including the one-year guarantee of all materials and workmanship; and shall indemnify and save harmless the District, its officers and agents, as stipulated in the Contract Documents, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As a condition precedent to the satisfactory completion of the Project, unless otherwise provided for in the Contract Documents, the guarantee obligation shall hold good for a period of one (1) year after the acceptance of the work by District, during which time if Contractor shall fail to make full, complete, and satisfactory repair and replacements and totally protect the District from loss or damage resulting from or caused by defective materials or faulty workmanship the above obligation in penal sum thereof shall remain in full force and effect. However, anything in this paragraph to the contrary notwithstanding, the obligations of Surety hereunder shall continue so long as any obligation of Contractor remains. Nothing herein shall limit District's rights or the Contractor or Surety's obligations under the Contract, law or equity, including, but not limited to, California Code of Civil Procedure section 337.15.

As a part of the obligation secured hereby and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees including reasonable attorney's fees, incurred by the District in enforcing such obligation.

Whenever Contractor shall be, and is declared by the District to be, in default under the Contract Documents, the Surety shall remedy the default pursuant to the Contract Documents, or shall promptly, at the District's option:

1. Take over and complete the Project in accordance with all terms and conditions in the Contract Documents; or
2. Obtain a bid or bids for completing the Project in accordance with all terms and conditions in the Contract Documents and upon determination by Surety of the lowest responsive and responsible bidder, arrange for a Contract between such bidder, the Surety and the District, and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Contractor by the District under the Contract and any modification thereto, less any amount previously paid by the District to the Contractor and any other set offs pursuant to the Contract Documents.
3. Permit the District to complete the Project in any manner consistent with California law and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Contractor by the District under the Contract and any modification thereto, less any amount previously paid by the District to the Contractor and any other set offs pursuant to the Contract Documents.

Surety expressly agrees that the District may reject any contractor or subcontractor which may be proposed by Surety in fulfillment of its obligations in the event of default by the Contractor.

Surety shall not utilize Contractor in completing the Project nor shall Surety accept a bid from Contractor for completion of the Project if the District, when declaring the Contractor in default, notifies Surety of the District's objection to Contractor's further participation in the completion of the Project.

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract to be performed thereunder, shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of Contract, including but not limited to the provisions of Sections 2819 and 2845 of the California Civil Code.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 20__.

CONTRACTOR/PRINCIPAL

Name

By _____

SURETY:

By: _____
Attorney-In-Fact

Signatures of those signing for the Contractor and Surety must be notarized and evidence of corporate authority attached.

The rate of premium on this bond is _____ per thousand. The total amount of premium charges, \$ _____.
(The above must be filled in by corporate attorney.)

THE FOLLOWING INFORMATION IS MANDATORY

Any claims under this bond may be addressed to:

(Name and Address of Surety) _____

(Name and Address of Agent or Representative for service of process in California, if different from above) _____

(Telephone number of Surety and Agent or Representative for service of process in California) _____

**ON-CALL CONSTRUCTION SUPPORT SERVICES AGREEMENT
BETWEEN
MOULTON NIGUEL WATER DISTRICT AND
T.E. ROBERTS, INC.
CONTRACT NO. OM19-20.089d**

This Agreement (the “Agreement”) is made and entered into on 07/13/2020 (“Effective Date”) by and between the Moulton Niguel Water District (“District”) and T.E. Roberts, Inc. (“Contractor”). District and Contractor are sometimes individually referred to as “Party” and collectively as “Parties” in this Agreement.

RECITALS

A. District requires individual construction projects to be performed in certain areas throughout the District on an as-needed basis. This Agreement, as well as each Work Order issued pursuant to Section 1, establishes the terms and procedures that will apply to this Work.

B. The objective of this Agreement is for District to authorize Contractor to provide construction support Work on an on-call or emergency basis related to service, repair and construction of DISTRICT facilities.

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

1. SCOPE OF SERVICES; PRICE; PERFORMANCE STANDARDS

1.1 Contractor shall perform construction support and emergency services (the “Work”) in accordance with the general standards set forth in attached Exhibit A (“Scope of Work and General Provisions) and the other terms of this Agreement from time to time as directed by District.

1.2 As the need for Work arises, as determined by District, District’s representative shall issue Contractor a written work order (“Work Order”) as set forth in Exhibit B. In response to District’s request, Contractor shall deliver a written cost quote indicating: (a) Contractor’s availability to perform the Work; (b) the not-to-exceed price to perform the Work requested in accordance with the Rate Schedule shown in Exhibit C 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.

1.3. In some cases, 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 construction Work on a time and materials basis in accordance with the Rate Schedule and the terms and conditions of this Agreement.

1.4. Contractor’s Rate Schedule shall include all labor, supervision, materials, equipment, supplies, tools, incidentals, taxes, profit, overhead, bonding, traffic control, and insurance necessary to mobilize, complete the Work, demobilize and provide cleanup and restoration of construction and work sites.

1.5. 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 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, and to the satisfaction of District.

1.6. The Work shall be done in accordance with the Scope of Work and General Provisions, 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.

1.7 Contractor shall provide a list of any subcontractors to District prior to commencement of Work. Any subcontractor must meet the approval of District. Costs for subcontracted work shall be paid as invoiced by subcontractor plus five percent (5%) markup for administrative costs.

1.8 The Work shall be completed in accordance with all local, state and federal rules, regulations and codes applicable to health and safety. 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, District's representatives, and in compliance with all safety laws, rules and regulations of the State, federal, and local agencies. It is Contractor's responsibility to have a current safety program on file with District prior to commencement of any work under this Agreement.

1.9 Contractor shall conduct its operations so 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 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.

2. COMPENSATION

2.1 District agrees to compensate Contractor for Work performed in accordance with Exhibit C (“Rate Schedule”). Total compensation under the Agreement shall not exceed **One Million Two Hundred Fifty Thousand Dollars (\$1,250,000)** without prior written approval by District.

2.2 CONTRACTOR is required to prepare and submit a daily work log to DISTRICT’s representative on-site, unless otherwise waived in writing by the DISTRICT Representative. The daily work log shall be submitted each day and be signed off by both Parties. The daily work log will be used to verify CONTRACTOR’s invoices for a work order based on time and materials payment. At a minimum, the work log should list each employee, classification, and hours worked each day; the type of equipment used on-site each day, hours of operation; and a brief summary of Work performed.

2.3 Contractor shall submit itemized invoices with supporting documentation including but not limited to, daily logs described above, period of work, paid receipts and invoices to validate the charges for each invoice. District shall pay invoices within thirty (30) days of receipt. Payments shall be subject to review for compliance by District with the requirements of this Agreement.

2.4 District shall withhold from each payment an amount equal to five percent (5%) of such payment amount (“Retention”) as security for adequate performance for work exceeding five thousand dollars (\$5,000) in cost. Notwithstanding the foregoing, after the work is at least fifty percent (50%) complete, if District determines that the work is satisfactorily progressing, District, in its sole discretion, may pay some or all of the remaining payments in full to the Contractor.

2.5 Final Acceptance. Within thirty (30) calendar days of District’s “final acceptance” of Work under a Work Order, District will make final payment to Contractor of all invoices and Retention, provided District may withhold amounts as necessary to satisfy properly filed claims for labor or material; estimated actual costs for correcting defective Work; and amounts claimed by District as forfeiture due to delay or offsets. “Final acceptance” shall be defined as the formal action by District of accepting the work under a Work Order as being complete, including the filing of the *Notice of Completion*. No certificate given or payment made under the Agreement shall be conclusive evidence of performance of the Agreement and no payment shall be an acceptance of any defective work or improper materials.

3. TERM OF AGREEMENT AND TERMINATION

3.1 This Agreement shall commence on the Effective Date and continue for a period of **three (3) years**, unless earlier terminated as provided herein.

3.2 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. Any termination by Contractor shall not be effective as to any Work previously performed hereunder, or any Work being undertaken at the time of such termination by Contractor, and shall only apply prospectively. Contractor remains responsible for the completion of any Work still

outstanding under a work order in accordance with the terms of this Agreement and work order. Contractor's indemnity and warranty obligations as to any work order, as well as any outstanding obligations of Contractor at the time of any termination, shall survive the expiration or termination of this Agreement. On District's termination, Contractor will be entitled to the reasonable value of the Work performed for which it has not received prior compensation under a work order, subject to any offset from such payment representing District's damages from any material breach of the terms of this Agreement by Contractor or as otherwise provided for under Section 2. The foregoing provisions are in addition to and not in limitation of any other rights or remedies available to District.

4. PUBLIC WORKS AND PREVAILING WAGE

4.1 Contractor 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 16000 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. Since the Work is being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and since the total compensation is \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. A copy of these prevailing wage rates are on file with the Department of Industrial Relations and can be found online with the State of California at <http://www.dir.ca.gov/dlsr/pwd>. 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 Contractor's principal place of business and at the project site. Contractor shall defend, indemnify and hold the District, its officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. Contractor and any subcontractor shall forfeit a penalty of up to \$200 per calendar day or portion thereof for each worker paid less than the prevailing wage rates.

4.2 Contractor's 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 subcontractor under the Contractor. It shall be the responsibility of the Contractor to effectuate compliance on the part of itself and any subcontractors with the requirements for 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.

4.3 Pursuant to Labor Code section 1776, the Contractor and each subcontractor shall maintain weekly certified payroll records showing the name, address, social security number, work classification, straight time and overtime hours paid each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker or other employee employed in connection with the work. Contractor shall certify under penalty of perjury that records maintained and submitted by Contractor are true and accurate. Contractor shall also require subcontractor(s) to certify weekly payroll records under penalty of perjury. In the event of noncompliance with the requirements of this Section, the Contractor shall have ten (10) days in which to comply subsequent to receipt of written notice specifying any item or actions necessary to achieve compliance with this section. If Contractor or subcontractor does not comply after such ten (10)-day period, the Contractor shall, as a penalty to District, forfeit One Hundred

Dollars (\$100) for each day, or portion thereof, for each worker until strict compliance is effectuated.

4.4 This Project is subject to compliance monitoring and enforcement by the Department of Industrial Relations (“DIR”). It shall be the Contractor’s sole responsibility to evaluate and pay the cost of complying with all labor compliance requirements under this Agreement and applicable law. Any stop orders issued by the DIR against Contractor or any subcontractor that affect Contractor’s performance of Work, including any delay, shall be Contractor’s sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Contractor caused delay subject to any applicable liquidated damages and shall not be compensable by the District. Contractor shall defend, indemnify and hold the District, its officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the DIR against Contractor or any subcontractor.

4.5 In accordance with Labor Code section 1771.4, the Contractor and each subcontractor shall furnish the certified payroll records directly to the DIR on a weekly basis and in the format prescribed by the DIR, which may include electronic submission. Contractor shall comply with all requirements and regulations from the DIR relating to labor compliance monitoring and enforcement.

4.6 Contractor shall post, at appropriate conspicuous points on the work site, a schedule showing all determined general prevailing wage rates and all authorized deductions, if any, from unpaid wages actually earned.

4.7 Pursuant to Labor Code sections 1725.5 and 1771.1, the Contractor and its subcontractors must be registered with the DIR prior to the execution of a contract to perform public works. By entering into this Agreement, Contractor represents that it is aware of the registration requirement and is currently registered with the DIR. Contractor shall maintain a current registration for the duration of the Agreement. Contractor shall further include the requirements of Labor Code sections 1725.5 and 1771.1 in any subcontract and ensure that all subcontractors are registered at the time this Agreement is entered into and maintain registration for the duration of the Agreement. Contractor’s DIR Registration No. is 1000000280.

5. BONDS

5.1 Before commencing performance of the Work contracted for hereunder, Contractor shall furnish Payment and Performance bonds (the “Bonds”) as required by Section 9550 of the Civil Code, for 100% of the Agreement not-to-exceed amount, from a single surety licensed and admitted in the State of California and acceptable to the District in the District’s sole discretion. Contractor shall deliver all Bonds required hereunder to the District prior to the commencement of Work.

5.2 Should, in District’s sole opinion, any bond become insufficient or any surety be found to be unsatisfactory, Contractor shall renew or replace the effected bond within (ten) 10 days of receiving notice from District. In the event the surety or Contractor intends to reduce or cancel any required bond, at least thirty (30) days prior written notice shall be given to the District, and Contractor shall post acceptable replacement bonds at least ten (10) days prior to expiration of the original bonds. No further payments shall be deemed due or will be made under this Contract until any replacement bonds required by this Section are accepted by the

District. To the extent, if any, that the Total Contract Price is increased in accordance with the Contract, Contractor shall, upon request of the District, cause the amount of the bond to be increased accordingly and shall promptly deliver satisfactory evidence of such increase to the District. If Contractor fails to furnish any required bond, the District may terminate the Contract for cause.

5.3 District agrees to reimburse 100% of the total amount of the Bond premiums paid by the Contractor under this Agreement in consideration of Contractor maintaining availability for on-call Work during the term of this Agreement. No mark-up of Bond premium will be allowed. District will reimburse such premium amounts within thirty (30) days of District's receipt of invoice and following Contractor's posting of Bond.

5.4 Contractor shall use District's forms, which are attached hereto as Exhibit D ("Payment Bond"), and Exhibit E ("Performance Bond") for the Bonds.

6. INSURANCE

6.1 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. Contractor shall not commence Work under the Agreement until it has obtained all insurance required by the Agreement and shall be provided by Contractor with the Contractor's executed copy of this Agreement.

6.2 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 an AM Best rating of no less than "A- VII". *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, 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 10 to District.

6.3 Commercial general liability in a combined limit of not less than \$2,000,000 per occurrence, \$4,000,000 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.

6.4 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.**

6.5 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 must include a waiver of subrogation.**

6.6 Contractor shall furnish District with certificates of insurance and endorsements effecting coverage required by this Contract on forms satisfactory to the District. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf and shall be on forms approved by the District. All certificates and endorsements must be received and approved by the District before work commences. The District reserves the right to require complete, certified copies of all required insurance policies, at any time.

6.7 All subcontractors shall meet the requirements of this Section before commencing Work. Contractor shall furnish separate certificates and endorsements for each subcontractor. Subcontractor policies of General Liability insurance shall name the District, its officials, employees, agents and authorized volunteers as additional insureds using form ISO 20 38 04 13 or endorsements providing the exact same coverage. All coverages for subcontractors shall be subject to all of the requirements stated herein except as otherwise agreed to by the District in writing.

6.8 Contractor shall report to the District, in addition to Contractor's insurer, any and all insurance claims submitted by Contractor in connection with the Work under this Contract.

6.9 Nothing in the insurance requirements set forth in this Agreement or under the bonding terms is to be construed as limiting the liability of Contractor or Contractor's insurers or sureties. Contractor agrees that the provisions of this Section 10 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.

7. INDEMNIFICATION

7.1 To the fullest extent permitted by law, Contractor shall hold harmless, indemnify, and defend, including the duty and cost to defend as provided by Section 2778 of the California Civil Code, District and its directors, officers, employees, engineers and representatives as well as all public agencies issuing permits in connection with the Work, and all property owners of the Work site ("indemnitees"), from liability, claims, damages, demands, actions, attorney's fees, costs and expenses arising out of the performance of the Work under this Agreement, or actual or alleged non-performance, or the furnishing of materials by Contractor or its subcontractors, including but not limited to, claims by the Contractor or Contractor's employees for damages to person or property, except for the sole negligence or willful misconduct or active negligence of the District, its directors, officers, engineers, employees and representatives.

7.2 In furtherance of Contractor's obligations in this Section 5, Contractor shall defend itself and the indemnitees against any and all liabilities, claims, losses, damages, actions, attorney's fees, costs and expenses arising out of the performance of the Work, or actual or alleged non-performance, or the furnishing of materials by Contractor or its subcontractors, including but not limited to claims by the Contractor or Contractor's employees for damages to person or property.

7.3 This indemnity obligation shall survive the termination or expiration of the Agreement and the completion of any Work pursuant to any work order, or otherwise.

8. WARRANTY

8.1 Contractor fully warrants and guarantees, for a period of three hundred sixty-five (365) days from the date of "final acceptance" (as defined in section 2.4) of any work by District ("Warranty Period"), that: (1) all goods, materials, and equipment supplied are new, are of first class material and workmanship and are free from defects; and (2) that all work will be of good quality, performed to the standard of care customary in Contractor's trade or profession. Under this guarantee, Contractor shall repair and replace any and all work, together with any other work which may be displaced in so doing, that does not meet the terms above under (1) and (2) within the Warranty Period, without expense whatsoever to District and with ordinary wear and tear and unusual abuse or neglect excepted. Neither District inspection nor failure to inspect shall relieve Contractor of any obligation hereunder. If in District's opinion, any article, material or work fails to conform to specifications or is otherwise defective, Contractor shall promptly replace same at Contractor's expense. No acceptance or payment by District shall constitute a waiver of the foregoing, and nothing herein shall exclude or limit any manufacturers, suppliers or other express warranties, or warranties implied by law.

8.2 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. Contractor agrees to furnish District, and assign over to District as required, all appropriate warranty certificates upon completion of the work. No warranty whether provided for in this Section 6 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.

9. RECORDS

9.1 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.

9.2 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 this Agreement. Contractor, upon request, shall

make the records of the Work available for the purposes described in this Section 7 at all reasonable times during the period Contractor is required to preserve and maintain such records.

10. CLAIMS

10.1 The claim terms set forth in this Agreement shall apply to those claims governed by Public Contract Code Section 20104 *et seq.* arising out of this Agreement.

10.2 In accordance with Public Contract Code Section 9201, District shall timely notify Contractor if District receives any third-party claim relating to the Work, or this Agreement. District shall be entitled to recover from Contractor District's reasonable costs incurred in providing such notification.

10.3 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.

11. GENERAL TERMS

11.1 This Agreement, including all documents and exhibits and appendices attached hereto, or incorporated herein by reference, and the executed work orders represent the entire agreement between District and Contractor and supersedes all prior negotiations, representations or agreements, either written or oral, including any previous agreements or contracts between the Parties to the extent the same are inconsistent with the terms hereof.

11.2 This Agreement shall not be considered modified, altered, changed, or amended in any respect unless documented in writing and signed by both Parties.

11.3 This Agreement shall be interpreted according to the laws of the State. 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 hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure 394.

11.4 All notices hereunder and communications regarding interpretation of the terms of the Contract or changes thereto shall be provided by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

DISTRICT:

Moulton Niguel Water District
P.O. Box 30203
Laguna Niguel, CA 92607
Attn: Director of Engineering

CONTRACTOR:

T.E. Roberts, Inc.
306 W. Katella Ave., Suite B
Orange, CA 92867
Attn: Timothy Roberts

Any notice so given shall be considered received by the other Party three (3) days after deposit in the U.S. Mail as stated above and addressed to the Party at the above address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

11.5 If any section of this 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 this Agreement, the application of any such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of this Agreement as a whole.

11.6 Contractor shall not, either voluntarily or by action of law, assign or transfer this Contract or any obligation, right, title or interest assumed by Contractor herein without the prior written consent of District. If Contractor attempts an assignment or transfer of this Contract or any obligation, right, title or interest herein, District may, at its option, terminate and revoke the Contract and shall thereupon be relieved from any and all obligations to Contractor or its assignee or transferee.

11.7 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.

11.8 The failure of either Party to request performance in accordance with the terms of this Agreement shall not be deemed a waiver of the right to enforce the terms of this Agreement.

11.9 Contractor is an independent Contractor under this Agreement and not an employee of District. The personnel of Contractor are comprised of persons experienced in the work associated with the Services in all aspects.

11.10 All documents or other information developed or received by Contractor and related to the Work shall be delivered to District as the property of District.

11.12 Each Party represents and warrants this Agreement is valid and binding, is duly authorized by appropriate corporate or approving action, and that the person initialing this Agreement has the authority to bind such Party to this Agreement

11.13 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.

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.

-Signatures on following page-

MOULTON NIGUEL WATER DISTRICT:

By: DocuSigned by:
Matt Collings
386397D8EC41493...

Printed Name: Matt Collings

Title: Assistant General Manager

Dated: 07/13/2020

T.E. ROBERTS, INC.:

By: DocuSigned by:
Tim Roberts
(Authorized Representative of Contractor)

Printed Name: Tim Roberts

Title: President

Dated: 07/10/2020

SCOPE OF WORK

I. The services of a CONTRACTOR are required, on an as-needed basis, for the timely construction, maintenance, repair, abandonment, and/or relocation of water distribution and sewer conveyance facilities. Typical work may include, but is not limited to the following:

1. Repair, relocate, replace, abandon, and install aboveground and underground water mains and pipelines, fire hydrants, large services (larger than 2”), small services (2” and below), line stops or insert valves, vaults, valves, meter vaults, and meter vault lids.
2. Repair, relocate, replace, abandon, and install aboveground and underground sewer pipelines; and any related facilities and equipment to the foregoing.
3. Locate and pothole utility substructures, underground conduits, and underground substructures related to the facilities and work above.
4. Replace and install concrete sidewalks, concrete driveway approaches, concrete curb and gutter, concrete spandrels and cross gutters, concrete pavement, and asphalt concrete pavement related to the facilities and work above.

Actual Services to be performed under the Agreement will be pursuant to individual Requests.

II. Materials shall be furnished by CONTRACTOR for completion of Work as specified in each Request. If not explicitly specified, shop drawings shall be submitted for approval prior to installation.

III. CONTRACTOR shall operate in and around active or energized pipelines and equipment and shall conduct itself in accordance with all applicable federal, state, and local laws and regulations. CONTRACTOR shall follow DISTRICT’S Standard Specifications in the testing and activation of new and existing water system components or facilities. Required system outages shall be scheduled with and approved by DISTRICT before the required date. The requirements for repairing, replacing, or installing water or sewer facilities to complete the Work shall be described in the individual Request.

IV. The services of a CONTRACTOR are required, on an as-needed basis, to provide emergency Services to repair and/or replace and inspect damages to the Water System. Typical Work will include, but not be limited to the following:

1. Inspect and evaluate damages and restore services to water distribution, production facilities; sewer conveyance facilities.
2. Repair and/or replace mains, pipelines, valves, fire hydrants, services, meters, line stops, vaults, sampling stations, conduits, and substructures.
3. Clean up environmental/hazardous spills and by-products of combustion and/or disinfection.

V. CONTRACTOR shall perform all work in accordance with the following:

1. District's General Provisions [attached]**:
 - a. Section 4, subdivisions 1, 3-6
 - b. Section 5, subdivisions 1, 4, 7-8, 10-14
 - c. Section 6, subdivisions 1-2, 6
 - d. Section 7, subdivisions 1-10,12-18, 23-27
 - e. Section 9, subdivision 6

2. District's Standard Specifications for the Construction of Domestic Water, Sewer and Recycled Water Facilities, accessible via the District's website at: <http://www.mnwd.com/standards-specifications/>. Note: Contractors are advised that the District's water distribution system contains a significant amount of asbestos cement pipe. Contractors (or listed subcontractor) shall be properly certified for the removal and transport of asbestos cement pipe in accordance with Specification Section 15072.

For the typical anticipated work requests, refer to District's Standard Drawings W-6, W-7, W-8, W-11, and W-12 [attached].

3. Requirements of City with authority over work site/permit terms

***** In the event any statutory sections cited or referred to in the General Provisions above are updated at the time a Request is issued, all such updates and terms shall be deemed controlling, and are incorporated prospectively by this reference.***

GENERAL PROVISIONS

4-1 WORK TO BE DONE

The Work to be done consists of furnishing all transportation, labor, materials, tools, equipment, services, permits, utilities and all other items which are necessary or appurtenant to construct and complete the entire project and construct the project designated in the Contract Documents, and to leave the grounds in a neat and presentable condition .

4-3 OBSTRUCTIONS

The Contractor shall remove and dispose of all structures, debris, or other obstructions of any character necessary to accommodate the Work. Where such obstructions consist of improvements not required by law to be removed by the Owner thereof, all such improvements shall be removed, maintained, and permanently replaced by the Contractor at his expense except as otherwise specifically provided in the Contract Documents.

4-4 UTILITIES

The Engineer/Architect has endeavored to determine the existence of utilities at the site of the Work from the records of the Owners of known utilities in the vicinity of the Work. The positions of these utilities as derived from such records are shown on the Plans. The service connections to these utilities are not shown on the Plans.

The Contractor shall make his own investigations, including exploratory excavations, to determine the locations and type of existing service laterals or appurtenances when their presence can be inferred from the presence of other visible facilities, such as buildings, meter and junction boxes, on or adjacent to the site of the Work. If the Contractor discovers Utility facilities not identified in the Plans or Specifications or in a position different from that shown in the Plans and Specifications, he shall immediately notify in writing the Owner's Representative and the Owner of the Utility facility.

The Owner shall have the responsibility for the timely removal, relocation, protection, and temporary maintenance of existing main or trunkline Utility facilities which are not indicated in the Plans and Specifications with reasonable accuracy.

In case it would be necessary to remove, relocate, protect, or temporarily maintain a Utility because of interference with the Work, the Work on such Utility shall be performed and paid for as follows:

When it is necessary to remove, relocate, protect, or temporarily maintain an existing main or trunkline Utility facility not indicated in the Plans and Specifications with reasonable accuracy, the Owner will compensate the Contractor for the cost of locating, for the costs of repairing damage not due to the failure of the Contractor to exercise reasonable care, for the costs of removing, relocating, protecting, or temporarily maintaining such Utility facilities, and for the costs for equipment on the site necessarily idled during such Work. These costs, the Work to be done by the Contractor in locating, removing, relocating, protecting or temporarily maintaining such Utility facilities shall be covered by a written change order conforming to the provisions of Section 4-2,

CHANGES IN THE WORK, and Section 9-1, PAYMENT FOR CHANGES IN THE WORK. The Owner may make changes in the alignment and grade of the Work to obviate the necessity to remove, relocate, protect, or temporarily maintain such Utility facilities or to reduce the costs of the Work involved in removing, relocating, protecting or temporarily maintaining such Utility facilities. Changes in alignment and grade will be ordered in accordance with Section 4-2, CHANGES IN THE WORK. The Contractor shall not be assessed liquidated damages for delay in completion of the project, when such delay was caused by a failure of the owner of the utility to provide for removal or relocation of such facility.

When it is necessary to remove, relocate, protect, or temporarily maintain a Utility (other than (1) existing main or trunkline Utility facilities not indicated in the Plans and Specifications with reasonable accuracy, or (2) existing service laterals or appurtenances when their presence cannot be inferred from the presence of other visible facilities, such as buildings, meter and junction boxes, on or adjacent to the site of the Work) the cost of which is not required to be borne by the Owner thereof, the Contractor shall bear all expenses incidental to the Work on the Utility or damage thereto. The Work on the Utility shall be done in a manner satisfactory to the Owner thereof; it being understood that the Owner of the Utility has the option of doing such Work with his own forces, or permitting the Work to be done by the Contractor. No representations are made that the obligations to remove, relocate, protect, or temporarily maintain any Utility and to pay the cost thereof is or is not required to be borne by the Owner such Utility, and it shall be the responsibility of the Contractor to investigate to find out whether or not said cost is required to be borne by the Owner of the Utility.

The right is reserved to governmental agencies and to Owners of utilities to enter any time upon any street, alley, right-of-way, or easement for the purpose of making changes in their property made necessary by the Work and for the purpose of maintaining and making repairs to their property.

4-5 PLANS AND SPECIFICATIONS FURNISHED BY THE OWNER

The Owner will furnish to the Contractor free of charge all copies of Plans and Specifications reasonably necessary for the execution of the Work. The Contractor shall keep one set of Plans and Specifications in good order available to the Owner's Representative at the site of the Work.

4-6 FINAL CLEANUP

Upon completion and before making application for Acceptance of the Work, the Contractor shall clean all rights-of-way, streets, borrow pits, and all other grounds occupied by him in connection with the Work of all rubbish, excess materials, temporary structures, and equipment, and all parts of the Work and grounds occupied by him shall be left in a neat and presentable condition.

5-1 AUTHORITY OF THE OWNER'S REPRESENTATIVE

The Owner's Representative shall decide any and all questions which may arise as to the interpretation of the Plans and Specifications and shall have authority to disapprove or reject materials and equipment furnished and Work performed which, in his opinion, is not in accordance with the Contract Documents.

5-4 MANUFACTURER'S INSTRUCTIONS

All materials and equipment shall be applied, installed, connected, erected, used, cleaned, and conditioned in accordance with the instructions of the applicable manufacturer, fabricator, supplier or distributor, except as otherwise specifically provided in the Contract Documents.

5-7 ERRORS OR DISCREPANCIES NOTED BY CONTRACTOR

It is the duty of the Contractor to promptly notify the Owner's Representative in writing of any design, materials, or specified method that the Contractor believes may prove defective or insufficient. If the Contractor believes that a defect of insufficiency exists in design, materials, or specified method and fails to promptly notify the Owner's Representative in writing of this belief, the Contractor waives any right to assert that defect or insufficiency in design materials, or specified method at any later date in any legal or equitable proceeding against the Owner, or in any subsequent arbitration or settlement conference between the Owner and the Contractor. The Owner's Representative, on receipt of any such notice, will promptly investigate the circumstances and give appropriate instructions to the Contractor. Until such instructions are given, any Work done by the Contractor after he comes to the belief that a defect or insufficiency exists in design, materials, or specified method which is directly or indirectly affected by such alleged defect or insufficiency in design, materials, or specified method will be at his own risk and he shall bear all cost arising therefrom.

If the Contractor, either before commencing Work or in the course of the Work, finds any discrepancy between the Specifications and the Plans or between either of them and the physical conditions at the site of the Work or finds any error or omission in any of the Plans or in any survey, he shall promptly notify the Owner's Representative of such discrepancy, error, or omission. If the Contractor observes that any Plans or Specifications are at variance with any applicable law, ordinance, regulation, order or decree, he shall promptly notify the Owner's Representative in writing of such conflict. The Owner's Representative, on receipt of such notice, will promptly investigate the circumstances and give appropriate instructions to the Contractor. Until such instructions are given, any Work done by the Contractor after his discovery of such error, discrepancy, or conflict which is directly or indirectly affected by such error, discrepancy, or conflict will be at his own risk and he shall bear all costs rising therefrom.

5-8 SUPERVISION AND SUPERINTENDENCE

The Contractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. The Contractor shall be solely responsible for the means, methods, techniques, sequences and procedures of construction, but the Contractor shall not be solely responsible for the negligence of others in the design or selection of a specific means, method, technique, sequence, or procedure of construction which is indicated in and required by the Contract Documents except as otherwise provided in the Section 5-7 ERRORS OR DISCREPANCIES NOTED BY CONTRACTOR.

The Contractor shall be responsible to see that the completed Work complies with the Contract Documents.

The Contractor shall designate and keep on the Work site at all times during its progress a competent superintendent, who shall not be replaced without written notice to the Owner's Representative. The superintendent will be the Contractor's representative at the site and shall have authority to act on behalf of the Contractor. All communications given to the superintendent shall be as binding as if given to the Contractor. During periods when the Work is suspended, the Contractor shall make appropriate arrangements for any emergency Work which may be required.

Whenever the superintendent is not present on any particular part of the Work where the Owner's Representative may desire to inform the Contractor relative to interpretation of the Plans and Specifications or to disapproval or rejection of materials or Work performed, the Owner's Representative may so inform the foreman or other worker in charge of the particular part of the Work in reference to which the information is given. Information so given shall be as binding as if given to the superintendent.

5-10 QUALITY AND SAFETY OF MATERIALS AND EQUIPMENT

All equipment, materials, and supplies to be incorporated in the Work shall be new, unless otherwise specified. All equipment, materials, and supplies shall be produced in a good and workmanlike manner. When the quality of a material, process, or article is not specifically set forth in the Plans and Specifications, the best available quality of the material, process, or article shall be provided.

Whenever any material, process, or article is indicated or specified by grade, patent or proprietary name, or by name of manufacturer, such specification shall be deemed to be used for the purpose of facilitating description of the materials, process, or articles desired and shall be deemed to be followed by the words "or equal", and the Contractor may offer any material, process, or article which shall be substantially equal or better in every respect to that so indicated or specified; provided, however, that if the material, process or article ordered by the Contractor is not, in the opinion of the Owner's Representative, equal or better in every respect to that specified, then the Contractor must furnish the material, process, or article or one that in the opinion of the Owner's Representative is the substantial equal or better in every respect. In the event that the Contractor furnishes material, process, or article more expensive than that specified, the difference in cost of such material, process, or article so furnished shall be borne by the Contractor.

In accordance with Section 4380 of the Government Code, the Contractor shall submit data substantiating requests for substitution of "equal" items within 35 Days after award of the Contract. This 35-day period of time is included in the number of Days allowed for the completion of the Work.

All materials, equipment, and supplies provided shall, without additional charge to Owner, fully conform with all applicable state and federal safety laws, rules, regulations, and orders, and it shall be Contractor's responsibility to provide only such materials, equipment, and supplies notwithstanding any omissions in the Contract Documents therefor or that a particular material, equipment, or supply was specified.

5-11 STANDARDS, CODES, SAMPLES AND TESTS

Whenever reference is made to a standard, code, specification, or test and the designation representing the date or adoption or latest revision thereof is omitted, it shall mean the latest revision of such standard, code, specification, or test in effect on the day the Notice Inviting Sealed Proposals (Bids) is dated.

The tests shall be made in accordance with commonly recognized procedures of technical organizations and such special procedures as may be prescribed elsewhere in the Plans and Specifications. The Contractor shall furnish without charge such samples for testing as may be required by the Owner's Representative. Tests and samples may be required at the source of materials as well as at the site of the Work.

5-12 OBSERVATION OF WORK BY OWNER'S REPRESENTATIVE

The Owner's Representative shall at all times have access to the Work during construction and shall be furnished with every reasonable facility for ascertaining full knowledge respecting the progress, workmanship, and character of materials and equipment used and employed in the Work.

Whenever the Contractor varies the normal period during which Work or any portion of it is carried on each day, he shall give timely notice to the Owner's Representative so that the Owner's Representative may, if he wishes, be present to observe the Work in progress. If the Contractor fails to give such timely notice, any Work done in the absence of the Owner's Representative will be subject to rejection.

The Contractor shall give timely notice to the Owner's Representative in advance of backfilling or otherwise covering any part of the Work so that the Owner's Representative may, if he wishes, observe such part of the Work before it is concealed.

The observation, if any, by the Owner's Representative of the Work shall not relieve the Contractor of any of his obligations to fulfill the Contract as prescribed. Defective Work shall be made good, and materials, and equipment furnished and Work performed which is not in accordance with the Contract Documents may be rejected notwithstanding the fact that such materials, equipment, and Work have been previously observed by the Owner's Representative or that payment therefor has been included in an estimate for payment.

5-13 REMOVAL OF DEFECTIVE AND UNAUTHORIZED WORK

Any Work which does not conform to the requirements of the Contract Documents shall be remedied or removed and replaced by the Contractor, together with any other Work which may be displaced in so doing, and no compensation will be allowed him for such removal, replacement, or remedial Work. All nonconforming materials shall be immediately removed from the site.

Any Work done beyond the lines and grades shown on the Plans or established by the Owner's Representative or any changes in, additions to, or deductions from the Work done without written authority will be considered as unauthorized and will not be paid for. Work so done may be ordered remedied, removed, or replaced by the Contractor.

Upon failure on the part of the Contractor to comply promptly with any order of the Owner's Representative made under the provisions of this Section, the Owner's Representative shall have authority to cause nonconforming materials, rejected Work, or unauthorized Work to be remedied, removed, or replaced at the Contractor's expense and to deduct the costs from any monies due or to become due the Contractor.

5-14 ONE YEAR GUARANTEE

Besides guarantees required elsewhere, the Contractor shall and hereby does guarantee the Work for a period of one year after the date of Acceptance of the Work by the Owner except for any portion of the Work that is utilized or placed into service by the Owner in accordance with the provisions of the Section on USE OF COMPLETED PORTIONS. The guarantee period for portions of the Work so utilized or placed into service shall be one year commencing on the date of the written notification to the Contractor described in the Section on USE OF COMPLETED PORTIONS. The Contractor shall repair or remove and replace

any and all such Work, together with any other Work which may be displaced in so doing, that is found to be defective in workmanship and/or materials within said one year periods, without expense whatsoever to the Owner, ordinary wear and tear and unusual abuse or neglect excepted. In the event of failure to comply with the above-mentioned conditions within one week after being notified in writing, the Owner is hereby authorized to proceed to have the defects remedied and made good at the expense of the Contractor who hereby agrees to pay the cost and charges therefor immediately on demand. Such action by the Owner will not relieve the Contractor of the guarantees required by this Section or elsewhere in the contract documents.

The performance bond and the payment bond shall continue in full force and effect for the guarantee period.

If, in the opinion of the Owner, defective Work creates a dangerous condition or requires immediate corrections or attention to prevent further loss to the Owner or to prevent interruption of operations of the Owner, the Owner will attempt to give the notice required by this Section. If the Contractor cannot be contacted or does not comply with the Owner's request for correction within a reasonable time as determined by the Owner, the Owner may, notwithstanding the provisions of this Section, proceed to make such correction or provide such attention; and the costs of such corrections or attention shall be charged against the Contractor. Such action by the Owner will not relieve the Contractor of the guarantees required by this Section or elsewhere in the Contract Documents.

This Section does not in any way limit the guarantee on any items for which a longer guarantee is specified or on any items for which a manufacturer or supplier gives a guarantee for a longer period. The Contractor agrees to act as a co-guarantor with such manufacturer or supplier and shall furnish the Owner all appropriate guarantee or warranty certificates upon completion of the project. No guarantee period whether provided for in this Section or elsewhere shall in any way limit the liability of Contractor or his sureties or insurers under the indemnity or insurance provisions of these General Provisions or the Special Provisions.

6-1 SUB-CONTRACTING

If the Contractor shall subcontract any part of Contract, the Contractor shall be as fully responsible to the Owner for the acts and omissions of his Subcontractor and of the persons either directly or indirectly employed by his Subcontractor as he is for the acts and omissions of persons directly employed by himself. Nothing contained in the Contract Documents shall create any contractual relationship between any Subcontractor and the Owner. The Contractor shall bind every Subcontractor to be bound by the terms

of the Contract Documents as applicable to its Work.

The divisions and sections of any Specifications and the identifications or any Drawings shall not control Contractor in dividing the Work among Subcontractors or suppliers or delineating work to be performed by any specific trade. The divisions of the Specifications are complementary, and anything mentioned or shown in a division of the Specifications or in a specific trade drawing shall be of like effect as if shown in all divisions of the Specifications and in all Drawings.

Contractor is prohibited from performing any of the Work with a Subcontractor who is ineligible to perform such Work pursuant to Section 1777.1 or 1777.7 of the Labor Code. Contractor agrees that in accordance with Public Contract Code Section 6109, a subcontract with an ineligible Subcontractor is void as a matter of law, amounts paid to the Subcontractor shall be returned to Owner, and Contractor is responsible for paying wages of the Subcontractor's employees if the Subcontractor is allowed to perform any part of the Work.

Contractor shall not award work to Subcontractors in excess of 50% percent of the Contract amount without prior written approval of Owner. Except as provided by law, Contractor shall not employ any Subcontractor, supplier, or other person or organization (including but not limited to those who are to furnish the principal items of materials or equipment), whether initially or as a substitute, against whom Owner may have reasonable objection.

Contractor shall give prompt written notice to Owner as to the identity and qualifications of any Subcontractor, supplier, or other person or organization to whom Contractor intends to award work, and of Contractor's intent to remove or replace a Subcontractor, supplier, or other person.

All Work performed for Contractor by a Subcontractor, supplier or other person or organization will be in accordance with an appropriate sub-agreement between Contractor and the Subcontractor, supplier, or other person or organization which specifically binds the Subcontractor, supplier, or other person or organization to the applicable terms and conditions of the Contract Documents for the benefit of Owner.

If requested in writing by Owner, Contractor shall deliver to Owner a copy of each sub-agreement with a Subcontractor, supplier, or other person or organization performing a part of the Work within seven days of Owner's request.

6-2 ASSIGNMENT

The performance of the Contract shall not be assigned, except upon the written consent of the Owner. Consent will not be given to any proposed assignment which would relieve the original Contractor or his surety of their responsibilities under the Contract, nor will the Owner consent to any assignment of a part of the Work under the Contract.

Upon obtaining a prior written consent of the Owner, the Contractor may assign monies due or to become due him under the Contract, to the extent permitted by law, but any assignment of monies shall be subject to all proper setoffs in favor of the Owner and to all deductions provided for in the Contract, and particularly all money withheld, whether assigned or not, shall be subject to being used by the Owner for the completion of the Work in the event that the Contractor should be in default therein.

No assignment of this Contract will be approved unless it shall contain a provision that the funds to be paid to the assignee under the assignment are subject to a prior lien for services rendered or materials supplied for performance of the Work called for under the Contract in favor of all persons, firms, or corporations rendering such services or supplying such materials and that the Owner may withhold funds due until all Work required by the Contract Documents is completed to the Owner's satisfaction.

6-6 USE OF COMPLETED PORTIONS

When the Work or any portion of it is sufficiently complete to be utilized or placed into service, the Owner shall have the right upon written notification to the Contractor to utilize such portions of the Work and to place the operable portions into service and to operate same.

Upon said notice and commencement of utilization or operation by the Owner, the Contractor shall be relieved of the duty of maintaining the portions so utilized or placed into operation; provided, however, that nothing in this Section shall be construed as relieving the Contractor of the full responsibility for completing the Work in its entirety, for making good defective Work and materials, for protecting the Work from damage, and for being responsible for damage, and for the Work as set forth in the General Provisions and other Contract Documents nor shall such action by the Owner be deemed completion and Acceptance, and such action shall not relieve the Contractor, its sureties, or insurers of the provisions of the Sections on CONTRACTOR'S INSURANCE, INDEMNITY, and GUARANTEES.

7-1 OBSERVING LAWS AND ORDINANCES

The Contractor shall keep himself fully informed of all existing and future laws, ordinances, and regulations which in any manner affect those engaged or employed in the Work or the materials used in the Work or which in any way affect the conduct of the Work and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over same. If any discrepancy or inconsistency is discovered in the Plans, Specifications, or Contract for the Work in relation to any such law, ordinance, regulation, order, or decree, he shall forthwith report the same to the Owner's Representative in writing and cease operations on that part of the Work until the Owner's Representative has given him appropriate instructions as provided for in the Section on ERRORS OR DISCREPANCIES NOTED BY CONTRACTOR.

The Contractor shall at all times observe and comply with and shall cause all his agents, employees, Subcontractors, and suppliers to observe and comply with all such existing and future laws, ordinances, regulations, orders, and decrees, and shall hold harmless, indemnify, and defend the Owner, the Engineer/Architect, the Owner's Representative, and their consultants, and each of their directors, officers, employees, and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order, or decree, by the Contractor, his employees, agents, Subcontractors, or suppliers.

7-2 PERMITS AND LICENSES

The Contractor shall procure all permits and licenses, pay all charges and fees, and give all notices necessary and incidental to the due and lawful prosecution of the Work.

7-3 INVENTIONS, PATENTS, AND COPYRIGHTS

The Contractor shall pay all royalties and assume all costs arising from the use of any invention, design, process, materials, equipment, product, or device which is the subject of patent rights or copyrights.

The Contractor shall hold harmless, indemnify, and defend the Owner, the Engineer/Architect, the Owner's Representative, and their consultants, and each of their directors, officers, employees, and agents from and against all claims, damages, losses, expenses, and other costs, including costs of defense attorneys' fees, arising out of any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, materials, equipment, product or device, and shall defend all such claims in connection with any alleged infringement of such right.

7-4 PUBLIC CONVENIENCE AND SAFETY

The Contractor shall so conduct his operations as to offer the least possible obstruction and inconvenience to the public, and he shall have under construction no greater length or amount of Work that he can

prosecute properly with due regard to the rights of the public. Convenient access to driveways, houses and buildings along the line of 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.

The 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 construction Work and to give directions to the public.

7-5 RESPONSIBILITY FOR LOSS, DAMAGE, OR INJURIES

The Contractor shall be responsible for all claims demands, or liability from any cause arising out of or resulting from or in connection with the performance of the Work, excepting only those as may be caused solely and exclusively by the fault or negligence of the Owner, Engineer/Architect, the Owner's Representative, or their consultants, or their directors, officers, employees, and agents. Such responsibility shall extend to claims, demands, or liability for loss, damage, or injuries occurring after completion of the Work as well as during the progress of the Work.

7-6 CONTRACTOR'S RESPONSIBILITY FOR THE WORK

Until the Acceptance of the Work, the Contractor shall have the responsible charge and care of the Work and of the materials to be used therein (including materials for which he has received partial payment or materials which have been furnished by the Owner) and shall bear the risk of injury, loss, or damage to any part thereof by the action of the elements or from any other cause, whether arising from the execution or from the non-execution of the Work.

The Contractor shall rebuild, repair, restore, and make good all injuries, losses, or damages to any portion of the Work or materials occasioned by any cause before its completion and Acceptance and shall bear

the expense thereof. Where necessary to protect the Work or materials from damage, the Contractor shall at his expense provide suitable drainage and erect such temporary structures as are necessary to protect the Work or materials from damage. The suspension of the Work or the granting of any extension of time from any cause whatever shall not relieve the Contractor of his responsibility for the Work and materials as herein specified.

In an emergency affecting the safety of life or property, including adjoining property, the Contractor, without special instructions or authorizations, is authorized to act at his discretion to prevent such threatened loss or injury.

Notwithstanding the foregoing provisions of this Section, the Contractor shall not be responsible for the cost of repairing and restoring damage to the Work, which damage is determined to have been proximately caused by an Act of God, in excess of 5% of the contracted amount, provided that the Work damaged is built in accordance with accepted and applicable building standards and the Plans and Specifications. For the purposes of this paragraph, "Acts of God" shall include only the following occurrences or conditions and effect: earthquakes in excess of a magnitude of 3.5 on the Richter Scale and tidal waves.

7-7 PRESERVATION OF PROPERTY

The Contractor shall exercise due care to avoid injury to existing improvement or facilities, Utility facilities, adjacent property, and trees and shrubbery that are not to be removed.

All trees, shrubbery, and landscaping that are not to be removed, and pole lines, fences, signs, survey markers and monuments, buildings and structures, conduits, pipelines under or above ground, sewer and waterlines, all highway or street facilities, and any other improvements or facilities within or adjacent to the Work shall be protected from injury or damage, and the Contractor shall provide and install suitable safeguards to protect such objects from injury or damage. If such objects are injured or damaged by reason of the Contractor's operation, they shall be replaced or restored at the Contractor's expense to a condition as good as when the Contractor entered upon the Work or as good as required by the Plans and Specifications if any such objects are a part of the Work being performed.

The fact that any such pipe or other underground facility is not shown on the Plans shall not relieve the Contractor of his responsibility under this Section.

In addition to any requirements imposed by law, the Contractor shall shore up, brace, underpin, and protect as may be necessary, all foundations and other parts of all existing structures adjacent to and adjoining the site of the Work which are in any way affected by the excavations or other operations connected with the performance of the Work. Whenever any notice is required to be given by the Owner or the Contractor to any adjacent or adjoining landowner or other party before commencement of any Work such notice shall be given by the Contractor.

In any emergency affecting the safety of life or property, including adjoining property, the Contractor, without special instructions or authorizations, is authorized to act at his discretion to prevent such threatened loss or injury.

7-8 EXCAVATION AND/OR DIGGING TRENCHES

As required by Labor Code Section 6705, if the total amount of the Contract is in excess of \$25,000, the Contractor shall submit to the Owner for Acceptance, in advance of excavation, a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation of any trench or trenches 5 feet or more in depth. The plan shall be prepared by a registered civil or structural Engineer. As a part of the plan, a note shall be included stating that the registered civil or structural Engineer certifies that the plan complies with the CAL-OSHA Construction Safety Orders, or that the registered civil or structural Engineer certifies that the plan is not less effective than the shoring, bracing, sloping, or other provisions of the Safety Orders.

The Owner or the Engineer/ Architect or their consultants may have made investigations of the subsurface conditions in areas where the Work is to be performed. If so, these investigations are identified in the Special Provisions and the records of such investigations are available for inspection at the office of the Engineer/Architect. The detailed plan showing the design of shoring, etc., which the Contractor is required to submit to the Owner for Acceptance in advance of excavation will not be accepted by the Owner if the plan is based on subsurface conditions which are more favorable than those revealed by the investigations made by the Owner or the Engineer/Architect or their consultants; nor will the plan be accepted if it is based on soils related design criteria which is less restrictive than the criteria set forth in the report on the aforesaid investigations of subsurface conditions.

The detailed plan showing the design of shoring, etc., shall include surcharge loads for nearby embankments and structures, for spoil banks, and for construction equipment and other construction loadings. The plan shall indicate for all trench conditions the minimum horizontal distances from the side of the trench at its top to the near side of the surcharge loads.

Nothing contained in this Section shall be construed as relieving the Contractor of the full responsibility for providing shoring, bracing, sloping, or other provisions which are adequate for worker protection.

As required by Public Contracts Code Section 7104, in any Contract which involves digging trenches or other excavations that extend deeper than four feet below the surface, the Contractor shall promptly, and before the following conditions are disturbed, notify the Owner, in writing, of any:

- (1) Material that the Contractor believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law.
- (2) Subsurface or latent physical conditions at the site differing from those indicated.
- (3) Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract.

Owner shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in the Contractor's cost of, or the time required for, performance of any part of the Work, shall issue a change order under the procedures described in the Contract.

In the event that a dispute arises between the Owner and the Contractor whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in the Contractor's cost of, or time required for, performance of any part of the Work, the Contractor shall not be excused from any scheduled completion date provided for by the Contract, but shall proceed with all work to be performed under the Contract. The Contractor shall retain any and all rights provided either by the Contract or by law which pertain to the resolution of disputes and protests between the parties.

7-9 SAFETY

In accordance with generally accepted construction practices, the Contractor shall be solely and completely responsible for conditions of the job site, including safety of all persons and property during performance of the Work, and the Contractor shall fully comply with all state, federal and other laws, rules, regulations, and orders relating to safety of the public and workers.

The right of the Engineer/Architect or the Owner's Representative to conduct construction review or observation of the Contractor's performance will not include review or observation of the adequacy of the Contractor's safety measure in, on, or near the construction site.

7-10 PERSONAL LIABILITY

No director, officer, employee, or agent of the Owner, the Engineer/Architect, the Owner's Representative, or their consultants shall be personally responsible for any liability arising under or by virtue of the Contract.

7-12 HOURS OF LABOR

The Contractor shall forfeit as a penalty to the Owner \$25.00 for each worker employed in the execution of the Contract by the Contractor or any Subcontractor under him 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 the basic rate of pay as provided in said Section 1815.

All work necessary to be performed after regular working hours, on Saturdays and Sundays, or holidays, shall be performed without additional expense to the Owner.

The Owner will provide inspection during normal working hours, as established in the Special Provisions, Monday through Friday. Inspection before or after this time will be charged to the Contractor as reimbursable inspection time. Inspections on weekends requires two days' notice for review and approval.

7-13 PREVAILING WAGE

A. The Contractor shall comply with Labor Code Section 1775. In accordance with said Section 1775,

the Contractor shall forfeit as a penalty to the Owner \$200.00 for each calendar day or portion thereof for each worker paid less than the stipulated prevailing rates for such Work or craft in which such worker is employed for any Work done under the Contract by him or by any Subcontractor under him 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.

- B. For all contracts for which bids are opened on or after March 1, 2015, or contracts are awarded on or after April 1, 2015, the Contractor and any subcontractor shall be registered with the Department of Industrial Relations and qualified to perform work pursuant to Sections 1725.5 and 1771.1 of the California Labor Code. Pursuant to Sections 1725.5 and 1771.1, as applicable, the Contractor shall be responsible for providing proof of current registration for both the Contractor and any subcontractor prior to performing any work. Notwithstanding anything to the contrary, if at any time during the performance of the Work, the Contractor or any of its subcontractors, which is otherwise required by law to be registered with DIR, is not duly registered pursuant to Labor Code Section 1725.5 (including, without limitation, if the DIR revokes the registration), the DISTRICT may cancel the Contract and/or replace the Contractor or subcontractor with a contractor or subcontractor that is duly registered pursuant to Labor Code Section 1725.5.
- C. The Contractor acknowledges that this project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.
- D. The Contractor and all subcontractors shall be responsible for posting appropriate job site notices, pursuant to the requirements set forth in the Labor Code and related regulations. Furthermore, the Contractor and all subcontractors shall be responsible for furnishing the records specified in Section 1776 of the Labor Code directly to the Labor Commissioner, pursuant to the procedures set forth in Section 1771.4 of the Labor Code.

7-14 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 filed in accordance with Labor Code Section 1773.8.

7-15 APPRENTICES

Attention is directed to the provisions in Sections 1777.5 and 1777.6 of the Labor Code concerning the employment of apprentices by the Contractor or any Subcontractor under him.

The Contractor and any Subcontractor under him 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 up to \$100 for each calendar day of non-compliance (or up to \$300 per day if prior violation(s)) which shall be withheld from progress payments by Owner upon notice from the Department of Industrial Relations. (Labor Code Section 1777.7)

7-16 WARRANTY OF TITLE

No materials, supplies, or equipment for the Work under this Contract shall be purchased subject to any chattel mortgage or under a conditional sale Contract or other agreement by which an interest therein or any part thereof is retained by the seller or supplier. The Contractor warrants clear and good title to all materials, supplies, and equipment installed and incorporated in the Work and agrees upon completion of all Work to deliver the premises together with all improvements and appurtenances constructed or placed thereon by him to the Owner free from any claims, liens, encumbrances, or charges and further agrees that neither he nor any person, firm, or corporation furnishing any material or labor for any Work covered by the Contract shall have any right to a lien upon the premises or any improvement or appurtenance thereon, provided that this shall not preclude the Contractor from installing metering devices or other equipment of Utility companies or of municipalities, the title of which commonly retained by the Utility company or the municipality. Nothing contained in this Section, however, shall defeat or impair the right of such persons furnishing materials or labor under any bond given by the Contractor for their protection, or any right under any law permitting such persons to look to funds due the Contractor in the hands of the Owner. The provisions of this Section shall be inserted in all subcontracts and material contracts, and notices of its provision shall be given to all persons furnishing materials for the Work when no formal Contract is entered into for such materials.

7-17 PROPERTY RIGHTS IN MATERIALS

Nothing in the Contract shall be construed as vesting in the Contractor any right of property in the materials used after they have been attached or affixed to the Work or the soil, or after payment has been made for materials delivered to the site of the Work, or stored subject to or under the control of the Owner.

All such materials shall become the property of the Owner upon being so attached or affixed or upon payment for materials delivered to the site of the Work or stored subject to or under the control of the Owner.

Soil, stone, gravel, and other materials found at the site of the Work and which conform to the Plans and Specifications for incorporation into the Work may be used in the Work. No other use shall be made of such materials except as may be otherwise described in the Plans and Specifications.

All excess excavated soil, stone, gravel, and other materials from the site of the Work shall become the property of the Contractor upon removal of such materials from the site of the Work.

7-18 MUTUAL RESPONSIBILITY OF CONTRACTORS

Nothing in the Contract shall be interpreted as granting to the Contractor exclusive occupancy of the site

of the project. The Contractor must ascertain to his own satisfaction the scope of the project and the nature of any other Contracts that have been or may be awarded by the Owner in the construction of the project, to the end that the Contractor may perform this Contract in the light of such other Contracts, if any.

The Contractor shall not cause any unnecessary hindrance or delay to any other Contractor working on the project. If the performance of any Contract for the project is likely to be interfered with by the simultaneous performance of some other Contract or Contracts, the Owner's Representative shall decide which Contractor shall cease Work temporarily and which Contractor shall continue or whether the Work under the Contracts can be coordinated so that the Contractors may proceed simultaneously. On all questions concerning conflicting interest of Contractors performing related Work, the decision of the Owner's Representative shall be binding upon all Contractors concerned and the Owner, the Engineer/Architect, the Owner's Representative, and their consultants shall not be responsible for any damages suffered or extra costs incurred by the Contractor resulting directly or indirectly from the award or performance of attempted performance of any other Contract or Contracts on the project or caused by a decision or omission of the Owner's Representative respecting the order of precedence in the performance of the Contracts.

If through acts of neglect on the part of the Contractor, any other contractor or any Subcontractor shall suffer loss of damage on the Work, the Contractor agrees to settle with such other contractor or Subcontractor by agreement or arbitration, if such other contractor or Subcontractor will so settle. If such other contractor or Subcontractor shall assert any claim against the Owner, the Engineer/Architect, the Owner's Representative, or their consultants, on account of any damage alleged to have been so sustained, the Owner shall notify Contractor who shall hold harmless, indemnify, and defend the Owner, the Engineer/Architect, the Owner's Representative, and their consultants and each of their directors, officers, employees, and agents against any such claim, including all attorneys' fees and any other costs incurred by the indemnified parties relative to any such claim.

7-23 LANDS AND RIGHTS-OF-WAY

The lands and rights-of-way for the facility to be constructed will be provided by the Owner. The Contractor shall make his own arrangements and pay all expenses for additional area required by him outside the limits of the Owner's lands and rights-of-way.

Work in public right-of-way shall be done in accordance with the requirements of the permit issued by the public agency in whose right-of-way the Work is located in addition to conforming to the Plans and specifications. If a permit is not required, the Work shall conform to the standards of the public agency involved in addition to conforming to the Plans and Specifications.

7-24 WAIVER OF RIGHTS

Except as otherwise specifically provided in the Contract Documents, no action or failure to act by the Owner, Engineer/Architect, Owner's Representative, or Contractor shall constitute a waiver of any right or duty afforded any of them under the Contract Documents, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder.

7-25 TAXES

The Contractor shall pay all sales, consumer, use, and other taxes.

NOTICE OF TAXABLE POSSESSORY INTEREST - The terms of this document may result in the creation of a possessory interest. If such a possessory interest is vested in a private party to this document, the private party may be subjected to the payment of personal property taxes levied on such interest.

7-26 ASSIGNMENT OF ANTI-TRUST ACTIONS

In entering into a public works Contract or subcontract to supply goods, services, or materials pursuant to a public works Contract, the Contractor or Subcontractor offers and agrees to assign to the awarding body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2 [commencing with Section 16700] of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to the public works Contract or the subcontract. This assignment shall be made and become effective at the time the Owner tenders final payment to the Contractor, without further acknowledgment by the parties.

In submitting a bid to a public purchasing body, the Bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2 [commencing with Section 16700] of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the Bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the Bidder.

7-27 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 Contract.

All payroll records shall be certified as accurate by the applicable Contractor or Subcontractor 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 Owner, 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 Owner, 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 Owner, 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 Subcontractor 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 provisions of this Section or Labor Section Code 1776 within ten Days of the date a written request for compliance is received shall result in a forfeiture of \$100.00 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 Owner shall withhold penalties under this Section or Labor Code Section 1776 from the Contractor's payments then due.

9-6 RESOLUTION OF CONSTRUCTION CLAIMS

This Section is intended as a summary of the provisions of Section 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 Section shall govern the resolution of any claim of \$375,000 or less which may be made by the Contractor hereunder.

As used in this Section, "claim" is defined as a separate demand by the 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 the Owner.

The Contractor shall make all claims in writing and include the documents necessary to substantiate the claims. Any claim by the 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 the Contractor must be filed on or before the date of final payment; provided, however, nothing in this Section is intended to extend the time limits or supersede notice requirements which may otherwise be provided within the Contract Documents for the filing of claims by the Contractor including, but not limited to, those provided in Section 6-4 (Time for Completion and Forfeiture Due to Delay), Section 6-5 (Extension of Time) and Section 4-2 (Changes in the Work).

Claims Less Than \$50,000.

The Owner shall respond in writing within 45 Days of receipt of the claim, or the Owner may request, in writing, within 30 Days of receipt of the claim, any additional documentation supporting the claim or relating to defenses or claims the Owner may have against the Contractor. If additional information is thereafter required, it shall be requested and provided upon mutual agreement of the Owner and the Contractor. If the Owner requests additional documentation, the Owner's written response to the claim shall be submitted to the Contractor within 15 Days after receipt of the additional documentation, or

within the same time period as used by the Contractor in producing the additional documentation, whichever is greater.

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

The Owner 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 the Owner may have against the Contractor. If additional information is thereafter required, it shall be requested and provided upon mutual agreement of the Owner and the Contractor. If the Owner requests additional documentation, the Owner's written response to the claim shall be submitted to the Contractor within 30 Days after receipt of the additional documentation, or within the same time period as used by the Contractor in producing the additional information, whichever is greater.

Procedure Following Owner's Response

If the Contractor disputes the Owner's written response, or the Owner fails to respond within the time prescribed, the Contractor may, by giving written notice to the Owner within 15 Days of receipt of the Owner's response (or within 15 Days of the Owner's failure to respond), demand an informal conference to meet and confer for settlement of the issues in dispute. Upon such demand, the Owner 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, the Contractor may file a claim pursuant to Government Code Section 900 et seq. If a court action is thereafter filed to resolve the claim, the court must, within the time specified by law, submit the matter to nonbinding mediation unless waived by mutual stipulation of the Owner and the Contractor. If after the mediation process, the matter remains in dispute, the case must then be submitted to judicial arbitration pursuant to the applicable law.

Work Order Form

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

This Work Order is executed pursuant to the “**AGREEMENT FOR ON-CALL CONSTRUCTION SUPPORT SERVICES BETWEEN MOULTON NIGUEL WATER DISTRICT AND T.E. ROBERTS** (Contract No. OM19-20.089d) 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.

I. PRIOR TO COMMENCEMENT OF WORK

Work Order No.: _____

Work Description: _____

Work Location: (address/intersection, City) _____

Estimated Work Cost: (attach quote/proposal) \$ _____

Estimated Time for Completion: _____

Notice to Proceed Given: [Date] _____ [By] _____

ACKNOWLEDGED AND AGREED:

OWNER’S REPRESENTATIVE:

CONTRACTOR’S REPRESENTATIVE:

Sign: _____
Director, Officer, AGM, or GM

Sign: _____

Print Name: _____

Print Name: _____

II. OWNER’S ACCEPTANCE OF COMPLETED WORK

Actual Work Cost: (attach backup information as required) \$ _____

OWNER accepts all work completed under this Work Order on the date below, subject to all terms of the Agreement.

OWNER’S REPRESENTATIVE:

Sign: _____

Date: _____

If Actual Work Cost is less than or equal to Estimated Work Cost, Project Manager signs.
If Actual exceeds Estimated by more than 10%, Director, Officer, AGM, or GM must sign.

Item No.	Description	Unit Price	Unit
1.	Furnish and install Fire Hydrant Assembly with 25-foot long run in accordance with District Standard Drawing W-7. Assume that installation is within residential area; traffic control per WATCH Manual, but traffic control plans are not required.	<u>16,150.-</u>	Each
2.	Perform repair to existing 12-inch ductile iron pipeline within collector street (traffic control per WATCH Manual, but traffic control plans not required). Assume repair consists of installing 10-feet of Class 150 C-900 PVC, plus 2 flexible couplings Romac "MACRO" extended range couplings, wrapped and greased with Type 316 stainless steel hardware (no substitutes).	<u>12,600.-</u>	Each
3.	Perform removal and replacement to existing 8" gate valve within residential street (traffic control per WATCH Manual, but traffic control plans not required). Assume repair consists of removing and replacing an 8" gate valve, plus 2 flexible couplings (no substitutes), wrapped and greased with type 316 stainless steel hardware.	<u>10,140.-</u>	Each

Note: It is intended that the unit prices submitted for the items above are comprehensive for the work contemplated. Include the following activities as a minimum:

- Procurement of required permit
- Trench protection
- Trenching, bedding, compaction, backfill, pavement removal
- Temporary paving (i.e. cold A.C. patch) prior to final paving.
- Complete removal and clean-up of jobsite, including removal of USA markings by pressure washing
- Restoration of existing facilities disturbed or damaged during construction
- Legal disposal of all excavated materials including dirt, paving, piping, valves, concrete, and related facilities.

4.	Final 2-inch grind and cap for area less than 100 square feet.	<u>51.-</u>	Per Square Foot
5.	Removal and replacement of 10-foot sidewalk panel.	<u>2,500.-</u>	Each

Must include labor and equipment rates (billing rates) as part of this fee proposal - attached

Signature of Proposer 

Company Name T.E. Roberts, Inc.

Date 6-2-2021



T. E. Roberts, Inc.
 306 W. Katella Avenue, Unit B, Orange, CA 92867
 T. (714) 669-0072 F. (714) 200-0241

MNWD On-Call Rates per Hour

Rates effective 7-1-20 through 6-30-21 for work Mon/Fri 7am to 3:30 pm

LABOR	Straight Time Per Hour
Superintendent	145.00
Foreman	119.50
Pipe Layer	87.00
Laborer	82.50
Truck Driver	91.50
Equipment Operator	115.00
Welder	87.00

EQUIPMENT	Per Hour
Service Truck (1.5 tons)	\$40.00
Traffic Message board	\$15.00
Backhoe (Case 580 or equal)	\$45.00
Excavator (Cat 235 tractor mounted or equal)	\$109.00
Loader (Cat 930 or equal)	\$52.00
Dump Truck up to 10 cu. Yards	\$41.00
Boom truck, 10 ton and 30 ft. reach	\$69.00
Hydro Stomper	\$35.00
Air Compressor 185 cfm or larger	\$17.50
Traffic rated steel plate 6ft X 10ft	\$7.00
Generator up to 10 KW	\$17.50
2" centrifugal pump	\$11.50
4" centrifugal pump	\$17.50
3" mud pump	\$17.50
Trench shield 4ft X 12ft X8.5ft.	\$35.00
Welding truck 200 amps or larger	\$42.00
Water truck 2,000 gal	\$30.00
Confined Space Entry Equipment	\$35.00
Shoring 3ft X 6ft EA. (Hydraulic)	\$9.50
Barricades	\$1.25
Delineators	\$0.30
Traffic Cones (24" min.)	\$0.30
Vactor Truck	\$281.00

PAYMENT BOND

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, the Moulton Niguel Water District (hereinafter referred to as "District") has awarded to T.E. Roberts, Inc., (hereinafter referred to as the "Contractor") an agreement for on-call construction support services (OM19-20.089d) (hereinafter referred to as the "Project").

WHEREAS, the work to be performed by the Contractor is more particularly set forth in the Contract Documents for the Project dated _____, (hereinafter referred to as "Contract Documents"), the terms and conditions of which are expressly incorporated herein by reference; and

WHEREAS, Principal is required to furnish a bond in connection with the contract described above; providing that if Principal or any of its Subcontractors shall fail to pay for any materials, provisions, provender, equipment, or other supplies used in, upon, for or about the performance of the work contracted to be done, or for any work or labor done thereon of any kind, or for amounts due under the Unemployment Insurance Code or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of Principal and its Subcontractors with respect to such work or labor the Surety on this bond will pay for the same to the extent hereinafter set forth.

NOW THEREFORE, we, the Principal and _____ as Surety, are held and firmly bound unto the District in the penal sum of One Million Two Hundred Fifty Thousand Dollars (\$1,250,000) lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if Principal, his or its subcontractors, heirs, executors, administrators, successors or assigns, shall fail to pay any of the persons named in Section 9100 of the Civil Code, fail to pay for any materials, provisions or other supplies, used in, upon, for or about the performance of the work contracted to be done, or for any work or labor thereon of any kind, or amounts due under the Unemployment Insurance Code with respect to work or labor performed under the contract, or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department or Franchise Tax Board from the wages of employees of the contractor and his subcontractors pursuant to Section 18663 of the Revenue and Taxation Code, with respect to such work and labor the Surety or Sureties will pay for the same, in an amount not exceeding the sum herein above specified, and also, in case suit is brought upon this bond, all litigation expenses incurred by the District in such suit, including reasonable attorneys' fees, court costs, expert witness fees and investigation expenses.

This bond shall inure to the benefit of any of the persons named in Section 9100 of the Civil Code so as to give a right of action to such persons or their assigns in any suit brought upon this bond.

It is further stipulated and agreed that the Surety on this bond shall not be exonerated or released from the obligation of this bond by any change, extension of time for performance, addition,

alteration or modification in, to, or of any contract, plans, specifications, or agreement pertaining or relating to any scheme or work of improvement herein above described, or pertaining or relating to the furnishing of labor, materials, or equipment therefore, nor by any change or modification of any terms of payment or extension of the time for any payment pertaining or relating to any scheme or work of improvement herein above described, nor by any rescission or attempted rescission or attempted rescission of the contract, agreement or bond, nor by any conditions precedent or subsequent in the bond attempting to limit the right of recovery of claimants otherwise entitled to recover under any such contract or agreement or under the bond, nor by any fraud practiced by any person other than the claimant seeking to recover on the bond and that this bond be construed most strongly against the Surety and in favor of all persons for whose benefit such bond is given, and under no circumstances shall Surety be released from liability to those for whose benefit such bond has been given, by reason of any breach of contract between the District and original contractor or on the part of any obligee named in such bond, but the sole conditions of recovery shall be that claimant is a person described in Section 9100 of the Civil Code, and has not been paid the full amount of his claim.

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract to be performed thereunder, shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of Contract, including but not limited to the provisions of Sections 2819 and 2845 of the California Civil Code.

IN WITNESS WHEREOF, two (2) identical counterparts of this instrument, each of which shall for all purposes be deemed an original thereof, have been duly executed by the Principal and Surety above named, on the _____ day of _____ 20____ the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative pursuant to authority of its governing body.

(Corporate Seal of Principal,
if corporation)

Principal (Property Name of Contractor)

By _____
(Signature of Contractor)

(Seal of Surety)

Surety

By _____
Attorney in Fact

Signatures of those signing for the Contractor and Surety must be notarized and evidence of corporate authority attached. A Power-of-Attorney authorizing the person signing on behalf of the Surety to do so must be attached hereto.

PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, the Moulton Niguel Water District (hereinafter referred to as "District") has awarded to T.E. Roberts, Inc., (hereinafter referred to as the "Contractor") an agreement for on-call construction support services (OM19-20.089d) (hereinafter referred to as the "Project").

WHEREAS, the work to be performed by the Contractor is more particularly set forth in the Contract Documents for the Project dated _____, (hereinafter referred to as "Contract Documents"), the terms and conditions of which are expressly incorporated herein by reference; and

WHEREAS, the Contractor is required by the Contract Documents to perform the terms thereof and to furnish a bond for the faithful performance of the Contract Documents.

NOW, THEREFORE, we, _____, the undersigned Contractor and _____ as Surety, a corporation organized and duly authorized to transact business under the laws of the State of California, are held and firmly bound unto the District in the sum of One Million Two Hundred Fifty Thousand Dollars (\$1,250,000), the sum being not less than one hundred percent (100%) of the total amount of the Contract, for which amount well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that, if the Contractor, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and agreements in the Contract Documents and any alteration thereof made as therein provided, on its part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their intent and meaning; and shall faithfully fulfill all obligations including the one-year guarantee of all materials and workmanship; and shall indemnify and save harmless the District, its officers and agents, as stipulated in the Contract Documents, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As a condition precedent to the satisfactory completion of the Project, unless otherwise provided for in the Contract Documents, the guarantee obligation shall hold good for a period of one (1) year after the acceptance of the work by District, during which time if Contractor shall fail to make full, complete, and satisfactory repair and replacements and totally protect the District from loss or damage resulting from or caused by defective materials or faulty workmanship the above obligation in penal sum thereof shall remain in full force and effect. However, anything in this paragraph to the contrary notwithstanding, the obligations of Surety hereunder shall continue so long as any obligation of Contractor remains. Nothing herein shall limit District's rights or the Contractor or Surety's obligations under the Contract, law or equity, including, but not limited to, California Code of Civil Procedure section 337.15.

As a part of the obligation secured hereby and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees including reasonable attorney's fees, incurred by the District in enforcing such obligation.

Whenever Contractor shall be, and is declared by the District to be, in default under the Contract Documents, the Surety shall remedy the default pursuant to the Contract Documents, or shall promptly, at the District's option:

1. Take over and complete the Project in accordance with all terms and conditions in the Contract Documents; or
2. Obtain a bid or bids for completing the Project in accordance with all terms and conditions in the Contract Documents and upon determination by Surety of the lowest responsive and responsible bidder, arrange for a Contract between such bidder, the Surety and the District, and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Contractor by the District under the Contract and any modification thereto, less any amount previously paid by the District to the Contractor and any other set offs pursuant to the Contract Documents.
3. Permit the District to complete the Project in any manner consistent with California law and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Contractor by the District under the Contract and any modification thereto, less any amount previously paid by the District to the Contractor and any other set offs pursuant to the Contract Documents.

Surety expressly agrees that the District may reject any contractor or subcontractor which may be proposed by Surety in fulfillment of its obligations in the event of default by the Contractor.

Surety shall not utilize Contractor in completing the Project nor shall Surety accept a bid from Contractor for completion of the Project if the District, when declaring the Contractor in default, notifies Surety of the District's objection to Contractor's further participation in the completion of the Project.

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract to be performed thereunder, shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of Contract, including but not limited to the provisions of Sections 2819 and 2845 of the California Civil Code.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 20__.

CONTRACTOR/PRINCIPAL

Name

By _____

SURETY:

By: _____
Attorney-In-Fact

Signatures of those signing for the Contractor and Surety must be notarized and evidence of corporate authority attached.

The rate of premium on this bond is _____ per thousand. The total amount of premium charges, \$ _____.
(The above must be filled in by corporate attorney.)

THE FOLLOWING INFORMATION IS MANDATORY

Any claims under this bond may be addressed to:

(Name and Address of Surety)

(Name and Address of Agent or Representative for service of process in California, if different from above)

(Telephone number of Surety and Agent or Representative for service of process in California)



moulton niguel water district

STAFF REPORT

TO: Board of Directors **MEETING DATE:** May 13, 2021

FROM: Matt Collings, Assistant General Manager
Laura Rocha, Senior Water Resources Planner

SUBJECT: Water Shortage Contingency Plan and Ordinance

SUMMARY:

Issue: The Water Shortage Contingency Plan (WSCP) and Ordinance adopting the WSCP and Prescribing Water Conservation Rules and Regulations (Ordinance No. 21-XX) have been updated to meet new regulations from the State of California and being provided for Board adoption.

Recommendation: It is recommended that the Board of Directors adopt the ordinance entitled, "Adopting the Water Shortage Contingency Plan and Prescribing Water Conservation Rules and Regulations."

Fiscal Impact: No immediate fiscal impact. Implementation of each water shortage stage may have a financial impact, which will depend on the actual reductions in water and recycled water consumption, the subsequent decreases in water purchase costs, and the increases to the Water Use Efficiency program operating costs. The financial impacts are detailed in the WSCP, Chapter 9.

Reviewed by Legal: The Draft Ordinance and WSCP has been reviewed by legal.

BACKGROUND:

In February 2015, the District adopted Ordinance No. 15-01 which contains the District's current WSCP. The WSCP was utilized during the most recent statewide drought to assist the District in meeting mandatory water use reductions. Following the end of the statewide drought conditions, the California Legislature amended the Urban Water Management Planning Act in 2018 that, among other things, mandated the adoption of a WSCP with prescribed elements as part of its Urban Water Management Plan (UWMP). As a result, the District staff have developed an updated WSCP.

DISCUSSION:

The WSCP is a guide for the District's intended actions during a water shortage. The WSCP is a mechanism by which the Board of Directors may implement varying stages of restrictions on customer water usage resulting from conditions under which normal water usage levels cannot not be met. This 2020 WSCP update mirrors the previous 2015 WSCP in terms of water shortage response actions, except for the addition of one new stage as required by the State. Each stage includes a set of demand reduction measures that become progressively more stringent as the water supply shortage condition escalates. The water shortage response actions mainly include public education campaigns, expanded outreach for water efficiency programs, conservation penalties in Stages 2 through 6, and water budget reductions in Stages 4 through 6. The updated WSCP is presented as an attachment to the updated Ordinance, which gives the District the ability to ensure compliance and issue penalties if a customer is in violation of an implemented water shortage stage.

This updated WSCP was introduced to the Board in March 2021. A copy of the Draft Ordinance and WSCP was distributed to the Board of Directors on April 1, 2021, for review and comment. Further, the District placed the Draft Ordinance and WSCP on our website on April 1 for a 30-day public review. A WSCP workshop was held with the Board on April 14, 2021. Newspaper notices of the public availability of the Draft Ordinance and WSCP and notification for the public hearing was published in the Orange County Register on April 24, 2021 and May 1, 2021, as required by the California Water Code. No public comments on the Draft Ordinance and WSCP have been received to date. Comments have been received from the Directors and have been incorporated into the final draft for consideration of adoption by the Board of Directors at the May 13, 2021 Board meeting. Approval of the updated Ordinance and WSCP will assist the District in complying with the Urban Water Management Planning Act, which requires submittal of the updated WSCP, along with the 2020 UWMP, to DWR by July 1, 2021 and will help the District respond to potential future water supply allocations that may be implemented in response to drought or other emergencies affecting water supplies.

As noted above, the Ordinance and the WSCP has been revised and include editorial corrections and minor modifications to the text. The Final Ordinance and the WSCP have been included with this staff report.

Attachment: WSCP and Ordinance adopting the WSCP and Prescribing Water Conservation Rules and Regulations (Ordinance No. 21-XX)

ORDINANCE NO. 21-__

**AN ORDINANCE OF THE MOULTON NIGUEL WATER DISTRICT
ADOPTING THE WATER SHORTAGE CONTINGENCY PLAN AND PRESCRIBING
WATER CONSERVATION RULES AND REGULATIONS**

WHEREAS, the Moulton Niguel Water District (District) is a California Water District organized and operating according to California law; and

WHEREAS, periodic droughts are a historic fact in the State of California; and

WHEREAS, the District derives the water that it delivers to its customers from waters imported from outside District boundaries; and

WHEREAS, the quality and quantity of imported water is under the control of other agencies, and may be subject to conditions beyond the control of those other agencies or the District; and

WHEREAS, California Constitution Article X, Section 2 and California Water Code Section 100 provide that because of conditions prevailing in the state of California (the “State”), it is the declared policy of the State that the general welfare requires that the water resources of the State shall be put to beneficial use to the fullest extent of which they are capable, the waste or unreasonable use of water shall be prevented, and the conservation of such waters is to be exercised with a view to the reasonable and beneficial use thereof in the interest of the people and the public welfare; and

WHEREAS, pursuant to California Water Code Section 106, it is the declared policy of the State that the use of water for domestic use is the highest use of water and that the next highest use is for irrigation; and

WHEREAS, pursuant to California Water Code Sections 375-378, the District is authorized to adopt and enforce a water conservation program to reduce the quantity of water used by persons within its jurisdiction for the purpose of conserving the water supplies of the District; and

WHEREAS, California, including Orange County, experienced significant dry year conditions in 2012-2017, which led local water agencies to declare water shortage conditions that triggered drought actions; and

WHEREAS, beginning on January 17, 2014, when the Governor Brown proclaimed condition of statewide drought, the District experienced a direct impact on the reliability of available water supplies. The District’s reliability was increased through customer curtailment due to demand management measures implemented; and

WHEREAS, following the end of the statewide drought conditions, the California Legislature amended the Urban Water Management Planning Act in 2018 to include additional water shortage planning requirements. Water Code Section 10632 now mandates the adoption of Water Shortage Contingency Plans (WSCP) with prescribed elements, and the District must describe in its WSCP the legal authorities that empower the District to enforce shortage response actions identified in its WSCP; and

WHEREAS, because of the prevailing conditions in the State and the declared policy of the State, the District hereby finds and determines that it is necessary and appropriate for the District to amend, adopt, implement, and enforce a water conservation program to reduce the quantity of water used by consumers within the District to ensure that there is sufficient water for human consumption, sanitation, and fire protection and to ensure the District can implement and enforce the shortage response actions specified in its WSCP; and

WHEREAS, pursuant to California Water Code Section 350, the Board of Directors is authorized to declare a water shortage emergency to prevail within its jurisdiction when it finds and determines that the District will not be able to or cannot satisfy the ordinary demands and requirements of water consumers without depleting the water supply of the District to the extent that there would be insufficient water for human consumption, sanitation, and fire protection, and as more fully set forth in this chapter, based upon the occurrence of one or more of the following conditions or circumstances:

- A. A general water supply shortage due to increased demand and/or limited supplies.
- B. Distribution or storage facilities of the District, or any agency supplying water to the District, become inadequate or are restricted.
- C. A major failure of the supply, storage, and/or distribution facilities of the District or any agency supplying water to the District.
- D. Contamination of the water supply, storage, and/or distribution facilities of the District or any agency supplying water to the District.
- E. Act of nature which in the opinion of the District constitutes an emergency situation or which require special water conservation actions.

WHEREAS, in the event the District determines that it is necessary to declare that a water shortage emergency exists, this Ordinance authorizes the District to implement certain shortage response measures and a water conservation and regulatory program to regulate water consumption activities within the District and ensure that the water delivered in the District is put to beneficial use for the greatest public benefit, with particular regard to domestic use, including human consumption, sanitation, and fire protection, and that the waste or unreasonable use of water is prevented; and

WHEREAS, the District is authorized to prescribe and define by ordinance restrictions, prohibitions, and exclusions for the use of water during a threatened or existing water shortage and adopt and enforce a water conservation and regulatory program to: (i) prohibit the waste of District water or the use of District water during such period; (ii) prohibit use of water during such periods for specific uses that the District may from time to time find nonessential; and (iii) reduce and

restrict the quantity of water used by those persons within the District for the purpose of conserving the water supplies of the District; and

WHEREAS, the District hereby finds and determines that as hereby amended, the District shall: (i) implement water conservation and water shortage response measures; (ii) regulate the water consumption activities of persons within the District for the purposes of conserving and protecting the District’s water supplies, reducing the quantity of water consumed, and deterring and preventing the waste or unreasonable use or unreasonable method of use of valuable water resources; and (iii) establish and collect regulatory fees and impose administrative penalties as set forth herein to accomplish these purposes and/or recover the costs of the District’s water conservation and regulatory program; and

WHEREAS, the District hereby finds and determines that it is desirable to codify the rules and regulations governing its actions, and the actions of persons using and consuming water within the District, particularly during declared water shortages and water shortage emergencies, to protect the general welfare and the District’s water supplies, and to reduce water consumption in accordance with the declared policies and laws of the State; and

WHEREAS, the District desires to adopt a WSCP in the form attached hereto as Exhibit A, and by this reference, incorporated herein, and further desires to establish standards and procedures to enable implementation and enforcement of local water shortage contingency measures. These measures align with the California Water Code Section 353 which specifies that “when the governing body has so determined and declared the existence of an emergency condition of water shortage within its service area, it shall thereupon adopt such regulations and restrictions on the delivery of water and the consumption within said area of water supplied for public use as will in the sound discretion of such governing body conserve the water supply for the greatest public benefit with particular regard to domestic use, sanitation, and fire protection.”

NOW THEREFORE BE IT ORDAINED by the Board of Directors of the Moulton Niguel Water District as follows:

Section 1. Findings and Determinations

The District hereby finds and determines that the above recitals are true and correct and incorporated herein.

Section 2. Adoption of Water Shortage Contingency Plan

The District hereby adopts the Water Shortage Contingency Plan in the form attached hereto as Exhibit A, and by this reference, such Water Shortage Contingency Plan is incorporated as if fully set forth herein. This Ordinance, including the Water Shortage Contingency Plan attached hereto and incorporated herein, shall also serve as the District’s Water Conservation Ordinance in accordance with Section 375 *et seq.* of the California Water Code.

Section 3. Amendments to District Rules and Regulations.

The District's Article IV Rules and Regulations, Section 5.N., and Exhibit G, amendments to Section 5.N., are hereby amended in their entirety and replaced with the following rules and regulations governing water conservation:

N. Water Conservation

1. Findings and Intent

(A) **Findings.** The Board of Directors finds and determines that it is necessary and appropriate for the District to adopt, implement, and enforce a water conservation program, based on the WSCP, to reduce the quantity of water used by persons within the District to ensure that there is sufficient water for human consumption, sanitation, and fire protection. The District further finds and determines that during periods of drought, water shortages, and water shortage emergencies the general welfare requires that the District maximize the beneficial use of its available water resources to the extent that it is capable, and that the waste or unreasonable use, or unreasonable method of use of water shall be prevented and the conservation of water is to be extended with the view to the reasonable and beneficial use thereof in the interests of the people of the District and for the public health, safety, and welfare.

(B) **Intent.** This Section 5.N. is intended to establish:

(1) permanent water conservation Best Management Practices (BMPs) and response measures;

(2) six water shortage levels that provide defined response actions to be implemented during times of declared water shortage or declared water shortage emergency;

(3) rules, regulations, and restrictions on water use (the "Rules") to be implemented during declared water shortage stages, with increasing restrictions on water use in response to decreasing water supplies and worsening water shortage conditions.

(C) **Demand Management Through Rate Structure Design.** The District's water budget-based rate structure is designed and intended to be a water demand management tool and to proportionately recover the costs of providing water service within the District. The District's efforts in managing its water supply are best achieved through its water budget-based rate structure and the calculated water budgets provided to the District's customers.

(D) **Use of Property.** This Section 5.N. is not intended to repeal, abrogate, annul, impair or in any way interfere with the free use of property by covenant, deed, or other private agreement or with restrictive covenants running with the land to which the District provides water services.

2. Purposes and Scope

(A) **Purposes.** The purposes of this Section 5.N. are to:

(1) protect the health, safety, and welfare of the citizens and property owners of the District;

(2) assure the maximum beneficial use of available water supplies;

(3) attempt to provide sufficient water supplies to meet, at a minimum, the basic needs of human consumption, sanitation, and fire protection; and

(4) authorize restrictions in water use during declared water shortages to maximize the beneficial use of water, and the imposition of penalties for violations of the Rules.

(B) **Scope.** The provisions of this Section 5.N. shall apply to all persons within the District and all property served by the District wherever situated, regardless of whether any person using potable water or recycled water has a contract or account for water service. Nothing in this Section 5.N. is intended to affect or limit the ability of the District to respond to an emergency, including an emergency that affects the ability of the District to supply water.

3. Definitions

For the purposes of this Section 5.N., the following words, terms, and phrases shall have the following meanings:

(A) “Appellant” means the person appealing the imposition of a penalty imposed by the District for a violation of the Rules pursuant to this Section 5.N.

(B) “BMPs” mean best management practices.

(C) “Calculated water budget” means the water budget calculated by the District for each customer in accordance with the District’s water rate structures.

(D) “Calculated recycled water budget” means the recycled water budget calculated by the District for each customer in accordance with the District’s recycled water rate structure.

(E) “District” means the Moulton Niguel Water District.

(F) “General Manager” means the General Manager of the District or her or his authorized designee.

(G) “Immediate emergency” shall have the meaning set forth in Section 5.N.6.(C).

(H) “Person” means any natural person, firm, joint venture, joint stock company, partnership, public or private association, club, company, corporation, business trust,

organization, public or private agency, government agency or institution, school district, college, university, any other user of water provided by the District, or the manager, lessee, agent, servant, officer or employee of any of them or any other entity which is recognized by law as the subject of rights or duties.

(I) "Potable Water" means that water furnished to the customer which complies with federal and State drinking water regulations and standards, or any other applicable standards, for human consumption.

(J) "Property owner" or "owner" means the record owner of real property as shown on the most recently issued equalized assessment roll.

(K) "Recycled water" means water which, as a result of treatment of waste, is suitable for a direct beneficial use or a controlled use that would not otherwise occur and is therefore considered a valuable resource.

(L) "Rules" shall have the meaning set forth in in Section 5.N.1.(B)(3).

(M) "State" means the state of California, including any department or regulatory agency thereof.

(N) "Water customer" or "customer" means a person who, according to the District's records, has an account with the District and receives water service or recycled water service to a parcel of property.

(O) "WSCP" means Water Shortage Contingency Plan.

(P) "Water shortage emergency" means a condition existing within the District in which the ordinary water demands and requirements of persons within the District cannot be satisfied without depleting the water supply of the District to the extent that there would be insufficient water for human consumption, sanitation, and fire protection. A water shortage emergency includes both an immediate emergency, in which the District is unable to meet current water needs of persons within the District, as well as a threatened water shortage, in which the District determines that its future supply of water may not meet an anticipated future demand.

4. Permanent Water Conservation Requirements– Prohibition Against Waste

(A) **Water Conservation Best Management Practices.** The District implements water conservation BMPs to conserve water, prevent the waste or unreasonable use or unreasonable method of use of water, and preserve the District's water supplies. The District's water conservation BMPs shall be in effect at all times as prescribed by the Board and shall be permanent. Violations of this Section constitute waste and an unreasonable use of water.

(1) **Installation of Water Conservation Devices.** No water shall be provided by the District for internal or external use to any residential, commercial, industrial, agricultural, recreational, governmental, or public building or structure of any

kind which is constructed or altered and in which either internal or external irrigation or domestic water piping or water fixtures are to be installed, extended, or altered in any way, including, but not limited to, any plumbing, water piping, or water fixtures for which a construction permit is required to be obtained from the County of Orange or its successor, or for which District approval of plans and service applications are required, unless the new, extended, or altered plumbing, water piping, or other water using facilities conform to the requirements and standards of the District's Rules and Regulations.

(2) **Standards for Water Conservation Devices.** The required water conservation devices and standards of the District are those set forth on Exhibit "F" to these Rules and Regulations. Nothing herein provided shall be deemed to relieve any person from compliance with the plumbing code of the County of Orange or any other state or local plumbing or building requirements.

(3) **Limits on Watering Hours.** Watering or irrigating any lawn, landscape, or other vegetated area with potable water is prohibited between the hours of 8:00 a.m. and 5:00 p.m. Pacific time on any day, except by use of a hand-held bucket or similar container reasonably used to convey water for irrigation purposes, a hand-held hose equipped with a fully functioning, positive self-closing shut-off nozzle or device may be used during the otherwise restricted period. If necessary, and for very short periods of time for the express purpose of adjusting or repairing an irrigation system, one may operate an irrigation system during the otherwise restricted period.

(4) **No Watering During Rain.** Watering or irrigating any outdoor landscapes with potable water during and up to forty-eight (48) hours after one quarter inch (¼") rainfall within a twenty-four (24) hour period is prohibited.

(5) **Plant Low-Water Demand Plants and Trees.** When installing new or renovated landscaping, it is recommended that all customers utilize only low-water demand trees and plants. New turf should only be installed for functional purposes. Functional turf is defined as turf used for athletic or high traffic areas.

(6) **No Excessive Water Flow or Runoff.** No person shall cause or allow watering or irrigating any lawn, landscape, or other vegetated area in a manner that causes or allows excessive runoff of potable or recycled water onto an adjoining sidewalk, driveway, street, alley, gutter or ditch, parking lots, structures, non-irrigated areas, or off the property.

(7) **No Washing Down Hard or Paved Surfaces.** Washing down hard or paved surfaces, including but not limited to sidewalks, walkways, driveways, parking areas, tennis courts, patios or alleys, is prohibited except when necessary to alleviate safety or sanitary hazards, and then only by use of a hand-held bucket or similar container, a hand-held hose equipped with an a fully functioning, positive self-closing shut-off device or a low-volume, high-pressure cleaning machine equipped to recycle any water used.

(8) **Obligation to Fix Leaks, Breaks or Malfunctions.** Excessive use, loss or escape of potable or recycled water through breaks, leaks or other malfunctions in the water user's plumbing or distribution system should be avoided for any period of time after such escape of water should have reasonably been discovered and corrected and in no event more than five (5) days of receiving notice from the District, is prohibited.

(9) **Re-circulating Water Required for Decorative Water Fountains and Decorative Water Features.** Operating a decorative water fountain or other decorative water feature that does not use re-circulated water is prohibited.

(10) **Limits on Washing Vehicles.** Using potable water to wash or clean a vehicle, including but not limited to any automobile, truck, van, bus, motorcycle, boat or trailer, whether motorized or not, is prohibited, except by use of a hand-held bucket or similar container, a hand-held hose equipped with an a fully functioning, positive self-closing automatic water shut-off nozzle or a low volume power washer with a fully functioning, positive self-closing shut-off nozzle. This paragraph does not apply to commercial car washes or the washing of vehicle regulations where the health, safety, and welfare of the public is contingent upon frequent vehicle cleaning, such as garbage trucks and vehicles used to transport food and perishables.

(11) **Drinking Water Served Upon Request Only.** Eating or drinking establishments, including but not limited to a restaurant, hotel, café, cafeteria, bar, club or other public place where food or drinks are sold, served, or offered for sale, should only provide drinking water to persons when expressly requested.

(12) **Commercial Lodging Establishments Must Provide Option to Not Launder Linens Daily.** Hotels, motels and other commercial lodging establishments should provide customers the option of not having towels and linens laundered daily. Commercial lodging establishments should prominently display notice of this option in each bathroom using clear and easily understood language.

(13) **Installation of Single Pass Cooling Systems.** Single pass cooling systems shall not be installed in buildings requesting new potable water service.

(14) **Ceased Installation of Non-Recirculating Water Systems in Commercial Car Washes and Laundry Systems.** Non-recirculating water systems in commercial car washes and laundry systems shall not be installed.

(15) **Restaurants Required to Use Water Conserving Dish Wash Spray Valves.** Food preparation establishments, such as restaurants or cafés, shall not use non-water conserving dish wash spray valves.

(16) **Swimming Pools and Spa Covers.** Property owners who have a swimming pool or a spa are encouraged to cover the facilities to minimize water loss due to evaporation.

(17) **Water Waste and Unreasonable Water Use Prohibited.** The waste or unreasonable use or unreasonable method of use of water by any person shall be prohibited at all times.

(18) **Recycled Water Use Required if Available.** After the District has provided to the user an analysis demonstrating that recycled water is available, cost effective, and safe for the intended use, and the user has been given a reasonable time to make the conversion to recycled water, the use of potable water is prohibited unless otherwise granted exemption by the General Manager or their designee.

(19) **Water Recycling – New Service.** Prior to the connection of any new service, the District will determine whether recycled water is available and safe for the intended use to supply all or some of the water needed by the user. If available, and safe for the intended use, recycled water must be used.

5. Water Shortages

(A) **Reductions in Water Supply.** Should the water conservation BMPs be inadequate to protect the District's potable water supply, the District Board of Directors reserves the right to implement further mandatory Rules to reduce the amount of water used within the District. The Rules are necessary to respond to any significant reductions to the District's water supply as a result of drought, natural disasters, regulatory action, and planned or unplanned potable water shortages, including but not limited to, shortages arising from the following circumstances or events that are or may impact the District's water supply:

(1) Metropolitan Water District of Southern California (MWD) and/or the Municipal Water District of Orange County (MWDOC), the District's wholesale water supplier, has determined that a drought, water shortage, or water shortage emergency exists or has implemented or taken other actions requiring a reduction in water demand;

(2) MWD's Water Supply Allocation Plan implementation or other actions resulting in a reduction in water supply;

(3) The State has determined that a drought, water shortage, or water shortage emergency exists;

(4) The State has implemented restrictions on the use of water or reduced or restricted the delivery of wholesale water to the District;

(5) Regional or statewide importation or local distribution systems or facility(ies) have failed or have been shut down (e.g., a main break, reservoir, pipeline, canal, or other distribution or conveyance system failure);

(6) Alternative water supplies are limited or unavailable; and,

(7) Any other natural disaster that impacts the availability of water to the District.

6. Declaration of Water Shortages

(A) **Determination of Water Supply Shortage.** The District will follow the written decision-making process defined in the WSCP to assess water supply reliability on an annual basis and shall submit a water shortage assessment report to the California Department of Water Resources by July 1 of each year.

(1) The District will determine if a water shortage exists based on the water shortage criteria and stages defined in the WSCP.

(2) In the event a water shortage is triggered according to the procedures and conditions defined in the WSCP, the Board of Directors will declare a shortage according to the defined water shortage levels in the WSCP and as set forth below.

(B) **Declaration of Water Shortage Emergency.** Excepting in event of a breakage or failure of water treatment, storage, or conveyance infrastructure causing an immediate emergency (an “immediate emergency”), the declaration of a water shortage emergency during any water shortage stage shall be made in accordance with California Water Code Sections 350 *et seq.* The District will follow the written decision-making process defined in the WSCP to declare a water shortage.

(C) **Determination of Immediate Emergency.** Notwithstanding the forgoing, if an immediate emergency occurs and the Board of Directors cannot meet in time to act to protect the public interest pursuant to this Section 5.N., the General Manager is hereby authorized and directed to implement such provisions of this Section 5.N. upon his or her written determination that the District cannot supply adequate water to meet the ordinary demands of water consumers, and that such implementation is necessary to protect the public health and safety.

(1) The implementation of any such provisions shall take effect immediately upon making a public announcement of the immediate emergency and publication of such immediate emergency on the District’s website.

(2) Such written determination shall be delivered to the Board of Directors and considered at a general or special meeting for review, revocation, or ratification. Such meeting shall be held upon the earliest date that a quorum of the Board of Directors is available.

(3) At the Board of Directors meeting, the General Manager shall update the Board of Directors on the severity and length of the immediate emergency.

(4) During an immediate emergency, the District may specify temporary restrictions on the use of potable and recycled water. Any person who willfully

fails to comply with those temporary restrictions may be subject to an administrative penalty of \$500 per offense and have his or her water meter locked by the District.

(D) **Actions or Restrictions by the State or Other Agencies.** In the event the State or other agencies, through executive action, emergency legislation or other actions, impose water conservation requirements that are not included in this water conservation ordinance, the Board of Directors is authorized to implement and enforce such requirements as authorized by law.

7. **Water Supply Shortage Levels and Response Actions**

(A) **Shortage Stages.** The District hereby establishes six standard water shortage levels corresponding to progressive ranges of up to 10, 20, 30, 40 and 50 percent shortages and greater than 50 percent shortage, as set forth below. The District's water shortage levels and response actions are aligned with the State water shortage levels and defined in the District's WSCP and therefore comply with the Water Code Section 10632 (a)(3) as identified above. (Wat. Code Section 10632 (a)(3)(A).)

(B) **Water Shortage Stage 1** – Water Shortage Stage 1 constitutes a consumer demand reduction of up to 10%. Shortage response actions listed under this stage include:

(1) **Voluntary Reductions.** During Water Shortage Stage 1 (“Stage 1”), the District's conservation efforts will be focused on voluntary reductions in potable water use. Potable and recycled water customers may reduce demand by following the District's BMPs.

(2) **Refills of Swimming Pools.** Any customer who refills a swimming pool shall not receive a bill adjustment for water usage in excess of his or her calculated water budget and shall be billed for water used according to the applicable tier for the corresponding use.

(3) **Mandatory Rules Governing Potable Water Use.** During Stage 1, recycled water customers shall be prohibited from using potable water for outdoor irrigation.

(C) **Water Shortage Stage 2** – constitutes a consumer demand reduction of up to 20%. Shortage response actions listed under this stage include:

(1) **Mandatory Rules Governing Customer Water Budgets.** During Water Shortage Stage 2 (“Stage 2”), all water customers, both potable and recycled, are prohibited from using water in excess of their calculated water budget.

(2) **Penalties.** During Stage 2, a Conservation Penalty will be applied to all billing units of water used in excess of 125% of the customer's monthly water budget. The Conservation Penalty for Residential and Multi-Family customers equals the difference between Tier 5 and Tier 3 rates, and for Commercial, Potable Irrigation, and

Recycled customers, the Conservation Penalty equals the difference between Tier 4 and Tier 2. Stage 2 penalties for 2021 are listed in the table below for illustrative purposes. The penalty would be based on the current rate in place at time the water shortage stage is implemented.

(a) Such penalty shall be in addition to the water service fees the District charges for the water delivered to the customer.

Single Family/Multi-Family Stage 2 Conservation Penalty
Tier 5 Water Rate - Tier 3 Water Rate = Conservation Penalty

Calendar Year	Tier 5 Water Rate (a)	Tier 3 Water Rate (b)	Conservation Penalty (a) - (b)
2021	9.86	3.59	6.27

Commercial and Irrigation Stage 2 Conservation Penalty
Tier 4 Water Rate - Tier 2 Water Rate = Conservation Penalty

Calendar Year	Tier 4 Water Rate (a)	Tier 2 Water Rate (b)	Conservation Penalty (a) - (b)
2021	9.86	3.59	6.27

Recycled Stage 2 Conservation Penalty
Tier 4 Water Rate - Tier 2 Water Rate = Conservation Penalty

Calendar Year	Tier 4 Water Rate (a)	Tier 2 Water Rate (b)	Conservation Penalty (a) - (b)
2021	9.32	3.05	6.27

(3) **Refills of Swimming Pools.** During Stage 2, any customer who refills a swimming pool shall not receive a bill adjustment for water usage in excess of their calculated water budget and shall be billed for water used according to the applicable tier for the corresponding use.

(4) **New Plant Bill Adjustments.** During Stage 2, any person installing new landscaping, a new plant variance will only be granted for California friendly vegetation as defined by the Water Use Classifications of Landscape Species (“WUCOLS”) to have low or very low watering needs for the South Coastal Region. The classifications can be found at http://ucanr.edu/sites/WUCOLS/Plant_Search/.

(D) **Water Shortage Stage 3** – Water Shortage Stage 3 constitutes a consumer demand reduction of up to 30%. Shortage response actions listed under this stage include:

(1) **Mandatory Rules Governing Customer Water Budgets.** During Water Shortage Stage 3 (“Stage 3”), all water customers, both potable and recycled, shall be prohibited from using water in excess of their individually calculated water budgets.

(2) **Penalties.** During Stage 3, a Conservation Penalty will be applied to all billing units of water used in excess of 100% of the customer’s monthly water budget. The Conservation Penalty for Residential and Multi-Family customers will equal the difference between the Tier 5 and Tier 2 water rates. The Conservation Penalty for Commercial, Irrigation, and Recycled customers will equal the difference between the Tier 4 and Tier 1 water rates. Stage 3 penalties for 2021 are listed in the table below for illustrative purposes. The penalty would be based on the current rate in place at time the water shortage stage is implemented.

(a) Such penalty shall be in addition to the water service fees the District charges for the water delivered to the customer.

Single Family/Multi-Family Stage 3 Conservation Penalty
Tier 5 Water Rate - Tier 2 Water Rate = Conservation Penalty

Calendar Year	Tier 5 Water Rate (a)	Tier 2 Water Rate (b)	Conservation Penalty (a) - (b)
2021	9.86	2.42	7.44

Commercial and Irrigation Stage 3 Conservation Penalty
Tier 4 Water Rate - Tier 1 Water Rate = Conservation Penalty

Calendar Year	Tier 4 Water Rate (a)	Tier 1 Water Rate (b)	Conservation Penalty (a) - (b)
2021	9.86	2.42	7.44

Recycled Stage 3 Conservation Penalty
Tier 4 Water Rate - Tier 1 Water Rate = Conservation Penalty

Calendar Year	Tier 4 Water Rate (a)	Tier 1 Water Rate (b)	Conservation Penalty (a) - (b)
2021	9.32	1.63	7.69

(3) **Refills of Swimming Pools.** During Stage 3, any customer who refills a swimming pool shall not receive a bill adjustment for water usage in excess of his or her calculated water budget and shall be billed for water used according to the applicable tier for the corresponding use.

(4) **New Plant Bill Adjustments.** During Stage 3, any person installing new landscaping, a new plant variance will only be granted for California friendly vegetation as defined by the Water Use Classifications of Landscape Species (“WUCOLS”) to have low or very low watering needs for the South Coastal Region. The classifications can be found at http://ucanr.edu/sites/WUCOLS/Plant_Search/.

(E) **Water Shortage Stage 4** – Water Shortage Stage 4 constitutes a consumer demand reduction of up to 40%. Shortage response actions listed under this stage include:

(1) **Modification of Potable Water Budgets.** During Water Shortage Stage 4 (“Stage 4”), Single Family Residential, Multi-Family Residential, and Potable Irrigation customers shall have their outdoor water budgets reduced by 40% due to reduced water supplies.

(2) **Modification of Recycled Water Budgets.** During Stage 4, Recycled water customers shall have their outdoor water budgets reduced by 10% due to reduced recycled water supplies.

(3) **Mandatory Rules Governing Customer Water Budgets.** During Stage 4, all water customers, both potable and recycled, shall be prohibited from using water in excess of their individually calculated water budgets.

(4) **Penalties.** During Stage 4, any customer who willfully uses water in excess of his or her modified water budget will be subject to a Conservation Penalty. The Conservation Penalty for Residential and Multi-Family customers will equal the difference between the current Tier 5 and Tier 2 rates. The Conservation Penalty for Commercial, Irrigation, and Recycled water customers will equal the difference between the current Tier 4 and Tier 1 water rates. Stage 4 penalties for 2021 are listed in the table below for illustrative purposes. The penalty would be based on the current rate in place at time the water shortage stage is implemented.

(a) The penalty shall be in addition to the water service fees the District charges for the water delivered to the customer.

Single Family/Multi-Family Stage 4 Conservation Penalty
Tier 5 Water Rate - Tier 2 Water Rate = Conservation Penalty

Calendar Year	Tier 5 Water Rate (a)	Tier 2 Water Rate (b)	Conservation Penalty (a) - (b)
2021	9.86	2.42	7.44

Commercial and Irrigation Stage 4 Conservation Penalty
Tier 4 Water Rate - Tier 1 Water Rate = Conservation Penalty

Calendar Year	Tier 4 Water Rate (a)	Tier 1 Water Rate (b)	Conservation Penalty (a) - (b)
2021	9.86	2.42	7.44

Recycled Stage 4 Conservation Penalty
Tier 4 Water Rate - Tier 1 Water Rate = Conservation Penalty

Calendar Year	Tier 4 Water Rate (a)	Tier 1 Water Rate (b)	Conservation Penalty (a) - (b)
2021	9.32	1.63	7.69

(5) **Refills of Swimming Pools.** During Stage 4, any customer who refills a swimming pool shall not receive a bill adjustment for water usage in excess of his or her calculated water budget and shall be billed for water used according to the applicable tier for the corresponding use.

(6) **New Plant Bill Adjustments.** During Stage 4, any person installing new landscaping, a new plant variance will only be granted for California friendly vegetation as defined by the Water Use Classifications of Landscape Species (“WUCOLS”) to have low or very low watering needs for the South Coastal Region. The classifications can be found at http://ucanr.edu/sites/WUCOLS/Plant_Search/.

(F) **Water Shortage Stage 5 –** Water Shortage Stage 5 constitutes a consumer demand reduction of up to 50%. Shortage response actions listed under this stage include:

(1) **Modification of Potable Water Budgets.** During Water Shortage Stage 5 (“Stage 5”), Single Family Residential, Multi-Family Residential, and Irrigation customers using potable water will have their outdoor water budgets reduced by 70% to meet reduced water supplies.

(2) **Modification of Recycled Water Budgets.** All Recycled water customers shall have their outdoor water budgets reduced by 20% due to reduced recycled water supplies.

(3) **Mandatory Rules Governing Customer Water Budgets.** During Stage 5, all water customers shall be prohibited from using water in excess of their modified water budgets.

(4) **Penalties.** During Stage 5, any customer who willfully uses water in excess of his or her modified water budget will be subject to a Conservation Penalty. The Conservation Penalty for Residential and Multi-Family customers will equal the

difference between Tier 5 and Tier 2 water rates. The Conservation Penalty for Commercial, Irrigation, and Recycled water customers will equal the difference between the current Tier 4 and Tier 1 water rates. Stage 5 penalties for 2021 are listed in the table below for illustrative purposes. The penalty would be based on the current rate in place at time the water shortage stage is implemented.

(a) Such penalty shall be in addition to the water service fees the District charges for the water delivered.

Single Family/Multi-Family Stage 5 Conservation Penalty
Tier 5 Water Rate - Tier 2 Water Rate = Conservation Penalty

Calendar Year	Tier 5 Water Rate (a)	Tier 2 Water Rate (b)	Conservation Penalty (a) - (b)
2021	9.86	2.42	7.44

Commercial and Irrigation Stage 5 Conservation Penalty
Tier 4 Water Rate - Tier 1 Water Rate = Conservation Penalty

Calendar Year	Tier 4 Water Rate (a)	Tier 1 Water Rate (b)	Conservation Penalty (a) - (b)
2021	9.86	2.42	7.44

Recycled Stage 5 Conservation Penalty
Tier 4 Water Rate - Tier 1 Water Rate = Conservation Penalty

Calendar Year	Tier 4 Water Rate (a)	Tier 1 Water Rate (b)	Conservation Penalty (a) - (b)
2021	9.32	1.63	7.69

(5) **Refills of Swimming Pools.** During Stage 5, any customer who refills a swimming pool shall not receive a bill adjustment for water usage in excess of his or her calculated water budget and shall be billed for water used according to the applicable tier for the corresponding use.

(6) **New Plant Bill Adjustments.** During Stage 5, any person installing new landscaping, a new plant variance will only be granted for California friendly vegetation as defined by the Water Use Classifications of Landscape Species (“WUCOLS”) to have low or very low watering needs for the South Coastal Region. The classifications can be found at http://ucanr.edu/sites/WUCOLS/Plant_Search/.

(G) **Water Shortage Stage 6 –** Water Shortage Stage 6 constitutes a consumer demand reduction of over 50%. Shortage response actions listed under this stage include:

(1) **Modification of Potable Water Budgets.** During Water Shortage Stage 6 (“Stage 6”), Single Family Residential, Multi-Family Residential, and Irrigation customers using potable water will have their outdoor water budgets reduced by 100% to meet reduced water supplies.

(a) all Single-Family Residential and Multi-Family Residential customers shall have their indoor water budgets reduced from 55 gallons per capita per day to 40 gallons per capita per day;

(2) **Modification of Recycled Water Budgets.** During Stage 6, all Recycled customers will have their outdoor water budgets reduced by 30% to meet reduced recycled water supplies.

(3) **Mandatory Rules Governing Customer Water Budgets.** During Stage 6, all customers shall be prohibited from using water in excess of their modified water budgets. All outdoor irrigation with potable water shall be prohibited within the District’s service area.

(4) **Penalties.** During Stage 6, any customer who willfully uses water in excess of his or her modified water budget will be subject to a Conservation Penalty. The Conservation Penalty for Single Family Residential and Multi-Family Residential customers will equal the difference between the current Tier 5 and Tier 2 rates. The Conservation Penalty for Commercial, Irrigation, and Recycled water customers will equal the difference between the current Tier 4 and Tier 1 water rates. Stage 6 penalties for 2021 are listed in the table below for illustrative purposes. The penalty would be based on the current rate in place at time the water shortage stage is implemented.

(a) Such penalty shall be in addition to the water service fees the District charges for the water delivered.

Single Family/Multi-Family Stage 6 Conservation Penalty
Tier 5 Water Rate - Tier 2 Water Rate = Conservation Penalty

Calendar Year	Tier 5 Water Rate (a)	Tier 2 Water Rate (b)	Conservation Penalty (a) - (b)
2021	9.86	2.42	7.44

Commercial and Irrigation Stage 6 Conservation Penalty
Tier 4 Water Rate - Tier 1 Water Rate = Conservation Penalty

Calendar Year	Tier 4 Water Rate (a)	Tier 1 Water Rate (b)	Conservation Penalty (a) - (b)
2021	9.86	2.42	7.44

Recycled Stage 6 Conservation Penalty
Tier 4 Water Rate - Tier 1 Water Rate = Conservation Penalty

Calendar Year	Tier 4 Water Rate (a)	Tier 1 Water Rate (b)	Conservation Penalty (a) - (b)
2021	9.32	1.63	7.69

(5) **Refills of Swimming Pools.** During Stage 6, no customer shall refill a swimming pool.

(6) **Plant Bill Adjustments.** During Stage 6, no customer shall install new landscaping.

8. Protocols for Communication

(A) **Notice and Publication.** Upon declaration of a water shortage, the District will inform all relevant stakeholders, such as customers, the public, interested parties, and local, regional, and state governments, of the effective date of the water shortage response actions associated with the relevant stage according to the communication protocols identified in the District’s WSCP.

9. Violations and Remedies

(A) **Misdemeanor Violations.** It shall be unlawful for any person to willfully violate the provisions of this Section 5.N. A violation of any of these provisions is a misdemeanor in accordance with California Water Code Section 377.

(B) **Other Remedies.** In addition to any other remedies provided in this Section 5.N or available under applicable law, the District may alternatively seek injunctive relief in the Superior Court or take enforcement action, including discontinuing or appropriately limiting water service to any customer, for violations of this Section 5.N. All remedies provided herein shall be cumulative and not exclusive.

10. Notice and Collection of Penalties

(A) **Notice and Due Process.** As set forth in Section 5.N.8, upon the declaration of a water shortage stage and publication of the notice required herein, due and proper notice shall be deemed to have been given each and every person supplied water within the District of the Rules governing the applicable water shortage stage.

(B) **Collection of Penalties.** Any penalty imposed pursuant to the Rules of any applicable water shortage stage set forth in this Section 5.N. may be collected on a customer’s water bill. Any penalty shall be applicable to water used in violation of the Rules during the first complete billing cycle after the declaration of the applicable water shortage stage.

(C) **Notice of Violation.** The receipt of a water bill with any applicable penalties shall serve as notice of violation of the District's Rules.

11. Appeal Procedures

(A) **Appeal Request.** Any person (an "Appellant") who wishes to appeal the imposition of an administrative penalty imposed by the District pursuant to this Section 5.N. shall comply with the following procedures:

(B) **Appeal Request Form.** An Appeal Request form shall be submitted to the Conservation Department.

(1) Appeal Request forms may be obtained at the District's Main Office or downloaded from the District's website at www.MNWD.com.

(2) An Appeal Request form shall be received by the District no later than thirty calendar days from the date that the Appellant's water bill for the four-week period in which the penalty or penalties were imposed is due.

(C) **Additional Documentation.** Additional documentation may be requested at the discretion of the District. Such documentation may include, but is not limited to, school records, driver's licenses, business licenses, lease agreements.

(D) **Site Survey.** After an Appeal Request form has been received, a site survey may be required by District staff to verify the irrigated square footage of the property where the water was delivered. The site survey will be at no charge to the person and will require the person who submitted the Appeal Request form to be present.

(E) **District Response.** A response to an Appeal Request shall be provided by the District within thirty calendar days from receipt of the Appeal Request form.

(F) **Review of Denial of Appeal Request.** If an Appeal Request is denied, the Appeal Request form may be resubmitted by the Appellant for review by the District's Assistant General Manager. The Decision by the District's Assistant General Manager shall be final.

12. Hardship Waiver

(A) **Undue and Disproportionate Hardship.** If, due to unique circumstances, a specific requirement of the WSCP would result in undue hardship to a person using water or to property upon which water is used, that is disproportionate to the impacts to water users generally or to similar property of classes of water users, then the person may apply for a waiver to the requirements as provided in this section.

(B) **Written Finding.** The waiver may be granted or conditionally granted only upon a written finding of the existence of facts demonstrating an undue hardship to a person using water or to property upon which water is used, that is disproportionate to the impacts to water users

generally or to similar property or classes of water use due to specific and unique circumstances of the user or the user's property.

(C) **Application and Documentation.** Application for a waiver must be on a form prescribed by the District. The application must be accompanied by photographs, maps, drawings, and/or other information, including a written statement of the applicant.

(D) **Required Findings for Waiver.** An application for a waiver will be denied unless the District's General Manager finds, based on the information provided in the application supporting documents, or such additional information as may be requested, and on water use information for the property as shown by the records of the District, all of the following:

(1) That the waiver does not constitute a grant of special privilege inconsistent with the limitations upon other residents and businesses;

(2) That because of special circumstances applicable to the property or its use, the strict application of the WSCP would have a disproportionate impact on the property of use that exceeds the impacts to residents and businesses generally;

(3) That the authorizing of such waiver will not be of substantial detriment to adjacent properties, and will not materially affect the ability of the District to effectuate the purpose of the WSCP and will not be detrimental to the public interest; and

(4) That the condition or situation of the subject property of the intended use of the property for which the waiver is sought is not common, recurrent or general in nature.

(E) **Approval Authority.** The District's General Manager or designee must act upon any completed application no later than ten (10) days after submittal and may approve, conditionally approve, or deny the waiver. The applicant requesting the waiver must be promptly notified in writing of any action taken. Unless specified otherwise at the time a waiver is approved, the waiver will apply to the subject property during the period of the mandatory water supply shortage condition. The decision of the District's General Manager will be final.

Section 4. Conflicting Provisions

If provisions of Section 5.N. are in conflict with each other, other provisions of the Article IV, any other resolution or ordinance of the District, or any State law or regulation, the more restrictive provisions shall apply.

Section 5. Severability

If any provision, section, subsection, sentence, clause or phrase of this Ordinance, or the application of same to any person or set of circumstances, is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Ordinance shall not be affected, it being the intent of the Board of Directors in adopting this Ordinance that no portions,

provisions, or regulations contained herein shall become inoperative, or fail by reason of the unconstitutionality of any other provision hereof, and all provisions of this Ordinance are declared to be severable for that purpose.

Section 6. Exemption from California Environmental Quality Act

The District finds that this chapter and actions taken hereafter pursuant to this chapter are exempt from the provisions of the California Environmental Quality Act (CEQA) of 1970 as specific actions necessary to prevent or mitigate an emergency pursuant to Section 15307 of the CEQA Guidelines.

Section 7. Effective

This Ordinance shall be effective immediately upon adoption. The Secretary of the Board is hereby directed to publish this Ordinance in accordance with Water Code Section 376.

APPROVED, ADOPTED, and SIGNED this 13th day of May, 2021.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of Moulton Niguel Water District held on May 13, 2021 by the following vote:

Duane Cave:
Richard Fiore:
Donald Froelich:
William Moorhead:
Brian Probolsky:
Diane Rifkin:
Sherry Wanninger:

President
MOULTON NIGUEL WATER DISTRICT
and the Board of Directors thereof

Secretary
MOULTON NIGUEL WATER DISTRICT
and the Board of Directors thereof

EXHIBIT A
WATER SHORTAGE CONTINGENCY PLAN

[see attached]



Water Shortage Contingency Plan

2021

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Chapter 1 Introduction

Moulton Niguel Water District (District or MNWD) relies on imported water and locally produced recycled water to meet customer demands. Imported water is purchased from Metropolitan Water District of Southern California (MWD). More frequent and longer-lasting dry periods, regulatory constraints, and seismic risks can result in water delivery system outages that increase stress on water supply reliability. As a result, the District must be prepared to take reasonable actions to balance water demands during a water shortage.

Recent legislative changes to the California Water Code (CWC) introduced a new Section 10632, which requires every urban water supplier prepare and adopt a Water Shortage Contingency Plan (WSCP) as part of its Urban Water Management Plan (UWMP). While an element of the UWMP, the WSCP is a stand-alone document that can be separately amended. In 2018, two long-term conservation bills, Senate Bill (SB) 606 and Assembly Bill (AB) 1668, were signed into law by Governor Jerry Brown. The two bills amended portions of the CWC including Section 10632, which mandates a WSCP with certain required elements. The WSCP is a guide for the District's intended actions during a water shortage.

A water shortage is the lack of sufficient available water resources to meet the demands of water usage within the District, either for a short-term or long-term duration. This WSCP is a detailed proposal for use in the event of drought, water supply reductions, failure of a water distribution system, other emergencies, or regulatory statutes, rules, regulations, or policies reducing water supplies by state and federal agencies with jurisdiction over the District. As the District is responsible for serving its customers with reliable, economical, high-quality water and recycled water services, the District is committed to managing available water supply during normal conditions as well as water shortage conditions such as during droughts or water system emergencies. Due to the possibility of increasing water supply strain caused by more frequent and extreme droughts, the District must be prepared for potential constraints on its local and imported water supply. This WSCP is meant to improve preparedness for droughts and other impacts on water supplies by describing the process used to address varying degrees of water shortages.

Section 1.1 Background

In February 2015, the District Board of Directors adopted Ordinance 15-01 laying the foundation for actions during times of a water shortage or emergency. Pursuant to State law, the District was required to adopt a WSCP to address specific "stages" of action to be undertaken in response to water supply shortages. A plan generally included within each stage specified levels of reduction in the use of water that are appropriate for a water agency's service area. Recognizing that water is its most vital resource, the District adopted the WSCP in February 2015, with five water shortage stages and mandates to enable the District to respond to potential shortages, including up to a 50 percent reduction in water supply. In each stage specific practices were identified to reduce water use to preserve the District's water supplies and protect public health and safety. During the most recent drought of 2015, Ordinance 15-01 served as an effective planning tool in reducing water demands and use.

Prior to 2015, the District's Water Conservation Program was contained within the District's Rules and Regulations that had been updated in 2008 as a mechanism to reduce demand under the 2009 to 2010 drought conditions. The 2015 WSCP was revised to utilize the District's Water Budget Based Rate Structure to implement varying stages of restrictions using pricing signals to encourage water use efficiency and conservation. The 2021 WSCP and its implementation Ordinance No. 21-XX, Ordinance of the MNWD Adopting the Water Shortage Contingency Plan and Prescribing Water Conservation Rules and Regulations (Ordinance No. 21-XX) is a mechanism by which the Board of Directors may implement varying stages of restrictions on water usage resulting from conditions under which normal water usage levels cannot be met. This is achieved by adjusting water allocation parameters to respond to varying levels of water supply conditions. Using the District's Water Budget Based Rate Structure to adjust water allocation parameters empowers customers to personalize decisions on how best to use their individualized water budget. The 2015 WSCP was presented in the form of an ordinance (15-01) to give the District the ability to issue penalties if a customer was in violation of an implemented water shortage stage. The 2021 WSCP is being updated in accordance with CWC Section 10632(a) to include the required WSCP elements and contains six water shortage stages that provide an increasing scale of water use restrictions. Ordinance No. 21-XX prescribes water conservation rules and regulations to enable the District to enforce its shortage response actions specified in Chapter 4 herein.

Section 1.2 Organization of this Document

The WSCP covers the following required elements as set forth by CWC Section 10632:

- **Chapter 1** – Provides an introduction of the WSCP and organization of this document.
- **Chapter 2** – Provides a summary of the water supply analysis and water reliability findings from the 2020 UWMP.
- **Chapter 3** – Provides a description of procedures to conduct and approve the Annual Supply and Demand Assessment.
- **Chapter 4** – Provides an explanation of the WSCP's six standard water shortage levels corresponding to ranges of up to 10, 20, 30, 40, 50, and more than 50 percent shortages.
- **Chapter 5** – Provides a description of the WSCP's shortage response actions that align with the defined shortage levels.
- **Chapter 6** – Identifies the District's communication protocols and procedures to inform customers, the public, interested parties, and local, regional, and state governments, regarding any current or predicted shortages and any resulting shortage response actions.
- **Chapter 7** – Identifies the compliance and enforcement measures the District will implement to achieve a reduction in water use.
- **Chapter 8** – Provides a description of the legal authorities that enable the District to implement and enforce its shortage response actions.
- **Chapter 9** – Provides a description of the financial consequences of and responses for each supply shortage stage.
- **Chapter 10** – Identifies how the District will monitor and report water use to ensure the shortage response actions are being achieved.

- **Chapter 11** – Identifies reevaluation and improvement procedures for evaluating the functionality of the WSCP and describes the process to adopt, submit, and amend the WSCP.
- **Chapter 12** – Identifies and defines special water features.
- **Chapter 13** – Identifies the plan, adoption and submittal process for the WSCP.

Chapter 2 Water Supply Reliability

Section 2.1 Water Supply Reliability Analysis

This section summarizes key components related to water system reliability conducted pursuant to CWC Section 10635. The District continues to prioritize water reliability and developing projects or programs to meet customer demands as identified in its 2020 Long Range Water Reliability Plan. The 2020 Long Range Water Reliability Plan is the District's long-term plan to assure adequate water supplies for its customers. However, during periods of extreme drought or emergencies, water shortages may occur from time to time that will require implementation of programs that temporarily reduce water use. The purpose of this WSCP is to provide direction on specific actions to be taken by District staff and customers in response to severe water supply shortage conditions. This WSCP describes the conditions which constitute a water shortage and provides actions for managing water supply and demands during a declared water shortage. Whatever the magnitude of shortfall the District may experience, the WSCP has the following goals:

- Conserve the District's water supply for the greatest public benefit;
- Mitigate the effects of a water supply shortage on public health and safety, economic activity, and customer lifestyle; and
- Utilize the individualized water budgets to encourage available water supplies to be used for the most essential purposes for the duration of the water shortage.

Section 2.1.1 Water Reliability Threats

Critical to the WSCP is understanding how reliability threats could impact the District and its ability to meet the needs of its customers. Imported water supplies are susceptible to system and supply reliability disruptions. System reliability is the ability to meet customer demands during unplanned emergency outages (e.g., seismic events, facility failures, and other catastrophic events) of key facilities. Supply reliability is the ability to meet customer demands during hydrologic variability (e.g., drought and high temperatures) and long-term changes in available imported water supply. Both system and supply reliability disruptions impact the District's ability to serve its water customers. (MNWD, 2021)

Deliveries of imported supplies are dependent on an extensive network of facilities used to acquire, treat, pump, store, and convey imported supplies to the District. Water systems are vulnerable to seismic events (as well as other unplanned facility failures and catastrophes) that could result in varying degrees of water supply disruptions for periods of days, weeks, or months. Given the presence of several major earthquake fault lines in proximity to MWD facilities, earthquakes have a high potential for resulting in an infrastructure outage that could disrupt service to and within the District. System reliability disruptions for the District can be caused by outages of key water facilities, such as MWD's Robert B. Diemer Water Treatment Plant (Diemer WTP) located north of Yorba Linda which delivers water to the District, as well as conveyance and distribution pipelines, such as the East Orange County Feeder No. 2 (EOCF2), or Allen McCollough Pipeline (AMP).

Supply reliability disruptions can be caused by droughts, environmental regulations resulting in restrictions in water exports from the Sacramento-San Joaquin River Delta (Delta), seismic risks to levees in the Delta that protect it from seawater intrusion, and long-term climate variability. Of the many factors affecting supply reliability, the factor with the greatest degree of variability and with the largest

impact on supplies is climate variability and associated effects on hydrology. Climate variability adds a layer of uncertainty in estimating the future availability of imported water. While different climate change models show differing effects, potential changes could include more precipitation falling in the form of rain rather than snow and earlier snowmelt. Earlier snowmelt would result in more runoff occurring in the winter rather than spread out over winter and spring, which in turns impacts supply availability during late spring and summer. **Figure 2-1** depicts some of the potential reliability disruptions to the District service area. (MNWD, 2021)

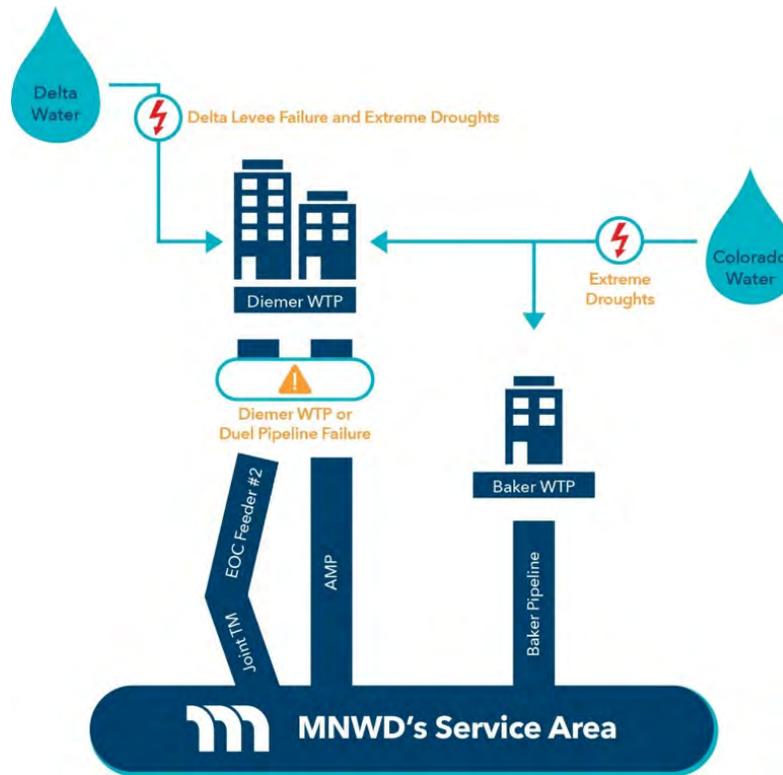


Figure 2-1. Water Delivery Supply and System Risks Representation

Section 2.1.2 Reductions in Water Supply

A water shortage occurs when water supply is insufficient to meet water demands. Reductions in water usage may be necessary to respond to any significant impacts that may reduce the available water supply to the District, including but not limited to shortages arising from the following specific circumstances or events:

- (1) MWD and/or the Municipal Water District of Orange County (MWDOC), the District's wholesale water supplier, has determined that a drought, water shortage, or water shortage emergency exists or has implemented or taken other actions requiring a reduction in water demand;
- (2) MWD Water Supply Allocation Plan implementation or other actions resulting in a reduction in water supply;

- (3) The State has determined that a drought, water shortage, or water shortage emergency exists;
- (4) The State has implemented restrictions on the use of water or reduced or restricted the delivery of wholesale water to the District;
- (5) Regional or statewide importation or local distribution systems or facility(ies) have failed or have been shut down (e.g., a main break, reservoir, pipeline, canal, or other distribution or conveyance system failure);
- (6) Alternative water supplies are limited or unavailable; and,
- (7) Any other natural disaster that impacts the availability of water supply to the District.

Section 2.2 Water Service Reliability

CWC Section 10632(a)(1) directs the WSCP to include an “analysis of water supply reliability conducted pursuant to CWC Section 10635,” which requires an assessment of the reliability of its water service to customers in five-year increments, for a normal water year, a single dry water year, and a drought lasting five consecutive water years as well as a drought risk assessment. The water service reliability and drought risk assessment are contained within the UWMP, Chapter 7 and are incorporated herein (MNWD, 2021). A summary of the results is included herein. Because the District has relied on imported water supplies (in addition to recycled water) to meet its demands, the reliability levels during all hydrologic year types presented in Chapter 7 of the District’s UWMP reflect MWD’s determination of its ability to reliably meet the demands of its member agencies. Notably, the MWD 2020 UWMP determines that MWD can meet the current and projected full service demands of its member agencies under all three hydrologic conditions through 2045 by developing and implementing water resources programs and activities through its Integrated Resources Plan preferred resource mix (MWD, 2021). This mix includes conservation; local resources such as recycled water and groundwater recovery; Colorado River supplies and transfers; SWP supplies and transfers; in-region surface reservoir storage; in-region groundwater storage; and out-of-region banking, treatment, conveyance, and infrastructure improvements. In addition, MWDOC’s assumptions are equally important to the District. As presented in MWDOC’s 2020 UWMP, MWDOC has determined that it is able to meet water demands during all hydrologic year types through 2045 (MWDOC, 2021). Similar to MWD, the reliability levels from MWDOC are due to its diversified supplies, comprehensive management, and conservation efforts working with the member agencies.

As detailed in Chapter 7, Sections 7.2 and 7.3 of the District’s UWMP (MNWD, 2021), the District can meet customers’ demands in all hydrologic year types through 2045, even with a potential increase in dry year demands. The reliable supplies reflect not only regional projects and comprehensive water supply planning by MWD and MWDOC, but also the forward-thinking planning and efforts the District has undertaken to develop its recycled water supplies and conservation programs, thus greatly reducing reliance on imported supplies.

Chapter 3 Annual Water Supply and Demand Assessment Procedures

Section 3.1 Annual Supply and Demand Assessment

Pursuant to CWC Section 10632(a)(2), the District must include in its WSCP the procedures used for conducting an annual Water Supply and Demand Assessment (Annual Assessment). This chapter describes:

(A) the written decision-making process that the District will use each year to determine its water supply reliability, and

(B) the key data inputs and assessment methodology used to evaluate the District's water supply reliability, including:

(i) current year unconstrained demand, considering weather, population growth, and other influencing factors such as policies used to manage current supplies to meet demand objectives in future years;

(ii) current year available supply, considering hydrological and regulatory conditions in the current year and one dry year;

(iii) existing infrastructure capabilities and plausible constraints;

(iv) a defined set of locally applicable evaluation criteria that are consistently relied upon for each annual water supply and demand assessment;

(v) description and quantification of each source of water supply.

The Annual Assessment is a determination of the near-term outlook for supplies and demands and how a perceived shortage may relate to WSCP shortage stage response actions in the current calendar year. This determination is based on information available to the District at the time of the analysis. CWC Section 10632(a)(2)(B)(ii) requires the Annual Assessment to determine "current year available supply, considering hydrological and regulatory conditions in the current year and one dry year." Starting in 2022, the District shall conduct an annual water supply and demand assessment pursuant to CWC Section 10632(a) prior to July 1 of each year.

Section 3.1.1 Data and Methodologies

Section 3.1.1.1 Sources of Supply

The District's current water needs are met by a combination of imported potable water and recycled water. Recycled water supply is locally sourced. The District is an urban retail water provider dependent on imported supplies of potable water via MWD through its member agency, MWDOC, a wholesale importer of water from MWD. MWD's principal sources of water supplies are the State Water Project and the Colorado River. MWD receives water delivered from the State Water Project under State Water Contract provisions, including contracted supplies, use of carryover storage in San Luis Reservoir, and

surplus supplies. MWD holds rights to a basic apportionment of Colorado River water and has priority rights to an additional amount depending on availability of surplus supplies. Water management programs supplement these Colorado River supplies. To secure additional supplies, MWD has groundwater banking partnerships and water transfer and storage arrangements within and outside its service area. Refer to Chapter 6 of the District's UWMP, incorporated herein, for additional details on the District's water supply sources. The District regularly coordinates with MWDOC and MWD regarding supply projections and potential shortages as part of its overall planning efforts. The annual evaluation process is conducted in steps to determine if a regional demand reduction is needed, and if so, at what level.

Section 3.1.1.2 Supply

On an annual basis, the District performs an evaluation of its imported water supply. The District conducts an analysis based on the MWD Water Surplus and Drought Management update and MWDOC Water Supply Condition Update report to review supply and demand conditions and evaluate projected water supply availability and estimated demand for the following year based on the current hydrologic conditions. To determine imported water supplies available to the District on an annual basis, the District coordinates with MWDOC and MWD regarding projected supplies. MWD water supplies available to MWDOC vary based on hydrologic conditions of that year and the corresponding State Water Project Table A Allocations, and Colorado River Drought Contingency Operations. MWD and MWDOC undertake an analysis to determine whether water supplies will be deficient relative to estimated regional water demands for the year. MWD then evaluates whether the amount of water in storage will be sufficient to meet regional demands. The District reviews the monthly MWD Water Surplus and Drought Management update which provides a preliminary accounting of water supply, demand, and storage conditions. The District also reviews the monthly MWDOC Water Supply Condition Update report that tracks climate conditions and anticipated water supplies available to the region. Final supply projections are typically available by June of each year. Should MWD or MWDOC identify a potential regional supply shortage and implement their respective Water Supply Allocation Plans (WSAP), the District will also implement water conservation and water shortage response measures, as deemed necessary by the Board of Directors. Absent implementation of the MWD WSAP or MWDOC WSAP, no supply shortages for the year would be anticipated.

In addition, supply conditions that may be considered include, but are not limited to:

- (1) District water supply conditions and storage levels;
- (2) Statewide water supply conditions;
- (3) MWD storage levels;
- (4) Local water supply and demand conditions;
- (5) Actions by surrounding wholesale and retail water agencies; and
- (6) Any other conditions the General Manager believes will adversely affect the District's available water supply.

Section 3.1.1.3 Infrastructure Considerations

The Annual Assessment will consider any infrastructure issues that may pertain to near-term water supply reliability, including repairs and construction that may temporarily constrain capabilities, as well as any new projects that may add to system capacity, both at the local and regional level. In addition, the District coordinates with MWDOC and MWD to identify MWD shutdowns that may impact supply reliability and allow the District to plan accordingly. In the event the District anticipates that an infrastructure issue is likely to impede the District's capability to distribute water during the current year, then the issue would be documented, and the determination of water reliability in the Annual Assessment would be adjusted accordingly.

Section 3.1.1.4 Other Factors

Water quality is of paramount importance to water supply reliability. Every year, the District conducts approximately 12,000 water quality tests that are independently analyzed at state-of-the-art laboratories. District staff work diligently to ensure that our drinking water complies with the science-based water quality standards set by the Environmental Protection Agency and the State Water Resources Control Board. For the Annual Assessment, any known issues related to water quality will be considered for their potential effects on water supply reliability.

Section 3.1.1.5 Unconstrained Demand

For the purpose of the Annual Assessment and WSCP, CWC Section 10632(a)(2)(B)(i) directs the District to use current year "unconstrained demand" when assessing water supply reliability. The WSCP and Annual Assessment define unconstrained demand as expected water use in the upcoming year, based on recent water use, and before any projected shortage response actions that may be taken under the WSCP. Unconstrained demand is distinguished from observed demand, which may be constrained by preceding, ongoing, or future actions, such as emergency supply allocations during a multi-year drought. WSCP shortage response actions to constrain demand are inherently extraordinary; routine activities such as ongoing conservation programs and regular operational adjustments are not considered as constraints on demands.

The District will forecast unconstrained demands based on evaluating trends using a 3-year moving average of annual demand and adding a 5 percent contingency to be conservative in water needs for the following year. The District will adjust its near-term demand forecast for the Annual Assessment to account for extraordinary demand management measures that the District may have already put into effect for the current year. Extraordinary demand management measures may include intensified communication and public outreach, and water budget reductions to its customers through implementation of the District's WSCP. Non-extraordinary water savings from regular conservation and community outreach activities are considered part of the District's normal demands and are not counted again for assessments of unconstrained demand.

Section 3.1.1.6 Evaluation Criteria

Because shortages are based on the difference between expected supplies and unconstrained demand under assumed current year and dry year conditions, the locally applicable evaluation criteria to be used in the Annual Assessment for determining a shortage include the following:

- Estimation of available supplies for current year and dry year scenarios (as described in Section 3.1.1.2).
- Estimation of unconstrained demands for current year and dry year scenarios (as described in Section 3.1.1.5).

Demands are then compared to projected imported supplies to determine if a shortage is projected. These criteria findings will also be given additional context and influenced by infrastructure considerations and other factors discussed above which will differ from year to year. Should a supply gap be projected, the water shortage stage would be based on the severity of the supply gap. If a regional shortage exists, the next action is to determine the appropriate shortage response level and actions for the District. District staff will present a completed Annual Assessment determination for approval by the District's General Manager. Upon approval, District staff will then formally submit the Annual Assessment to the California Department of Water Resources by July 1. The Annual Assessment Report will document any anticipated shortage, any triggered shortage response actions, associated compliance and enforcement actions, and communication actions.

Section 3.2 Decision-Making Process

This section describes the decision-making process the District will use each year to determine and report to the State its water supply reliability. The results from this process will also determine how the District declares water shortage levels and associated response actions.

The District's decision-making process begins with an assessments of its water demand and the availability of imported supplies from MWD to determine if supplies are sufficient to meet demands. The District also includes a review of local and regional infrastructure issues to determine possible limitations to supply availability. If water supplies are sufficient to meet forecasted demands, no water shortage stages would be triggered.

In the event that demands cannot be met with available water supplies and MWD is in allocation, the District will evaluate the severity of the allocation and the resulting regional supply shortage level. The District would analyze how much supply is available to its customers and would assess a shortage level based on expected supply shortages and enter the appropriate corresponding shortage level, as outline in Section 3.3, Declaration of Water Shortages.

Section 3.3 Declaration of Water Shortages

The implementation of any given stage of the WSCP requires an action by the District's Board of Directors. Based on the results of the Annual Assessment, and if deemed necessary, the General Manager will present recommended conservation measures for the Board of Directors to consider during periods of a water shortage based on the best information available at the time. Recommendations are provided on the implementation and/or termination of water shortage stages. The declaration of any water shortage stage will be through the adoption of a resolution of the Board of Directors only after a public hearing at which customers have an opportunity to be heard to protest the declaration and to present their respective needs to the Board of Directors in accordance with CWC Sections 350-359. Notice of the time and place of the public hearing shall be published pursuant to

Section 6061 of the Government Code at least seven days prior to the date of the public hearing in a newspaper printed, published, and circulated within the area in which the water supply is distributed, or if there is no such newspaper, in any newspaper printed, published, and circulated in Orange County (CWC Section 351).

The water shortage stage designated becomes effective as determined by the Board of Directors and specified in the resolution. After adopting the resolution, the declaration of the Board of Directors of the water shortage emergency shall be made by public announcement on the District's website and shall be published a minimum of one time in a newspaper of general circulation. As water supply conditions either deteriorate or improve, the General Manager will return to the Board of Directors to recommend, as appropriate, revising the appropriate water shortage stage of response. The General Manager may recommend transitioning to the next higher stage if the reduction efforts at the initial stage do not achieve the needed result or conversely to a lower stage if smaller demand reductions are determined to be needed. A water shortage ends when supplies improve to the point where the water system can support normal water demand. The WSCP stage in effect at the time must be officially rescinded by the Board by way of a resolution and public notice is given that the water shortage is over.

Section 3.3.1 Determination of Immediate Emergency

In case of an immediate emergency if the Board of Directors cannot meet in time to act to protect the public interest, the General Manager has the authority to implement such provisions of this WSCP and Ordinance 21-XX. The provisions shall be implemented upon the General Manager's written determination that the District cannot supply adequate water to meet the ordinary demands of water consumers and that such implementation is necessary to protect the public health and safety.

- (1) The implementation of any such provisions shall take effect immediately upon making a public announcement of the immediate emergency and publication of such immediate emergency on the District's website.
- (2) Such written determination shall be delivered to the Board of Directors and considered at a general or special meeting for review, revocation, or ratification. Such meeting shall be held upon the earliest date that a quorum of the Board of Directors is available.
- (3) At the Board of Directors meeting, the General Manager shall update the Board of Directors on the severity and length of the immediate emergency.
- (4) During an immediate emergency, the District may specify temporary restrictions on the use of potable and recycled water. Any person who willfully fails to comply with those temporary restrictions may be subject to an administrative penalty of \$500 per offense and have his or her water meter locked by the District.

The District has invested in several regional projects to support system reliability in the event of an earthquake or power outage, including the Baker Water Treatment Plant and Upper Chiquita Reservoir. Prior to these investments, the District was at less than 7 days of system reliability in the event of a Diemer Water Treatment Plant outage. Building these infrastructure improvements for system reliability

more than quadrupled the average number of days of system reliability to 31. With active demand management programs and the system reliability improvements, the District is at over 31 days of average day system reliability as of March 2021 based on the previous 12 months of water demand.

Chapter 4 Six Standard Water Shortage Stages

Section 4.1 Stages

CWC Section 10632(a)(3)(A) identifies six standard water shortage levels corresponding to progressive ranges of up to 10, 20, 30, 40, and 50 percent shortages and greater than 50 percent shortage from the normal levels of supply availability. Each of the shortage levels represent an ever-increasing gap between normally available supplies and normally expected customer water use. The overall concept is that water shortages of different magnitudes require different measures to overcome the deficiency. This section establishes the stages of escalating response to short-term and long-term water shortages.

The District's WSCP includes six stages; each stage is associated with a water conservation target and applies to both long-term supply shortages and catastrophic interruptions of water supplies. **Table 4-1** describes the various stages and corresponding shortage levels. Stage 1 results in voluntary reductions while Stages 2 through 6 result in required actions. The District will implement the appropriate stage based on assessed water supply and demand conditions. It shall not be necessary to implement any water shortage stage prior to another; the water shortage stages may be implemented in any reasonable order as determined by the Board. Higher stages will be implemented if additional demand reductions are required to address increasing water supply shortages. Each stage consists of specific requirements, prohibitions, penalties, and/or rate structure modifications to encourage the appropriate level of conservation.

Table 4-1: WSCP Level and Corresponding Shortage Level

WSCP Stage	Percent Supply Reduction	Customer Action Type
1	≤10%	Voluntary
2	10 – 20%	Mandatory
3	20 – 30%	Mandatory
4	30 – 40%	Mandatory
5	40 – 50%	Mandatory
6	≥50%	Mandatory

Chapter 5 Shortage Response Actions

This section describes the six-stage approach and overall strategy for dealing with water shortages and presents the recommended menu of actions for reducing water demand during a declared water shortage, including shortage response actions that align with defined shortage levels. Each stage includes a set of demand reduction measures that become progressively more stringent as the shortage condition escalates. This WSCP strives to balance available supplies in times of shortage as much as possible through reductions in outdoor water use. At each stage, public health and sanitation usage is afforded the highest priority by cutting back on indoor water use the least. **Table 5-1** provides a summary of the water shortage stages and the response actions implemented in each stage to reduce demand to meet supply levels.

Section 5.1 Response Actions

Shortage response actions included in this WSCP are a combination of locally appropriate prohibitions on end use, consumption reduction methods, supply augmentation, and operational change measures. Each of these actions are further described in the following sections. To determine the additional specific actions that should be taken at each level, the District will evaluate conditions specific to the timing, supply availability, and cost, along with other pertinent variables at the time a WSCP stage is implemented. Numerous variables can influence the supply reduction levels during a water supply shortage. These variables include, but are not limited to, State Water Project allocation, conditions on the Colorado River, MWD storage supplies, local storage, local demands, and season. The recommended actions to reduce water use are presented below. It is meant to inform the public and decision-makers about the types of measures the District would implement under various water shortage stages but should not be construed as limiting other possible options. Specific circumstances will vary with each shortage and decisions about the most appropriate response would be based on the water supply and demand conditions at the time and the judgment of the General Manager. These measures are intended as a list of probable measures for advance preparation purposes rather than a set of measures to be strictly followed, recognizing that as supply and demand change over time, the ultimate decision of actions to address the shortage may also change. Depending on the situation, the Board may not implement each of the identified actions in a response level but select only those that are appropriate. In addition, the Board may adopt additional actions not listed below. It is important to recognize that flexibility in selecting the most appropriate stage may be needed.

Section 5.1.1 Demand Reduction

This section presents the locally appropriate actions for reducing demand during a declared water shortage. The District always requires Water Conservation Best Management Practices (BMPs) (or permanent water waste prohibitions) which are listed in Section 5.1.4 Permanent Water Conservation Requirements – Prohibition Against Waste and Section 5.1.5 Other Water Conservation Measures Available for Implementation. The WSCP response actions are considered in addition to these mandatory Water Conservation BMPs.

The focus of this plan is primarily on measures that reduce demand. Each stage includes a set of demand reduction measures that become progressively more stringent as the shortage condition escalates. This WSCP strives to balance available supplies as much as possible through:

- **Public Education Campaigns:** The District would implement a multi-channel outreach and education campaign to encourage customers to take action to reduce water use.
- **Expanded Outreach for Water Efficiency Programs:** Water efficiency programs provide customers with the means and guidance to lower their water usage. Customer-friendly programs, rebates and incentives, direct installation options and strong support services drive stronger response rates.
- **Conservation Penalties:** During Stages 2 through 6, any customer who uses water in excess of his or her calculated water budget shall be in violation of the Ordinance No. 21-XX and shall pay a Conservation Penalty Fee for each hundred cubic foot (HCF), or portion thereof, of water used in excess of a customer's water budget, as detailed in each stage. The Conservation Penalty Fee shall be in addition to the volumetric charge the District collects for the potable water or recycled water delivered.
- **Water Budget Reductions:** If increased stages must be implemented, the District will incrementally decrease the amount of water in a customer's water budget.

At each stage, the District would initiate an increasingly focused public education campaign that calls for actions to reduce water waste and provides the tools necessary to participate in the District's water efficiency programs. Beginning at Stage 2, the WSCP rate policies would incrementally reduce the allocation of water in the "upper" tiers of the District's water budget-based rate structure (refer to UWMP Section 9.1.3, Conservation Pricing for additional details on the water budget-based rate structure). The reductions in water use focus on reductions in overbudget outdoor water use first. At each stage, public health and sanitation usage is afforded the highest priority by cutting back on reducing indoor water use only at the last Stage 6, if needed. This approach results in customers more quickly incurring higher tier rates if they do not reduce their consumption in accordance with the WSCP stage. Any customer who uses water in excess of the calculated water budget shall be in violation of the rules and regulations established by the District's Ordinance No. 21-XX and shall pay an administrative penalty for water used in excess of a customer's water budget. A summary of the tier allocation changes in each stage and for each customer class is summarized in **Table 5-1**. A complete list of all actions in each stage is summarized below.

The WSCP mirrors the District's integrated 2015 drought response strategy, which received accolades from the SWRCB as a best practice in the industry in rate design and as is included as a case study by the California Department of Water Resources (DWR) in the appendices of the 2020 UWMP Guidebook. A key component of the drought response strategy was public education and outreach. With the 2012 to 2017 drought in California, Governor Brown's declared state of emergency, and SWRCB mandatory reductions in water use, the District developed a comprehensive public education and outreach strategy to affect reductions in water use. A multi-pronged approach was used to reach as many customers as possible using a variety of messaging platforms and targeting methods. In the 2015 UWMP, the District's

direct communication efforts were plotted alongside a comparison of calendar year 2014 to calendar year 2015 total water production. The 2015 UWMP illustrated the relationship between rates, outreach, and customer understanding to overall water demand reduction. However, it is important to note that direct conclusions should not be drawn but rather the understanding that there is a correlation between customers choosing to use water efficiently and when rate structure changes were paired with outreach and education. Hence, it is difficult to estimate the exact amount of demand reductions that could be expected for each action separately and rather all actions work together to produce the necessary reductions along with regional influences on demand reductions.

Section 5.1.1.1 Stage 1

Water Shortage Stage 1 constitutes a consumer demand reduction of up to 10%. Shortage response actions listed under this stage include:

- **Voluntary Reductions.** During Water Shortage Stage 1 (“Stage 1”), the District’s conservation efforts will be focused on voluntary reductions in potable and recycled water use. Potable and recycled water customers may reduce demand by following the District’s BMPs.
- **Refills of Swimming Pools.** Any customer who refills a swimming pool shall not receive a bill adjustment for water usage in excess of his or her calculated water budget and shall be billed for water used according to the applicable tier for the corresponding use.
- **Mandatory Rules Governing Potable Water Use.** During Stage 1, recycled water customers shall be prohibited from using potable water for outdoor irrigation.

Section 5.1.1.2 Stage 2

Water Shortage Stage 2 constitutes a consumer demand reduction of up to 20%. Shortage response actions listed under this stage include:

- **Mandatory Rules Governing Customer Water Budgets.** During Water Shortage Stage 2 (“Stage 2”), all water customers, both potable and recycled, are prohibited from using water in excess of their calculated water budget.
- **Penalties.** During Stage 2, a conservation penalty will be applied to all billing units of water used in excess of 125% of the customer’s monthly water budget. The conservation penalty for residential and multi-family customers equals the difference between Tier 5 and Tier 3 rates, and for commercial, potable irrigation, and recycled customers, the conservation penalty equals the difference between Tier 4 and Tier 2, as detailed in Chapter 7, Table 7-1. The penalty would be based on the current rate in place at time of the water shortage stage implemented. Such penalty shall be in addition to the water service fees the District charges for the water delivered to the customer.
- **Refills of Swimming Pools.** During Stage 2, any customer who refills a swimming pool shall not receive a bill adjustment for water usage in excess of their calculated water budget and shall be billed for water used according to the applicable tier for the corresponding use.
- **New Plant Bill Adjustments.** During Stage 2, any person installing new landscaping, a new plant variance will only be granted for California friendly vegetation as defined by the Water Use Classifications of Landscape Species (“WUCOLS”) to have low or very low watering needs for the

South Coastal Region. The classifications can be found at http://ucanr.edu/sites/WUCOLS/Plant_Search/.

Section 5.1.1.3 Stage 3

Water Shortage Stage 3 constitutes a consumer demand reduction of up to 30%. Shortage response actions listed under this stage include:

- **Mandatory Rules Governing Customer Water Budgets.** During Water Shortage Stage 3 (“Stage 3”), all water customers, both potable and recycled, shall be prohibited from using water in excess of their individually calculated water budgets.
- **Penalties.** During Stage 3, a conservation penalty will be applied to all billing units of water used in excess of 100% of the customer’s monthly water budget. The conservation penalty for residential and multi-family customers will equal the difference between the Tier 5 and Tier 2 water rates. The conservation penalty for commercial, irrigation, and recycled customers will equal the difference between the Tier 4 and Tier 1 water rates, as detailed in Chapter 7, Table 7-1. The penalty would be based on the current rate in place at time of the water shortage stage implemented. Such penalty shall be in addition to the water service fees the District charges for the water delivered to the customer.
- **Refills of Swimming Pools.** During Stage 3, any customer who refills a swimming pool shall not receive a bill adjustment for water usage in excess of his or her calculated water budget and shall be billed for water used according to the applicable tier for the corresponding use.
- **New Plant Bill Adjustments.** During Stage 3, any person installing new landscaping, a new plant variance will only be granted for California friendly vegetation as defined by the Water Use Classifications of Landscape Species (“WUCOLS”) to have low or very low watering needs for the South Coastal Region. The classifications can be found at http://ucanr.edu/sites/WUCOLS/Plant_Search/.

Section 5.1.1.4 Stage 4

Water Shortage Stage 4 constitutes a consumer demand reduction of up to 40%. Shortage response actions listed under this stage include:

- **Modification of Potable Water Budgets.** During Water Shortage Stage 4 (“Stage 4”), single family residential, multi-family residential, and potable irrigation customers shall have their outdoor water budgets reduced by 40% due to reduced water supplies.
- **Modification of Recycled Water Budgets.** During Stage 4, recycled water customers shall have their outdoor water budgets reduced by 10% due to reduced recycled water supplies.
- **Mandatory Rules Governing Customer Water Budgets.** During a Stage 4, all water customers, both potable and recycled, shall be prohibited from using water in excess of their individually calculated water budgets.
- **Penalties.** During Stage 4, any customer who willfully uses water in excess of his or her modified water budget will be subject to a conservation penalty. The conservation penalty for residential and multi-family customers will equal the difference between the current Tier 5 and Tier 2 rates. The conservation penalty for commercial, irrigation, and recycled water customers

will equal the difference between the current Tier 4 and Tier 1 water rates, as detailed in Chapter 7, Table 7-1. Such penalty shall be in addition to the water service fees the District charges for the water delivered to the customer.

- **Refills of Swimming Pools.** During Stage 4, any customer who refills a swimming pool shall not receive a bill adjustment for water usage in excess of his or her calculated water budget and shall be billed for water used according to the applicable tier for the corresponding use.
- **New Plant Bill Adjustments.** During Stage 4, any person installing new landscaping, a new plant variance will only be granted for California friendly vegetation as defined by the Water Use Classifications of Landscape Species (“WUCOLS”) to have low or very low watering needs for the South Coastal Region. The classifications can be found at http://ucanr.edu/sites/WUCOLS/Plant_Search/.

Section 5.1.1.5 Stage 5

Water Shortage Stage 5 constitutes a consumer demand reduction of up to 50%. Shortage response actions listed under this stage include:

- **Modification of Potable Water Budgets.** During Water Shortage Stage 5 (“Stage 5”), single family residential, multi-family residential, and irrigation customers using potable water will have their outdoor water budgets reduced by 70% to meet reduced water supplies.
- **Modification of Recycled Water Budgets.** All recycled water customers shall have their outdoor water budgets reduced by 20% due to reduced recycled water supplies.
- **Mandatory Rules Governing Customer Water Budgets.** During Stage 5, all water customers shall be prohibited from using water in excess of their modified water budgets.
- **Penalties.** During Stage 5, any customer who willfully uses water in excess of his or her modified water budget will be subject to a conservation penalty. The conservation penalty for residential and multi-family customers will equal the difference between Tier 5 and Tier 2 water rates. The conservation penalty for commercial, irrigation, and recycled water customers will equal the difference between the current Tier 4 and Tier 1 water rates, as detailed in Chapter 7, Table 7-1. Such penalty shall be in addition to the water service fees the District charges for the water delivered.
- **Refills of Swimming Pools.** During Stage 5, any customer who refills a swimming pool shall not receive a bill adjustment for water usage in excess of his or her calculated water budget and shall be billed for water used according to the applicable tier for the corresponding use.
- **New Plant Bill Adjustments.** During Stage 5, any person installing new landscaping, a new plant variance will only be granted for California friendly vegetation as defined by the Water Use Classifications of Landscape Species (“WUCOLS”) to have low or very low watering needs for the South Coastal Region. The classifications can be found at http://ucanr.edu/sites/WUCOLS/Plant_Search/.

Section 5.1.1.6 Stage 6

Water Shortage Stage 6 constitutes a consumer demand reduction of over 50%. Shortage response actions listed under this stage include:

- **Modification of Potable Water Budgets.** During Water Shortage Stage 6 (“Stage 6”), single family residential, multi-family residential, and irrigation customers using potable water will have their outdoor water budgets reduced by 100% to meet reduced water supplies.
 - All single-family residential and multi-family residential customers shall have their indoor water budgets reduced from 55 gallons per capita per day to 40 gallons per capita per day;
- **Modification of Recycled Water Budgets.** During Stage 6, all recycled customers will have their outdoor water budgets reduced by 30% to meet reduced recycled water supplies.
- **Mandatory Rules Governing Customer Water Budgets.** During Stage 6, all customers shall be prohibited from using water in excess of their modified water budgets. All outdoor irrigation with potable water shall be prohibited within the District’s service area.
- **Penalties.** During Stage 6, any customer who willfully uses water in excess of his or her modified water budget will be subject to a conservation penalty. The conservation penalty for single family residential and multi-family residential customers will equal the difference between the current Tier 5 and Tier 2 rates. The conservation penalty for commercial, irrigation, and recycled water customers will equal the difference between the current Tier 4 and Tier 1 water rates, as detailed in Chapter 7, Table 7-1. Such penalty shall be in addition to the water service fees the District charges for the water delivered.
- **Refills of Swimming Pools.** During Stage 6, no customer shall refill a swimming pool.
- **Plant Bill Adjustments.** During Stage 6, no customer shall install new landscaping.

Table 5-1: WSCP Response Actions by Stage

Water Shortage Stage – Shortage Percentage	Shortage Response Actions	Estimated Maximum Demand Reduction	Response Action Type
Stage 1 – Demand Reduction of up to 10%	Request for voluntary reductions in potable water use through implementation of Conservation Best Management Practices ¹	2,308 Acre-feet	Voluntary
	No bill adjustments for swimming pool refills ¹		Mandatory
	Recycled water customers may not use potable water for outdoor use ¹		Mandatory
Stage 2 – Demand Reduction up to 20%	Customers requested to stay within water budget ¹	4,617 Acre-feet	Mandatory
	Conservation Penalty will be applied to all billing units of water used in excess of 125% of the customer’s monthly water budget		Mandatory
	New plant bill adjustment only granted for newly installed California friendly vegetation ¹		Mandatory
Stage 3 – Demand Reduction up to 30%	Conservation Penalty will be applied to all billing units of water used in excess of 100% of the customer’s monthly water budget	6,925 Acre-feet	Mandatory
Stage 4 – Demand Reduction up to 40%	Single-Family Residential, Multi-Family Residential, and Potable Irrigation customers shall have their outdoor water budgets reduced by 40%	9,233 Acre-feet	Mandatory
	Recycled water customers shall have their outdoor water budgets reduced by 10%		Mandatory
	Conservation Penalty will be applied to all billing units of water used in excess of modified monthly water budget		Mandatory
Stage 5 – Demand Reduction up to 50%	Single-Family Residential, Multi-Family Residential, and Potable Irrigation customers shall have their outdoor water budgets reduced by 70%	11,542 Acre-feet	Mandatory

Water Shortage Stage – Shortage Percentage	Shortage Response Actions	Estimated Maximum Demand Reduction	Response Action Type
	Recycled water customers shall have their outdoor water budgets reduced by 20%		Mandatory
	Conservation Penalty will be applied to all billing units of water used in excess of modified monthly water budget		Mandatory
	Emergency Supply Augmentation, as available		Operational
Stage 6 – Demand Reduction ≤ 50%	Single-Family Residential, Multi-Family Residential, and Potable Irrigation customers shall have their outdoor water budgets reduced by 100%	13,850 Acre-feet	Mandatory
	Single-Family Residential and Multi-Family Residential customers shall have their indoor water budgets reduced from 55 gallons per capita per day to 40 gallons per capita per day		Mandatory
	Recycled water customers shall have their outdoor water budgets reduced by 30%		Mandatory
	Conservation Penalty will be applied to all billing units of water used in excess of modified monthly water budget		Mandatory
	No customer shall refill a swimming pool		Mandatory
	No customer shall install new landscaping		Mandatory
	Emergency Supply Augmentation, as available		Operational
Notes: ¹ Response action applies to subsequent stages.			

Section 5.1.2 Supply Augmentation

The District has two main options for supply augmentation during emergency situations and during droughts, the emergency services agreement and additional MWD supply purchases, both of which are detailed below. The District is currently working on other emergency and drought supply options, as detailed in the UWMP Chapter 6, Future Supply Options, incorporated herein.

Section 5.1.2.1 Emergency Service Agreement

The District currently has an Emergency Service Agreement with Irvine Ranch Water District (IRWD) and Orange County Water District (OCWD). In 2006, multiple South Orange County (SOC) water agencies entered into a 25-year agreement with IRWD and OCWD to receive water from the IRWD system with subsequent conveyance into the distribution system serving SOC. The program was developed to deal with emergency water system outages or planned shutdown scenarios in which imported supplies normally delivered into SOC are curtailed, eliminated, or unavailable for up to 30 days. The initial term of the Emergency Services Agreement expires in 2031. The Emergency Services Agreement and subsequent operating agreement calls for IRWD to provide up to 30 CFS to SOC water agencies during emergency events (MWDOC, 2019). As part of that operating agreement, the District can be supplied up to 15.6 CFS for 30 days (MNWD, 2015) from IRWD. The maximum incident volume IRWD will supply is 1,768 AF (MNWD, 2015).

Under the agreement, IRWD and the participating agencies jointly constructed various projects to transfer water to the Aufdenkamp Transmission Main and the Joint Transmission Main. Water delivered through the interconnection is MWD water or locally produced water exchanged for MWD water. The option is not designed to address droughts, but only to be used during emergency conditions when MWD facilities are disrupted due to seismic events or unplanned outages. Recent conversations involving MWDOC and SOC agencies indicates an interest in exploring with IRWD the possibilities of providing more flow than the existing agreement provides for, and/or extending the agreement past the current expiration year of 2031. The amount of water IRWD can make available to SOC water agencies during emergencies is diminishing over time as water demands within IRWD increase. MWDOC and IRWD are currently studying an expansion of the current program.

The District is also exploring options for developing a second interconnection to the OCWD groundwater basin with either the City of Santa Ana, City of Tustin, or City of Orange. The new interconnection would operate similarly to the existing IRWD interconnection and only be utilized under emergency conditions when MWD facilities are not providing treated imported water.

Section 5.1.2.2 MWD Additional Supply Purchases

Purchasing additional supply from MWD could be used to fill any gaps between projected water demands and existing local supplies during droughts. Water can be purchased from MWDOC/MWD above a member agency's annual allocation amount but is charged in addition to MWD's standard rates for water service. Each member agency has a predetermined amount of water that can be purchased at the lower Tier 1 supply rate. Purchases more than this limit will be made at the higher Tier 2 supply rate. The Tier 2 supply rate is charged on MWD water sales that exceed a member agency's Tier 1 maximum. During periods of extreme water supply shortages, MWD utilizes its WSAP to allocate a specific reduced

level of MWD supplies as determined by the MWD Board. If MWD member agencies need and purchase water above their allocation amount, substantial allocation surcharges are imposed. Allocation surcharges are only assessed to the extent that an agency's total annual usage exceeds its total annual allocation. The allocation surcharge structure is a two-tier structure that provides a lower level of allocation surcharge for minor overuse of allocations and a higher level of allocation surcharge for major overuse of allocations. Water use between 100 percent and 115 percent of WSAP supply allocations is currently charged with the allocation surcharge of \$1,480 per acre-foot. Water use greater than 115 percent of WSAP supply allocations is currently charged at two times the allocation surcharge or \$2,960 per acre-foot. However, these allocation surcharges are not static and are subject to increase in the future as the WSAP is implemented. Tier 2 water from MWD is often considered to be the marginal cost of imported water, since it reflects the costs for MWD in securing higher-cost water to meet demands in excess of its baseline demands, and thus is used to compare other local investments against. The Tier 2 supply rate encourages the member agencies and their customers to maintain existing local supplies and develop cost-effective local supply resources and implement water efficiency and conservation programs.

Section 5.1.3 Operational Changes

During times of water shortage, it is imperative that the District also review its own operational consumptive uses of water in order to find short term water saving opportunities.

- **Recycled Water for Non-Domestic Uses.** Beginning at Stage 2, all water used for construction must be recycled water. The District will coordinate with developers/contractors to identify available recycled water connection points or determine if the construction of a new recycled water connection point is feasible and cost-effective.
- **Prohibition of Irrigation with Potable Water.** During Stage 6, if determined necessary for compliance, the District may turn off and lock potable dedicated irrigation meters to ensure no water is used during this stage.
- **Water System Pressure Management.** The District may reduce the system pressure in various zones to reduce system leakages and losses as well as decreasing the flow through customer connections. Should this occur, the District will continue to monitor system pressure through its supervisory control and data acquisition (SCADA) network to ensure adequate fire protection flow.
- **Retail Water Meters.** The District may adjust the criteria used for retail meter calibration, repair, and replacement that would result in an increase of meter repair and replacements. This would result in a decrease to apparent water loss and thus increased awareness of customer water use.
- **Water Loss Audits.** The District may adjust the frequency and scope of water loss audits to learn how much water is being lost in the system so that operation improvements and maintenance can be prioritized and targeted to maximize water efficiency.

Section 5.1.4 Permanent Water Conservation Requirements - Prohibition Against Waste

The District implements water conservation BMPs to conserve water, prevent the waste or unreasonable use or unreasonable method of use of water, and preserve the District's water supplies. The following water conservation BMPs shall be in effect at all times as prescribed by the Board and shall be permanent. Violations of this Section constitute waste and an unreasonable use of water in violation of Ordinance No. 21-XX.

- (1) Installation of Water Conservation Devices.** No water shall be provided by the District for internal or external use to any residential, commercial, industrial, agricultural, recreational, governmental, or public building or structure of any kind which is constructed or altered and in which either internal or external irrigation or domestic water piping or water fixtures are to be installed, extended, or altered in any way, including, but not limited to, any plumbing, water piping, or water fixtures for which a construction permit is required to be obtained from the County of Orange or its successor, or for which District approval of plans and service applications are required, unless the new, extended, or altered plumbing, water piping, or other water using facilities conform to the requirements and standards of the District's Rules and Regulations.
- (2) Standards for Water Conservation Devices.** The required water conservation devices and standards of the District are those set forth in Exhibit "F" to the District's Rules and Regulations. Nothing provided shall be deemed to relieve any person from compliance with the plumbing code of the County of Orange or any other state or local plumbing or building requirements.
- (3) Limits on Watering Hours.** Watering or irrigating any lawn, landscape, or other vegetated area with potable water is prohibited between the hours of 8:00 a.m. and 5:00 p.m. Pacific time on any day, except by use of a hand-held bucket or similar container reasonably used to convey water for irrigation purposes, a hand-held hose equipped with a fully functioning, positive self-closing shut-off nozzle or device may be used during the otherwise restricted period. If necessary, and for very short periods of time for the express purpose of adjusting or repairing an irrigation system, one may operate an irrigation system during the otherwise .
- (4) No Watering During Rain.** Watering or irrigating any outdoor landscapes with potable water during and up to forty-eight (48) hours after one quarter inch ($\frac{1}{4}$ ") rainfall within a twenty-four (24) hour period is prohibited.
- (5) Plant Low-Water Demand Plants and Trees.** When installing new or renovated landscaping, it is recommended that all customers utilize only low-water demand trees and plants. New turf should only be installed for functional purposes. Functional turf is defined as turf used for athletic or high traffic areas.
- (6) No Excessive Water Flow or Runoff.** No person shall cause or allow watering or irrigating any lawn, landscape, or other vegetated area in a manner that causes or allows excessive runoff of potable or recycled water onto an adjoining sidewalk,

driveway, street, alley, gutter or ditch, parking lots, structures, non-irrigated areas, or off the property.

- (7) No Washing Down Hard or Paved Surfaces.** Washing down hard or paved surfaces, including but not limited to sidewalks, walkways, driveways, parking areas, tennis courts, patios, or alleys, is prohibited except when necessary to alleviate safety or sanitary hazards, and then only by use of a hand-held bucket or similar container, a hand-held hose equipped with an a fully functioning, positive self-closing shut-off device or a low-volume, high-pressure cleaning machine equipped to recycle any water used.
- (8) Obligation to Fix Leaks, Breaks or Malfunctions.** Excessive use, loss or escape of potable or recycled water through breaks, leaks or other malfunctions in the water user's plumbing, irrigation, or distribution systems for any period of time after such escape of water should have reasonably been discovered and corrected and in no event more than five (5) days of receiving notice from the District, is prohibited.
- (9) Re-circulating Water Required for Decorative Water Fountains and Decorative Water Features.** Operating a decorative water fountain or other decorative water feature that does not use re-circulated water is prohibited.
- (10) Limits on Washing Vehicles.** Using potable water to wash or clean a vehicle, including but not limited to any automobile, truck, van, bus, motorcycle, boat or trailer, whether motorized or not, is prohibited, except by use of a hand-held bucket or similar container, a hand-held hose equipped with an a fully functioning, positive self-closing automatic water shut-off nozzle or a low volume power washer with a fully functioning, positive self-closing shut-off nozzle. This paragraph does not apply to commercial car washes or the washing of vehicle regulations where the health, safety, and welfare of the public is contingent upon frequent vehicle cleaning, such as garbage trucks and vehicles used to transport food and perishables.
- (11) Drinking Water Served Upon Request Only.** Eating or drinking establishments, including but not limited to a restaurant, hotel, café, cafeteria, bar, club, or other public place where food or drinks are sold, served, or offered for sale, should only provide drinking water to persons when expressly requested.
- (12) Commercial Lodging Establishments Should Provide Option to Not Launder Linens Daily.** Hotels, motels, and other commercial lodging establishments should provide customers the option of not having towels and linens laundered daily. Commercial lodging establishments should prominently display notice of this option in each bathroom using clear and easily understood language.
- (13) Installation of Single Pass Cooling Systems.** Single pass cooling systems shall not be installed in buildings requesting new potable water service.
- (14) Ceased Installation of Non-Recirculating Water Systems in Commercial Car Washes and Laundry Systems.** Non-recirculating water systems in commercial car washes and laundry systems shall not be installed.

- (15) **Restaurants Required to Use Water Conserving Dish Wash Spray Valves.** Food preparation establishments, such as restaurants or cafés, shall not use non-water conserving dish wash spray valves.
- (16) **Swimming Pools and Spa Covers.** Property owners who have a swimming pool or a spa are encouraged to cover the facilities to minimize water loss due to evaporation.
- (17) **Water Waste and Unreasonable Water Use Prohibited.** The waste or unreasonable use or unreasonable method of use of water by any person shall be prohibited at all times.
- (18) **Recycled Water Use Required if Available:** After the District has provided to the user an analysis demonstrating that Recycled Water is available, cost effective, and safe for the intended use, and the user has been given a reasonable time to make the conversion to recycled water, the use of potable water is prohibited unless otherwise granted exemption by the General Manager or their designee.
- (19) **Water Recycling – New Service:** Prior to the connection of any new service, the District will determine whether recycled water is available and safe for the intended use to supply all or some of the water needed by the user. If available, and safe for the intended use, recycled water must be used.

Section 5.1.5 Other Water Conservation Measures Available for Implementation

The following water conservation measures may be implemented at any water shortage stage, in addition to, or supplementary to, the shortage response actions set out in Table 5-1 and Sections 5.1.1, 5.1.3 and 5.1.4. The Board may implement any or none of the following measures by resolution at the time of a shortage declaration.

- (1) **Large Landscape Areas – Rain Sensors:** Large landscape areas, such as parks, cemeteries, golf courses, school grounds, and playing fields, that use landscape irrigation systems to water or irrigate, must use landscape irrigation systems with rain sensors that automatically shut off such systems during periods of rain or irrigation timers which automatically use information such as evapotranspiration sensors to set an efficient water use schedule.
- (2) **Recycled Water for Construction Purposes:** Recycled or non-potable water must be used for construction purposes when available, feasible, and safe as deemed by the District.
- (3) **Water Conserving Plumbing Standards – Change in Service:** Upon the establishment of new water service or a new customer of record for an existing service, all existing plumbing fixtures (including but not limited to toilets, showerheads, and faucets) must be retrofitted exclusively with water-conserving plumbing fixtures. The water use standards permitted will be the stricter of those current standards approved by the California Energy Commission, County of Orange, or the City in which the property is located.
- (4) **Irrigated Parkways:** The use of potable water to irrigate ornamental turf on public street parkways or verges is prohibited.

- (5) **Irrigated Medians:** The use of potable water to irrigate ornamental turf on public street medians is prohibited.
- (6) **Other Measures:** Other measures as may be required by the State or deemed necessary by the Board.

Section 5.2 Emergency Response Plan

A catastrophic interruption may lead to a proclamation of a water shortage and could be any event (either natural or human induced) that causes a water shortage severe enough to classify as a Stage 4 to 6 water supply shortage conditions. To prepare for catastrophic events, the District has prepared an Emergency Response Plan (ERP) in accordance with America's Water Infrastructure Act (AWIA). AWIA Section 2013 requires community (drinking) water systems serving more than 3,300 people to develop or update risk assessments and ERPs. The District's ERP is considered a confidential document and summarized herein. The District's ERP addresses a variety of potential emergency situations directly affecting the District's system. The ERP establishes Incident Specific Response Procedures (ISRP's) for different emergency conditions which outline the steps staff will take to respond to, evaluate, and mitigate the emergency. ISRP's were developed for a variety of water supply interruptions, including, but not limited to power outages; water contamination; earthquakes; flooding; wildfire; loss of water supply; chemical spills; and terrorist events. The District's ERP provides a framework for an organized response to an emergency. The primary objectives of the ERP are to maintain the functionality of the water distribution system, assess the system and if necessary, make rapid repair to any damage, and prevent any further damage. The ERP includes procedures to utilize existing agency resources as well as processes to request support through Water Emergency Response Organization of Orange County (WEROC) (described below), and mutual aid partners via CalWARN. The ERP is designed to align with strategic plans to mitigate the impacts of identified hazards and threats and improve system resilience. These plans include:

- 2020 Moulton Niguel Water System Risk and Resilience Assessment
- 2019 Orange County Regional Water and Wastewater Hazard Mitigation Plan
- Annex K, 2019 Orange County Regional Water and Wastewater Multi-Jurisdictional Hazard Mitigation Plan

In late 2019 through early 2020, a probability-based Risk and Resilience Assessment was conducted for MNWD in accordance with AWIA and the American National Standards Institute (ANSI)/American Water Works Association (AWWA) J100 Standard using the Program to Assist Risk & Resilience Examination software tool. MNWD identified critical assets, which are defined as those assets that if lost would limit or prevent the accomplishment of the agency's mission and the natural and malevolent threats that those assets could potentially face. MNWD also participated the [Orange County Water and Wastewater Multi-Jurisdictional Hazard Mitigation Plan](#) (HMP) dated August 2019, described further below (MWDOC 2019).

Section 5.3 Seismic Risk Assessment and Mitigation Plan

Given the great distances that imported supplies travel to reach Orange County, the region is vulnerable to interruptions along hundreds of miles aqueducts, pipelines, and other facilities associated with delivering supplies to the region. The District is a participant (Member Agency [MA]) in the Orange County Water and Wastewater Multi-Jurisdictional HMP. Hazard mitigation plans form the foundation for a community's long-term strategy to identify vulnerability to natural and man-made hazards. The plans also aim to reduce disaster losses by breaking the cycle of disaster damage, reconstruction, and repetitive damage. According to the federal Disaster Mitigation Act of 2000, State and local governments are required to develop hazard mitigation plans and update them every five years as a condition for receiving certain types of non-emergency disaster assistance. The Risk Assessment in the HMP summarizes the hazards and risks that pose a threat to Orange County, including seismic risk. The seismic risk to the District is summarized in Section 5.3.2. The primary HMP treats the entire County as the planning area and identifies which MAs are subject to a profiled hazard. [The Annex](#) was prepared to provide additional information specific to MNWD with a focus on the risk assessment and mitigation strategy (MNWD, 2019). The Annex identifies the mitigation actions, including the priority, hazard addressed, risk, timeframe, and potential funding sources. Both documents are available online: <https://www.mwdoc.com/your-water/emergency-management/emergency-management-resources/>.

Section 5.3.1 Water Emergency Response Organization of Orange County (WEROC)

In 1983, the Orange County water community identified a need to develop a plan on how agencies would respond effectively to disasters impacting the regional water distribution system. The collective efforts of these agencies resulted in the formation of WEROC to coordinate emergency response on behalf of all Orange County water and wastewater agencies, develop an emergency plan to respond to disasters, and conduct disaster training exercises for the Orange County water community. WEROC was established with the creation of an indemnification agreement between its member agencies to protect each other against civil liabilities and to facilitate the exchange of resources. WEROC is unique in its ability to provide a single point of contact for representation of all water and wastewater utilities in Orange County during a disaster. This representation is to the county, state, and federal disaster coordination agencies. Within the Orange County Operational Area, WEROC is the recognized contact for emergency disaster response for the water community.

Two dedicated WEROC Emergency Operations Centers (EOCs) are located within Orange County. Both sites are maintained in a state of readiness if they will be activated following a major emergency disaster. WEROC EOCs are staffed by trained volunteer personnel from the water community. WEROC's Emergency Radio Communication System consists of two mountain-top radio repeaters and several control stations. WEROC is a flexible and dynamic program that continues to make improvements to its emergency preparedness plan, emergency response facilities, and its training program to address new issues as they surface. During a disaster, WEROC will work cooperatively with MWD through their Member Agency Response System to facilitate the flow of information and requests for mutual aid within MWD's 5,100 square mile service area. WEROC also provides updated information to MWD's EOC at Eagle Rock.

Section 5.3.2 Seismic Risk

For the District, the primary system reliability risks are seismic events. Within Southern California, there are several known active faults with varying levels of activity that can generate significant earthquakes and cause widespread damage to infrastructure. The risk of earthquake damage to infrastructure from these active faults is manifested through different seismic hazards, including seismically induced ground shaking, seismically induced ground failure, and surface fault displacement.

In 2015, the United States Geologic Survey (USGS) released the Uniform California Earthquake Rupture Forecast Version 3 (UCERF3), which provides a forecast for the likelihood of rupture for earthquake faults within California. Southern San Andreas Fault was identified as having the highest likelihood (19 percent) of a magnitude 6.7 earthquake or greater in the next 30 years. UCERF3 further states that there is a 93 percent chance of a magnitude 6.7 or greater earthquake occurring on one of the faults within Southern California within the next 30 years, and a 36 percent chance of a magnitude 7.5 or greater earthquake occurring within the next 30 years (MWD, 2018). Earthquakes that have occurred within or near Southern California since 1900 include five strong earthquake events (magnitude 6.0 – 6.9) and three major earthquake events (magnitude 7.0 - 7.9) (MWD, 2020). In 2019, two significant earthquakes events occurred in the region. On July 4, 2019, a magnitude 6.4 earthquake occurred near Ridgecrest, approximately 122 miles north/northeast of Los Angeles. Then on July 5th, a magnitude 7.1 earthquake occurred in the same vicinity (MWD, 2020). While these earthquakes did not cause damage to the MWD service area, they are a reminder that earthquake risk is always present, and that the region must take steps to prepare and respond.

Several major earthquake fault lines intersect with the Diemer WTP and treated imported pipelines that convey water to MNWD. Diemer WTP can be impacted by a seismic event from the Whittier Fault, while regional pipelines (EOCF2 and AMP) can both be impacted during seismic events from the Puente Hills Fault and the Peralta Hills Fault. The San Joaquin Hills fault can also impact the EOCF2 but treated water may be available to be delivered through the AMP to supply water to MNWD. In general, pipelines are more resilient and flexible than water treatment plants, so they can tolerate higher ground accelerations (MNWD, 2015). The Baker WTP is located further away from the active fault lines and is less susceptible to earthquake damage compared to Diemer WTP. The Baker WTP was constructed to provide backup capacity in the event of a Diemer WTP outage. The HMP and Annex document the mitigation strategies for the District relating to seismic events and are incorporated by reference herein.

Section 5.4 Shortage Response Action Effectiveness

As previously stated, this WSCP strives to balance available supplies as much as possible through information education campaigns, reductions in water use and associated conservation penalties, and promotion of water efficiency rebates.

The District's water budget-based rate structure consists of five tiers for residential customers, which comprise the majority of the District's customers; the first two tiers make up the base allocation, while the remaining three tiers are comprised of usage in excess of the base allocation and are subject to conservation charges. The advantage of the water budget-based rate structure is the ability for the

District to define efficient consumption for each individual and assign increasing disincentives for wasteful use above the base allocation. The water budget-based rate structure creates a pricing incentive to stay within the individually determined efficient water budget with relatively high rates steadily increasing into the upper tiers. This sends the signal to customers that everyone has less water to use and pushes customers into the higher tiers to provide disincentive for noncompliance.

The conservation penalty is imposed on a volumetric basis and is in addition to volumetric consumption charges. The specific water budget modifications and conservation penalty amounts will depend on the stage of water shortage, customer class, and amount of inefficient water use. Unlike traditional water rate structures wherein users are billed at either a uniform rate or specific rate tiers common to all users, water budget-based rate structures employ a scientific and policy-based methodology to determine a reasonable amount of water needed for each water user within a water system for indoor and outdoor usage. Developing water budgets within an agency provides customers with valuable information on a reasonable amount of usage for their household, as well as their usage trends. Rates based on water budgets send a price signal to water users that is directly tied to their usage efficiency, as tiers based on water budgets generally increase in cost as users approach or exceed their budgeted allotment.

The usage trends and data derived from water budgets are also very useful in analyzing District's plans including the WSCP that may affect District customers. The WSCP methodology used is to lower outdoor usage in the WSCP stages with the logic that outdoor usage has more elastic demand, hence, on the margin, customers are more willing to reduce outdoor use first. Elasticity of demand refers to the degree to which demand responds to a change in another economic factor, such as price. In the more extreme upper WSCP stages, the indoor allocation would be reduced to provide incentive for further demand reduction. The District had great success in linking the water budget-based rate structure to its WSCP to utilize the water budget rate structure to send drought messaging in 2012-2017. Further, the funds generated by the conservation penalty are tracked separately from the General Fund revenue and contribute to the Water Use Efficiency Fund that funds the District's water supply reliability and water efficiency and conservation programs.

The ability of a water agency to target a specific end use and, through policy, reduce usage is highly dependent on the current efficiency of the agency's customers. For instance, further reductions for customers who already are at the theoretical limits of outdoor irrigation efficiency would essentially require those customers to kill their landscapes to meet further water use reductions. In addition, a water agency in aggregate can be highly efficient in end uses and still have a small contingent of wasteful users. For instance, in a water budget-based rate structure, the wasteful users pay high water rates, which then fund conservation programs that allow customers to switch to cutting edge low water use technology and native landscapes. A 2016 study by Mukherjee et al. found that the urgency of decreasing water demand in California requires effective pricing mechanisms, and cited MNWD as an example of an agency which has effectively established conservation-based water rates while complying with Proposition 218 requirements. A 2019 study by the Environmental Finance Center at the University of North Carolina at Chapel Hill found that rate structures adopted by California water agencies during

the recent drought influenced price signals, and that both rates themselves and elements of the rate structure were necessary to create price signals that incentivize conservation (MWDOC, 2020).

In 2008, DWR selected MWDOC for an Urban Drought Assistance Grant and corresponding study to estimate savings in household water consumption which can be attributed to adoption of water budget-based rate structure by MWDOC member agencies under the DWR grant study. The District participated in this study given the conversion to the water budget-based rate structure. The Water Budget Evaluation Study Five Year Monitoring Report was completed in 2020 to fulfil the five-year reporting requirement of the agency's 2008 Urban Drought Assistance Grant agreement with DWR. The study concluded a 1% increase in water price was associated with a decrease in water demand of 2.4% for MNWD's residential customers (MWDOC, 2020). The study also concluded that simply communicating information to households about their water usage and efficiency relative to a reasonable, science-based budgeted allocation can result in savings.

Based on the price elasticity identified in the MWDOC study, the District undertook an analysis to determine how much demand reduction could be expected through implementation of the conservation penalties in each of the WSCP stages. Each stage assumes a reduction in water usage for residential and potable irrigation accounts focusing first on outdoor water use reductions, though it should be noted that there is uncertainty in predicting the actual water reductions in other customer classes and other types of water use that will likely occur during each water shortage stage. It is assumed that the amount of reduction would vary by customer since a customer's ability and willingness to reduce water usage depends on the use of the water and their characteristics that can influence their use, the policies being applied to that customer class, and ultimately the price signal they receive. The analysis assumed that not all the water usage targeted by the WSCP rate policies was eliminated; rather that some of the targeted water usage would shift to the next higher tier, increasing the price signal a customer would receive through their bill but not necessarily a signal strong enough to encourage major change. Similarly, the analysis would expect for there to be some customers who typically do not use their entire budget so adjusting budget parameters for those customers would not cause a change in their total bill even though their budget was reduced. Past data derived from water budgets and customer consumption trends show that a majority of MNWD customers stay within their water budgets. To summarize, the analysis follows a robust methodology by incorporating demand response to price signal from past studies, customer characteristics and historical usage data of MNWD customers controlling for relevant factors that would determine demand reductions in WSCP stages.

Chapter 6 Communication Protocols

The District conducts communications and outreach regarding water supplies and water use efficiency as an ongoing activity during normal supply conditions. However, clear and effective communications between the District and its stakeholders become even more important if supply conditions become abnormal and the District needs to activate its Ordinance No. 21-XX. Communication during a water shortage is critical to relay information to employees, other government agencies, customers, the public, the media, and others about potential risks to our water supply, and how the District is responding to those risks. Public outreach programs can help increase awareness of water shortages, while customer services and water efficiency programs can encourage customers to actively participate in demand reducing strategies. Primarily, the District relies on robust information sharing and the generation of awareness related to water shortage conditions and the conservation measures that exist for the relevant stage. Effective communication is essential to the success of the implementation of the WSCP and its implementing Ordinance No. 21-XX in achieving the desired water use reductions. A strong communication plan will educate customers on the water supply situation. All stakeholders need to be adequately informed about water supply conditions, understand the need to use water wisely, and know what actions they are being requested or required to take to mitigate the shortage. Prior to a formal declaration of a water shortage, the District will provide stakeholders with as much advance notice as possible. In addition, the more severe the shortage, the more robust public information campaign will be needed. The public communications strategy will be consistent with the District's Crisis Communication Plan.

Section 6.1 Crisis Communication Plan

The District created a Crisis Communication Plan (MNWD, 2021) that provides an approach to assist in effectively managing and communicating during an emergency or crisis, including during a water shortage stage. The Crisis Communication Plan outlines the District's guidelines and instructions for communicating during an emergency or crisis. The District aims to provide crisis related information in a timely and accurate manner to enhance understanding of a water supply conditions, build trust and credibility, encourage constructive dialogue, and provide guidance on appropriate protective actions. Good communication procedures outlined in the Crisis Communication Plan will guide staff on when and how to communicate (e.g., who is responsible for notifying the crisis communication team and outside agencies, and what information should be relayed), who should be notified, and what platform to deliver messages (e.g., various communication channels). The Crisis Communication Plan includes the various channels the District will utilize to convey critical messages regarding water shortage allocations and voluntary and mandatory actions. Use of all forms of media may be employed, which could include public service announcements on radio and cable television, social media as well as earned media, and advertisements in local newspapers. The Crisis Communication Plan will be used to distribute information to the District's stakeholders following the adoption of the resolution declaring the applicable water shortage stage. Key attributes of the Crisis Communication Plan are summarized in this chapter.

Section 6.2 Notice and Publication

Within five (5) days of the adoption of the resolution declaring the applicable water shortage stage, the District shall make a public announcement of the applicable water shortage stage. Such declaration and notice shall provide the conditions under which each water shortage stage is to be initiated or terminated and the conservation response measures to be implemented in accordance with the applicable water shortage stage. As detailed in the Crisis Communication Plan, the District shall notify the customers, elected officials, and other key stakeholders regarding the water shortage condition, actions to be taken, goals customers are intended to achieve, and how these actions and goals will be implemented. In addition, the public at large will be informed of the situation and actions the District will be taking. Communications may occur through any of the communication methods identified in the Crisis Communication Plan, including but not limited to billing inserts, special mailings, e-mail, social media, roadway signage, newsletters, and education programs. Literature appropriate to the emergency or drought circumstance will be provided regarding the water shortage condition, conservation methods, and water-savings devices. The District's website, www.mnwd.com, will be the central location for messaging and customer communications.

Section 6.3 Communication Guidelines

Table 6-1 provides the recommended communication protocols to help guide customer campaigns during implementation of a water shortage stage. It is meant primarily to help inform the public and decision-makers about the types of measures the District would take under various water shortage stages and to aid in communications with customers but should not be construed as limiting other possible options. Specific circumstances will vary with each shortage and decisions about the most appropriate response should be based on the water supply and demand conditions at the time. These actions are thus intended as a list of probable measures for advance preparation purposes rather than a set script to be strictly followed, recognizing that as supply and demand change over time, or as a shortage evolves, the ultimate choice of options and actions to best address the shortage may also change. It is also important to recognize that flexibility in selecting the most appropriate stage may be needed.

In the event of a catastrophic supply interruption that requires water use to be quickly prioritized for or limited to essential public health and safety needs, the District will immediately deploy appropriate strategies from Water Shortage Stages 1 through 6. In addition, outreach messaging will reflect emergency conditions and the need to focus on health and public safety.

Table 6-1: Communication Guideline

Stage	Communication Protocols	Suggested Customer Demand Reduction Actions
1	<ul style="list-style-type: none"> • Initiate public information campaign; produce and distribute fact-based informational materials; • Announce water supply conditions and emphasize ways to conserve immediately; • Include increased conservation messages on website and in standard outreach efforts; and • Enhance promotion of ongoing water efficiency programs targeted advertising. 	<ul style="list-style-type: none"> • Voluntary water conservation requested of all customers; • Adhere to water waste prohibitions; • Water budget notifications; and • Promote water efficiency programs.
2	<ul style="list-style-type: none"> • Intensify public information campaign conveying mandatory water-use restrictions, supply conditions and ways to save water; • Provide regular supply condition updates to customers; and • Continue promotion of ongoing water efficiency programs programs/tools. 	<ul style="list-style-type: none"> • Encourage customers to stay within water budget; • Encourage regular household meter reading by customers in the Portal; • Encourage household fix a leak; and • Intensify promotion of water efficiency programs.
3	<ul style="list-style-type: none"> • Expand campaign and messages to raise awareness for more severe water-saving actions/behaviors by customers; • Conduct specialized outreach to reduce discretionary outdoor water use while minimizing landscape damage; and • Establish targeted and focused social media advertising strategies. 	<ul style="list-style-type: none"> • Require customers to stay within budget or pay conservation penalty; and • Promote home water savings programs to help customers identify water savings opportunities.
4	<ul style="list-style-type: none"> • Conduct issue briefings with elected officials and other key civic and business leaders; • Scale up campaign and frequency of messages to reflect water shortage condition; and 	<ul style="list-style-type: none"> • Promote outdoor water rationing for residential customers or pay conservation penalty.

Stage	Communication Protocols	Suggested Customer Demand Reduction Actions
	<ul style="list-style-type: none"> • Increase outreach efforts for high-volume customers. 	
5	<ul style="list-style-type: none"> • Partner with other agencies to expand public information campaign, as available; • Suspend promotion of long-term water use efficiency programs/tools to focus on imminent needs; and • Emphasize work being done by MNWD to alleviate the impacts of such a severe shortage. 	<ul style="list-style-type: none"> • Further reduce residential water allocations; and • Discourage various uses deemed to be non-essential.
6	<ul style="list-style-type: none"> • Update campaign and messages to reflect likely need to focus water use on health/safety needs. 	<ul style="list-style-type: none"> • Prohibit outdoor irrigation; and • Continue all measures initiated in prior stages as appropriate.

Chapter 7 Compliance and Enforcement

Section 7.1 Penalties, Charges, and Other Enforcement of Prohibitions

Measures called for in the stages of the District's WSCP will be primarily enforced through Conservation Penalty fees described in Chapter 5 and educational marketing programs described Chapter 6 and as enforceable by Ordinance No. 21-XX. The District utilizes water budget notifications in all stages and because of the District's Advanced Metering Infrastructure Program, the District could quickly identify those customers that repeatedly exceed budget allocations and can target messages to specific customers. The primary financial penalty for excessive use is the ascending tier water rates used by the District, with increasing rates for higher levels of use. Ascending tier rates are in-place during normal and water shortage conditions. The Conservation Penalty Fee would be added to a customer's bill along with the notification of the water use and exceedance of the customer's budget. During Stage 2, any customer who uses water in excess of 125% of his or her calculated budget shall be in violation of Ordinance No. 21-XX and shall pay an administrative penalty ("Conservation Penalty") for each hundred cubic feet (HCF), or portion thereof, of water used in excess of a customer's water budget. During Stages 3 through 6, any customer who uses water in excess of his or her calculated water budget shall be in violation of Ordinance No. 21-XX and shall pay an administrative penalty ("Conservation Penalty") for each hundred cubic feet (HCF), or portion thereof, of water used in excess of a customer's water budget. The Conservation Penalty shall be in addition to the volumetric charge the District collects for the potable water or recycled water delivered. The water demand reductions for each of the stages, the water budget adjustments, and the conservation penalties, that may be imposed are shown in **Table 7-1**. The implementation of any stage of the WSCP is dependent on Board of Directors action, contemplating the District's water supply conditions and demand expectations.

The District's appeal procedures are identified in Ordinance No. 21-XX.

Table 7-1: Conservation Penalty by Stage

Stage	Excess Water Use Restriction	Modified Water Budget	Conservation Penalty for Residential and Multifamily	Conservation Penalty for Commercial, Irrigation & Recycled
Stage 1	None	N/A	None	None
Stage 2	125% of water budget	N/A	Tier 5 – Tier 3 water rates	Tier 4 – Tier 2 water rates
Stage 3	100% of water budget	N/A	Tier 5 – Tier 2 water rates	Tier 4 – Tier 1 water rates
Stage 4	100% of modified water budget	Outdoor water budget reduced by 40% for residential and irrigation; outdoor water budget reduced by 10% for recycled	Tier 5 – Tier 2 water rates	Tier 4 – Tier 1 water rates
Stage 5	100% of modified water budget	Outdoor water budget reduced by 70% for residential and irrigation; outdoor water budget reduced by 20% for recycled	Tier 5 – Tier 2 water rates	Tier 4 – Tier 1 water rates
Stage 6	100% of modified water budget	Outdoor water budget reduced by 100% for residential and irrigation; outdoor water budget reduced by 30% for recycled; Residential indoor water budget reduced to 40 gallons per person	Tier 5 – Tier 2 water rates	Tier 4 – Tier 1 water rates

Chapter 8 Legal Authorities

The District has the legal authority to implement and enforce its WSCP. California Constitution Article X, Section 2 and CWC Section 100 provide that water must be put to beneficial use, the waste or unreasonable use or unreasonable method of use of water shall be prevented, and the conservation of water is to be exercised with a view of the reasonable and beneficial use thereof in the interest of the people and the public welfare. Sections of CWC Chapter 3 commencing with Section 350 of Division 1, provide the authority for the governing body of a water agency to declare a water shortage and to adopt and enforce water conservation restrictions. (Wat. Code Sections 350-359, 375-378.0.) If necessary, the District shall declare a water shortage emergency in accordance with CWC Chapter 3 of Division 1. Once having declared a water shortage, the District is provided with broad powers to implement and enforce regulations and restrictions for managing a water shortage. For example: CWC Section 375(a) provides:

Notwithstanding any other provision of the law, any public entity which supplies water at retail or wholesale for the benefit of persons within the service area or area of jurisdiction of the public entity may, by ordinance or resolution adopted by a majority of the members of the governing body after holding a public hearing upon notice and making appropriate findings of necessity for the adoption of a water conservation program, adopt and enforce a water conservation program to reduce the quantity of water used by those persons for the purpose of conserving the water supplies of the public entity.

(Water Code Section 375(a).) CWC Section 375(b) grants the District authority to set prices to encourage water conservation.

With regard to water delivered for other than agricultural uses, the ordinance or resolution may specifically require the installation of water-saving devices that are designed to reduce water consumption. The ordinance or resolution may also encourage water conservation through rate structure design.

Pursuant to these authorities, the District is adopting Ordinance No. 21-XX, which prohibits waste and imposes water conservation requirements, including six stages of water shortage conditions and conservation requirements in each stage. The stages are consistent with CWC Section 10632(a)(3) and include the declaration of a water shortage emergency as appropriate in compliance with CWC Section 350.

The General Manager is authorized and directed to implement the provisions of the WSCP, as enabled by the District's Ordinance No. 21-XX, an Ordinance of the Moulton Niguel Water District Adopting the Water Shortage Contingency Plan and Prescribing Water Conservation Rules and Regulations (Ordinance No. 21-XX), as provided for herein. The Ordinance amends and replaces the District's Rules and Regulations regarding Water Conservation and empowers the District to implement and enforce its shortage response actions identified herein. The District shall coordinate with its service area cities that receive water supply services, for the possible proclamation of a local emergency under California Government Code, California Emergency Services Act (Article 2, Section 8558).

Chapter 9 Financial Consequences of WSCP

There are three major financial impacts that will occur as a result of each supply shortage stage. During each subsequent stage:

- Certain District operating costs will increase as it spends more on outreach efforts, water efficiency rebate programs, enforcement of State-mandated restrictions on customers, and additional reporting to the State;
- District water sales revenues will decrease as water conservation is realized; and
- Expenses from imported water purchases will decrease as water conservation is realized.

The financial impacts of each stage will depend on the actual reductions in water and recycled water consumption, the subsequent decreases in water purchase costs, and the increases to the Water Use Efficiency program operating costs. All these elements were estimated based on best available data and reasonable forecasting assumptions, as described below.

Section 9.1 Changes in Operating Budget

The following describes the assumed changes in operating budget with each water shortage stage.

Section 9.1.1 Imported Water Costs

The District purchases treated water and untreated water from MWD via wholesale purchases through MWDOC. This assessment assumed that MNWD's imported water costs would decrease by the amount of water conserved multiplied by the cost of imported water, \$1,104 per acre-foot (AF). The total water purchases from FY 2019-2020 were used for purposes of forecasting future water purchase costs. The avoided costs of purchased water for each stage are summarized in **Table 9-1**, based on the predicted water conservation percentages shown in Table 9-1. During drought events, MWDOC may charge drought surcharges if MNWD does not achieve target reductions for the given water shortage stage. If MWDOC imposes such drought surcharge rates, this analysis assumes that those costs will be passed through directly to MNWD customers. Given the uncertainty of those costs (how much they would be and whether they would even be incurred), their impact was not modeled as part of this assessment. The cost of recycled water supply remains largely the same to MNWD, regardless of whether customers purchase the water. As such, changes in recycled water consumption were assumed to have a negligible impact on the District's operating expenses.

Section 9.2 Summary of Financial Impacts

The financial impact of each water shortage stage was assessed to ensure that the shortage stage policies would not cause dramatic changes to the District's General Fund balance because of decreased water sales. To project the change in rate revenues, the tier definitions and assumed levels of conservation for each water shortage stage were applied to customer water use patterns from FY 2019-2020. In other words, the calculated change in rate revenues considered the reduction in total water usage as well as the shift in water usage towards higher tiers. The analysis used domestic and recycled water rates for 2021.

These reductions in rate revenues were coupled with the changes in MNWD operating costs because of reduced water sales. Table 9-1 summarizes the impact to the District’s General Fund. It is important to note that impacts to the District’s Water Efficiency Fund have been omitted from Table 9-1. Consistent with recommendations in the UWMP guidebook, longer term demand reductions associated with infrastructure improvements or installation of water-efficient appliances and fixtures have not been factored into the savings calculations. Any rate or penalty revenue that the District collects in excess of the marginal supply cost of water is separately maintained in the District’s Water Efficiency Fund and is applied towards rebates and other water efficiency programs. As such, including the water use efficiency program costs along with additional penalty and rate revenue associated with newly out of budget usage would skew the presentment of realistic financial impacts to the District for each of the stages. The District’s experience responding to mandated demand reductions in 2015 corroborates this approach as the District’s financial position improved during that time despite significant reductions in demand and historic levels of rebate participation and water use efficiency outreach costs.

Table 9-1: Predicted Change in Revenue

Stage	Percent Supply Reduction	Change in General Fund Rate Revenue	Savings from Reduced Water Purchases	Change in General Fund Balance
1	≤10%	(\$969,591)	\$1,224,398	\$254,807
2	10 – 20%	(\$2,085,080)	\$2,448,795	\$363,715
3	20 – 30%	(\$4,432,775)	\$4,897,590	\$464,815
4	30 – 40%	(\$6,649,163)	\$7,346,385	\$697,222
5	40 – 50%	(\$8,865,551)	\$9,795,180	\$929,629
6	≥50%	(\$11,081,938)	\$12,243,975	\$1,162,037

As previously mentioned, the actual financial impact of each water shortage stage will depend on variables that MNWD has little or no control over. Preliminary sensitivity analysis indicates that variations in the amount of water conservation by customers may result in significant swings in net revenue, though the impact to the District’s financial position would be limited.

If customers do not conserve as much as planned, there will be an increase in net revenues and vice versa. This dynamic is driven by the fact that customers will largely be paying top-tier rates for any water that they do not otherwise conserve. That top-tier water is more expensive than MNWD’s marginal cost of purchased water; therefore, the net revenue would increase. If customers conserve less than forecasted, net revenue will increase, and the Water Efficiency Fund reserves will increase. In this circumstance, the District’s first course of action would be to increase water use efficiency program expenditures to achieve more water use reductions.

The rate design is such that decreases in water usage above the individual budget only impact the District’s Water Efficiency Fund. The marginal cost of water is used as a point to delineate revenue that goes to the Water Efficiency Fund versus that used to pay for imported water through the District’s

General Fund. If customers use less water in the higher tiers, less money is needed for conservation and water reliability projects. Hence, the clear nexus in design provides a mechanism to mitigate risk from changes in water use. Reduced water usage within the individually calculated water budget increases net revenues due to the price to the customer being lower than the cost of imported water. To achieve this, the District allocated property tax revenue it receives to provide incentive for increasingly efficient water usage.

MNWD's drought penalty policies have been structured to minimize the financial impact of the water shortage stages to both customers and the District, while also achieving the water conservation goals set by the District's WSCP. If actual water conservation falls short of the target reductions for a given stage, the District intends to use the increase in net revenues to increase conservation efforts such as outreach and rebate funding, or otherwise offset future rate increases. Conversely, if actual water conservation exceeds the target reductions, MNWD has established reserves that will enable the District to temporarily withstand the revenue shortfall which would only be in the Water Efficiency Fund and would not be needed with customers meeting efficiency goals. These policies will help MNWD to maintain financial stability and promote necessary water conservation during implementation of a water shortage stage.

Chapter 10 Monitoring and Reporting

Section 10.1 District’s Advanced Metering Infrastructure

Water use in the District’s service area is 100 percent metered. The District upgraded its meter technology as part of its “Advanced Metering Infrastructure” program. These upgraded smart meters help the District improve operations and enable all customers and the District to monitor hourly water usage. The Advanced Metering Infrastructure system provides a concise method for monitoring the effectiveness and efficiency of the WSCP measures. The ability for the District and our customers to view daily insights and get proactive notifications can help ensure that customers have the information they need to stay within their water budget.

During a water shortage stage, a monthly production forecast and water budget are developed for each customer class. Depending on the shortage stage, actual production and demands are monitored monthly to verify that the budgeted goals are being met. The status would be reported to the General Manager. If the trend in consumption is such that demands are exceeding water budgets greater than anticipated, the General Manager and Board of Directors are notified so that corrective action (such as increased public education campaigns and customer notifications) can be taken.

Section 10.2 State Water Board Monthly Reporting

On May 9, 2016, the Governor issued Executive Order B-37-16 to make water conservation a way of life in California and directed the State Water Resources Control Board to establish permanent reporting and data collection by urban water suppliers. On April 21, 2020, the State Water Resources Control Board adopted Resolution No. 2020-0009, which requires monthly urban water conservation reporting. The Urban Water Supplier Reporting tool is used for monthly reporting. The monthly reporting required by the State Water Resources Control Board will be used for reporting purposes of this WSCP, when a stage is implemented.

Chapter 11 **WSCP Refinement Procedures**

Section 11.1 Plan Review and Update

Reevaluation and improvement procedures are used to ensure water shortage responses are adequate and appropriate mitigation strategies are implemented as needed. The District will periodically evaluate the elements of the WSCP and update as necessary to ensure conformance with CWC requirements. The WSCP will be reviewed at least every five years as part of the UWMP update process, but the frequency of the re-evaluation could increase based on lessons learned, new statutory requirements, continued local supply development, and other factors as determined by the District. The District may also amend the WSCP to address factors that would have a significant effect on conservation planning.

Chapter 12 Special Water Feature Distinction

CWC Section 10632(b) requires the District to analyze and define water features that are artificially supplied with water, including ponds, lakes, waterfalls, and fountains, separately from swimming pools and spas, as defined in subdivision (a) of Section 115921 of the Health and Safety Code.

For purposes of this WSCP, a swimming pool or pool means any structure intended for swimming or recreational bathing that contains water over 18 inches deep. "Swimming pool" includes in-ground and above-ground structures and includes, but is not limited to, hot tubs, spas, portable spas, and nonportable wading pools. A decorative water feature is considered artificially supplied with water and could include fountains, ponds, and waterfalls. Decorative water features are designed for visual appreciation, not for public play and interaction. As such, a decorative water feature may use or be able to use recycled or recirculated water, whereas pools and spas must use potable water for health and safety considerations.

Chapter 5, Section 5.1.4 identifies Permanent Water Conservation Requirements that includes water conservation BMPs that have been established to conserve water, prevent the waste or unreasonable use or unreasonable method of use of water, and preserve the District's water supplies. BMP 9 requires re-circulating water for decorative water fountains and decorative water features. The BMP prohibits the operation of a decorative water fountain or other decorative water feature that does not use re-circulated water. BMP 16 encourages property owners who have a swimming pool or a spa to cover the facilities to minimize water loss due to evaporation.

Chapter 13 Plan Adoption, Submittal, and Availability

The District provided notice of the availability of the Draft 2020 UWMP (including the WSCP) and notice of the public hearing to consider adoption of both plans in accordance with CWC Sections 10621(b) and 10642. The public review draft of the WSCP was posted on the District's website, <https://www.mnwd.com/reports-publications/>. The notice of availability of the WSCP was sent to service area cities and County, as well as neighboring water agencies. The District held a Board workshop for the Draft WSCP on April 14, 2021 to provide an opportunity for early input on the WSCP. Newspaper notices of the public availability of the Draft Ordinance and WSCP and notification for the public hearing was published in the Orange County Register on April 24, 2021 and May 1, 2021, as required by the CWC. The District held a public hearing on May 13, 2021 to solicit public comments and then adopt the WSCP. In fulfillment of CWC Sections 10632(c) and 10645(a) and (b), the District's Final WSCP was posted on the District's website, <https://www.mnwd.com/reports-publications/>, following the adoption by the District's Board of Directors. The District shall make its WSCP available to its customers and the cities and county within which it provides water supplies no later than 30 days after adoption in conformance with CWC section 10632(c). The District will also submit a copy to DWR. If revised, the District shall submit a copy of the WSCP to DWR within 30 days of adoption.

References

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MOULTON NIGUEL WATER DISTRICT
Summary of Financial Results
May 13, 2021

Year to date unaudited results of operations as of March 31, 2021, are summarized below.

Total operating revenues were \$53.7 million for the month ended, which came in at 78% of the budget. Total operating expenses ended at \$53.0 million, which amounted to 65% of the approved budget. Total net income for the period ended was \$2.1 million.

Investment income is valued at (\$0.9) million for the year due to a (\$3.0) million unrealized loss based on current market value. The \$2.1 million of realized income from investments this year represents 85.7% of the budgeted amount. The District includes projected realized or earned income for the budget figure.

The District currently has \$4.0 million available in the Water Efficiency Fund for new projects, rebate applications or additional programs. The remaining balance considers \$0.2 million in approved water efficiency program commitments, as well as \$3.4 million in capital spending this fiscal year, and future expected grant reimbursements for the Smart Meter project.

The District's total unrestricted cash and investments balance at March 31, 2021, was \$125.7 million, representing a decrease of \$24.0 million since June 30, 2020. This decrease was projected as part of the ten-year cash flow and is primarily due to the execution of the District's capital improvement program to invest in its infrastructure. The District has spent approximately \$40.0 million on capital projects through March 2021.

Additionally, the District also holds \$2.2 million in cash that is deposited with the District's fiscal agent. The District only has one reserve as required by the bond indentures for the 2015 Revenue Refunding Bonds. The reserve is calculated using ten percent of the outstanding principal remaining on the bonds. The District currently holds excess funds in both the 2015 and 2019 Revenue Refunding Bonds accounts, and that money is being invested until the next scheduled debt service payment in September 2021. The excess monies will be used first, and District cash held for the remaining balance.

Based on the approved fiscal year 2020-21 Budget, the Board had established a target reserve level of \$69.8 million, and as of the end of this period, the District is meeting those reserve targets. Additionally, the District has \$30.5 million available in the funds designated for capital projects.

Moulton Niguel Water District
All Funds - Budget Comparison Report
Year To Date Totals March 31, 2021

	1	2	3	=3-1	=1/3
Description	Fiscal Year to Date Actuals	Prior Fiscal Year to Date Actuals	Revised Budget	Current Year Budget Balance	% of Actuals to Budget
ALL FUNDS					
<u>Operating Revenues</u>					
Water Sales	\$ 24,272,844	\$ 22,111,920	\$ 31,438,154	\$ 7,165,310	77%
Recycled Water Sales	4,332,068	3,797,161	5,941,355	1,609,287	73%
Sewer Sales	20,777,080	19,834,919	25,446,037	4,668,957	82%
Water Efficiency	4,140,773	3,247,381	4,587,175	446,402	90%
Other Operating Income	132,316	262,908	1,079,522	947,206	12%
A Total Operating Revenue	53,655,080	49,254,289	68,492,243	14,837,163	78%
<u>Operating Expenses</u>					
Salaries ¹	10,771,959	10,396,510	16,159,959	5,388,000	67%
PERs Employer Contributions	2,280,619	1,888,396	2,999,211 *	718,592	76%
Defined Contribution 401A ¹	194,291	185,603	294,546	100,255	66%
Education/Certification	40,141	36,704	81,360	41,219	49%
Travel & Meetings	51,910	263,262	116,501 *	64,591	45%
Recruitment & Employee Relations	10,039	7,205	98,055	88,016	10%
General Services	253,241	270,054	528,874	275,633	48%
Annual Audit	27,360	25,073	55,000	27,640	50%
Member Agencies O&M	316,175	227,767	515,520	199,345	61%
Dues & Memberships	124,262	196,414	208,647	84,385	60%
Election Expenses	-	-	50,000 *	50,000	0%
Consulting Services	1,572,860	1,813,779	2,927,000 *	1,354,140	54%
Equipment Rental	35,030	44,299	63,010	27,980	56%
District Fuel	209,457	211,687	330,000	120,543	63%
Insurance - District	413,845	386,899	558,300	144,455	74%
Insurance - Personnel	366,666	352,865	467,638 *	100,972	78%
Insurance - Benefits ¹	3,455,217	2,873,780	4,050,028 *	594,811	85%
Legal Services - Personnel	4,823	13,721	50,000	45,177	10%
Legal Services - General	152,512	161,151	620,000	467,488	25%
District Office Supplies	398,852	611,789	1,093,053	694,201	36%
District Operating Supplies	585,103	1,112,253	1,159,250	574,147	50%
Repairs & Maintenance - Equipment	768,022	889,055	1,406,595	638,573	55%
Repairs & Maintenance - Facilities	2,094,346	2,259,682	4,359,324	2,264,978	48%
Safety Program & Compliance Requirements	265,823	289,187	363,787	97,964	73%
Wastewater Treatment	6,625,147	6,260,467	9,374,975	2,749,828	71%
Special Outside Assessments	31,243	27,290	153,967	122,724	20%
Utilities	2,190,553	1,911,190	3,079,533	888,980	71%
Water Purchases	19,427,419	19,004,480	28,637,921	9,210,503	68%
Water Efficiency	372,894	869,958	1,850,000	1,477,106	20%
B Total Operating Expenses	53,039,807	52,590,520	81,652,053	28,612,246	65%
A-B Operating Income (Loss)	615,272	(3,336,231)	(13,159,810)	(13,775,083)	
<u>Non-Operating Revenues (Expenses)</u>					
Property Tax Revenue	20,090,274	19,106,642	30,744,255	10,653,981	65%
Investment Income ²	(866,119)	4,807,904	2,469,486	3,335,605	-35%
Property Lease Income	1,528,271	1,431,011	1,943,911	415,640	79%
Interest Expense	(3,097,492)	(3,146,606)	(4,945,081)	(1,847,589)	63%
Misc. Non-Operating Income (Expense) ³	874,629	987,343	245,312	(629,317)	357%
Capacity and Demand Offset Fees	36,959	139,927	420,384	383,425	9%
C Total Non-Operating Revenue (Expenses)	18,566,522	23,326,221	30,878,267	12,311,746	60%
A-B+C Change in All Funds	\$ 19,181,794	\$ 19,989,990	\$ 17,718,457	\$ (1,463,337)	
<u>Other Non Cash Expenses</u>					
Depreciation and amortization	17,086,235	16,100,034	-	(17,086,235)	n/a
D Total Change in Net Position	2,095,559	3,889,956	17,718,457	15,622,898	

Note: Totals may not sum due to rounding.

* Budget Transfer

1. The District has capitalized \$1,251,504 in salaries and benefits year-to-to date related to time spent on capital projects.

2. Investment income is comprised of realized income of \$2,116,482 and unrealized income (loss) of (\$2,982,601).

3. The District has received \$605,474 this year from the US Bureau of Reclamation for the Smart Meter project.

**Moulton Niguel Water District
All Funds - Budget Comparison Report
Year To Date Totals March 31, 2021
Legal Services - General**

Firm	Water Use			Total
	General ¹	Efficiency ¹	Capital ²	
Alvarado Smith APC	\$ 26,780	\$ -	\$ -	\$ 26,780
Best Best & Krieger LLP	113,648	12,084	19,140	144,872
Total	140,428	12,084	19,140	171,652
Budget Amount	600,000	20,000	-	620,000
Budget Balance	\$ 459,572	\$ 7,917	n/a	\$ 467,488

Note: Totals may not sum due to rounding.

1. Legal Services - General on the previous page is made up of the General balance of \$140,428 and the \$12,084 Water Use Efficiency balance, for a total of \$152,512.
2. Capital legal services represent legal services rendered during construction and are capitalized by the District as part of the project. Each project has a separate budget for legal expenses and those individual budgets are not included as part of this schedule.

Consulting Services - Grant Administration

Firm	YTD	Overall
West Yost Associates	\$ 16,764	\$ 191,097
Grants Received ³	-	(5,190,184)
Totals	\$ 16,764	\$ (4,999,087)

3. The District has received two grants from the US Bureau of Reclamation since the start of the grant administration program, totalling \$1.8 million, and one grant from the California Governor's Office of Emergency Services (Cal-OES) for \$2.8 million for the potable steel reservoir seismic retrofit project. Additionally, the District has received over \$0.7 million in grants from the Metropolitan Water District of Southern California and MWDOC that are not included in this schedule as those grants were received and awarded utilizing internal staff only.

Moulton Niguel Water District
General Fund - Budget Comparison Report
Year To Date Totals March 31, 2021

	1	2	=1-2	=2/1
Description	Revised Budget	Fiscal Year to Date Actuals	Budget Balance	% of Actuals to Budget
GENERAL FUND				
<u>Operating Revenues</u>				
Water Sales	\$ 31,438,154	\$ 24,272,844	\$ 7,165,310	77%
Recycled Water Sales	5,941,355	4,332,068	1,609,287	73%
Sewer Sales	25,446,037	20,777,080	4,668,957	82%
Other Operating Income	1,079,522	132,316	947,206	12%
A Total Operating Revenue	63,905,068	49,514,307	14,390,761	77%
<u>Operating Expenses</u>				
Salaries	14,531,475	9,699,929	4,831,547	67%
PERs Employer Contributions	2,785,595 *	2,099,396	686,199	75%
Defined Contribution 401A	263,876	176,102	87,774	67%
Education/Certification	80,360	35,222	45,138	44%
Travel & Meetings	65,301 *	48,475	16,826	74%
Recruitment & Employee Relations	98,055	10,039	88,016	10%
General Services	528,874	253,241	275,633	48%
Annual Audit	55,000	27,360	27,640	50%
Member Agencies O&M	515,520	316,175	199,345	61%
Dues & Memberships	131,147	105,928	25,219	81%
Election Expenses	50,000 *	-	50,000	0%
Consulting Services	1,449,000 *	1,085,491	363,509	75%
Equipment Rental	63,010	35,030	27,980	56%
District Fuel	330,000	209,457	120,543	63%
Insurance - District	558,300	413,845	144,455	74%
Insurance - Personnel	436,257 *	344,868	91,389	79%
Insurance - Benefits	3,731,962 *	3,180,957	551,005	85%
Legal Services - Personnel	50,000	4,823	45,177	10%
Legal Services - General	600,000	140,428	459,572	23%
District Office Supplies	706,803	278,043	428,760	39%
District Operating Supplies	1,158,250	582,525	575,725	50%
Repairs & Maintenance - Equipment	1,381,595	760,145	621,450	55%
Repairs & Maintenance - Facilities	4,359,324	2,094,346	2,264,978	48%
Safety Program & Compliance Requirements	361,137	264,886	96,251	73%
Wastewater Treatment	9,374,975	6,625,147	2,749,828	71%
Special Outside Assessments	153,967	31,243	122,724	20%
Utilities	3,079,533	2,190,553	888,980	71%
Water Purchases	28,637,921	19,427,419	9,210,503	68%
B Total Operating Expenses	75,537,237	50,441,072	25,096,165	67%
A-B Operating Income (Loss)	(11,632,169)	(926,765)	(10,705,404)	
<u>Non-Operating Revenues (Expenses)</u>				
Property Tax Revenue	30,744,255	20,090,274	10,653,981	65%
Investment Income	2,464,629	(566,395)	3,031,024	-23%
Property Lease Income	1,943,911	1,528,271	415,640	79%
Misc. Non-Operating Income (Expense)	250,812	213,209	37,603	85%
C Total Non-Operating Revenue (Expenses)	35,403,607	21,265,359	14,138,249	60%
A-B+C Change in General Fund	\$ 23,771,439	\$ 20,338,594	\$ 3,432,845	71%
<u>Other Non Cash Expenses</u>				
Depreciation	-	17,086,235	(17,086,235)	n/a
D Total Change in Net Position	\$ 23,771,439	\$ 3,252,359	\$ 20,519,080	

Note: Totals may not sum due to rounding.

* Budget Transfer

Moulton Niguel Water District
Water Efficiency Fund - Budget Comparison Report
Year To Date Totals March 31, 2021

	1	2	=1-2	=2/1
Description	Revised Budget	Fiscal Year to Date Actuals	Budget Balance	% of Actuals to Budget
WATER EFFICIENCY FUND				
<u>Projected Operating Revenue</u>				
Water Efficiency	\$ 4,587,175	\$ 4,140,773	\$ 446,402	90%
A	4,587,175	4,140,773	446,402	90%
<u>Projected Operating Expenses</u>				
Labor	2,222,217	1,567,501	654,716	71%
Education/Certification	1,000	4,918	(3,918)	492%
Travel & Meetings	51,200	3,435	47,765	7%
Dues & Memberships	77,500	18,333	59,167	24%
Consulting Services	1,478,000	487,369	990,631	33%
Legal Services	20,000	12,084	7,917	60%
Conservation supplies	387,250	123,386	263,864	32%
Repairs and Maintenance - Equipment	25,000	7,877	17,123	32%
Safety Program & Compliance Requirements	2,650	938	1,712	35%
Water Efficiency	1,850,000	372,894	1,477,106	20%
B	6,114,817	2,598,735	3,516,082	42%
A-B	(1,527,642)	1,542,038	(3,069,680)	
<u>Projected Non-Operating Revenue</u>				
Demand offset fees	96,079	23,352	72,727	24%
Grants received ¹	-	605,474	(605,474)	n/a
Investment Income	4,857	(30,431)	35,287	-627%
C	100,936	598,395	(497,459)	593%
A-B+C	\$ (1,426,706)	\$ 2,140,433	\$ (3,567,139)	

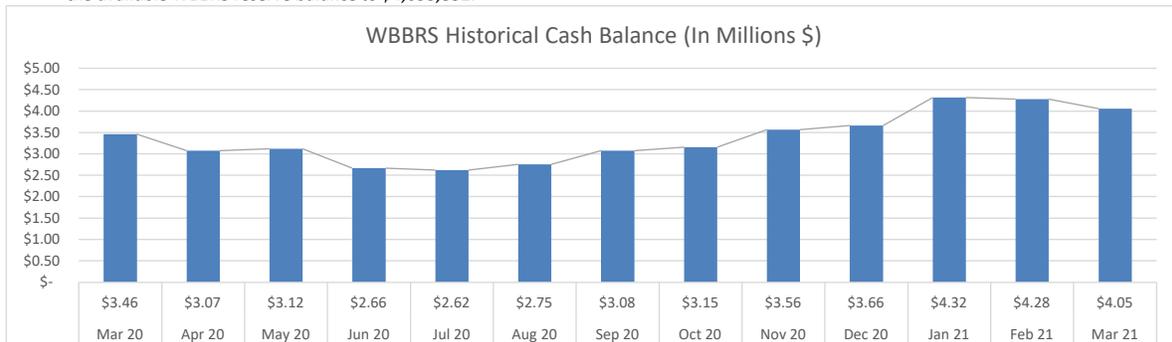
Note: Totals may not sum due to rounding.

1. The District has received \$605,474 from the US Bureau of Reclamation this fiscal year for the Smart Meter project.

Water Efficiency Available Net Position²

Description	Approved Budget	Fiscal Year to Date Actuals	Budget Balance
Fund Net Position, Beginning of Year	\$ 5,436,059	\$ 5,436,059	\$ 5,436,059
Projected Change in Water Efficiency Fund	(1,426,706)	2,140,433	(3,567,139)
Project Commitments		(159,845)	
Capital Spending	(3,350,000)	(3,362,815)	
Fund Net Position, Year To Date Totals March 31, 2021	\$ 659,353	\$ 4,053,832	

2. In addition to realized expenditures, there is approximately \$159,845 in project commitments, and \$3,362,815 in capital spending, reducing the available WBBRS reserve balance to \$4,053,832.



MOULTON NIGUEL WATER DISTRICT
STATEMENT OF NET POSITION

	(Unaudited)	
	March 31, 2021	June 30, 2020
CURRENT ASSETS:		
Cash and investments	\$ 46,432,647	\$ 40,782,802
Accounts receivables:		
Water and sanitation charges	3,599,406	3,958,988
Property taxes	-	400,257
Grant Reimbursements	166,772	166,772
Other accounts receivable	464,667	1,215,292
Interest receivable	364,674	719,157
Inventory	1,575,093	1,440,862
Prepaid expenses	1,421,092	761,434
	54,024,351	49,445,564
NONCURRENT ASSETS:		
Investments	79,293,295	108,942,276
Restricted cash and investments with fiscal agent	2,167,960	11,373,458
Retrofit loans receivable	463,332	474,808
Lease receivable	15,175,090	15,175,090
Regulated assets	924,581	961,382
Intangible asset - right to use leased asset	1,880,958	1,880,958
Capital assets, net of accumulated depreciation	383,136,426	384,122,951
Capital assets not being depreciated:		
Land	1,091,910	1,091,910
Construction in progress	71,144,234	48,266,048
	555,277,786	572,288,881
TOTAL ASSETS	609,302,137	621,734,445
DEFERRED OUTFLOW OF RESOURCES:		
Deferred Charges on Refunding	244,413	317,736
Deferred Items related to Pension	5,559,108	5,559,108
Deferred Items related to OPEB	717,051	717,051
	6,520,572	6,593,895
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES \$	615,822,709	\$ 628,328,340

MOULTON NIGUEL WATER DISTRICT
STATEMENT OF NET POSITION

	(Unaudited)	
	March 31, 2021	June 30, 2020
CURRENT LIABILITIES:		
Accounts payable	\$ 7,877,690	\$ 17,225,841
Interest payable	414,605	1,686,771
Unearned Revenue	-	697,186
Compensated absences	1,258,870	1,042,996
Current portion of long-term debt:		
Bonds payable	2,085,000	1,990,000
Certificates of participation	1,215,000	910,000
TOTAL CURRENT LIABILITIES	12,851,166	23,552,794
LONG-TERM LIABILITIES		
Compensated absences	419,623	347,665
Long-term debt:		
Bonds payable	53,095,000	55,180,000
Certificates of participation	62,445,000	63,660,000
Net Pension Liability	22,455,803	22,455,803
Net OPEB Liability	1,275,305	1,275,305
Present value of future lease payments	2,216,088	2,216,088
TOTAL LONG-TERM LIABILITIES	141,906,819	145,134,861
Bond Discount/Premium	13,670,149	14,341,646
TOTAL LIABILITIES	168,428,134	183,029,301
DEFERRED INFLOW OF RESOURCES:		
Deferred Items related to Pension	1,490,997	1,490,997
Deferred items related to OPEB	326,759	326,759
Present value of future lease receipts	15,175,090	15,175,090
TOTAL DEFERRED INFLOW OF RESOURCES	16,992,846	16,992,846
NET POSITION:		
Net investment in capital assets	325,864,245	309,716,709
Restricted for capital projects	40,423	295,848
Unrestricted	104,497,061	118,293,636
TOTAL NET POSITION	430,401,729	428,306,193
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION	\$ 615,822,709	\$ 628,328,340

Note: Totals may not sum due to rounding.

MOULTON NIGUEL WATER DISTRICT
RESTRICTED CASH AND INVESTMENTS WITH FISCAL AGENT
As of March 31, 2021

	Reserve Requirement	(Unaudited) Balance 3/31/2021	Over (Under) Requirement	Balance 6/30/2020	Outstanding Debt Balance 3/31/2021
Restricted Cash and Investments:					
2015 Refunding Bonds Reserve	\$ 657,500	\$ 1,203,228	\$ 545,728	\$ 1,364,449	\$ 6,575,000
2019 Revenue Bonds	-	964,732	964,732	3,382,611	48,605,000
2019 Certificates of Participation	-	-	-	6,626,398	63,660,000
Total Restricted Trust Accounts	\$ 657,500	\$ 2,167,960	\$ 1,510,460	\$ 11,373,458	\$ 118,840,000

Note: Totals may not sum due to rounding.

FY	Remaining Payoff Schedule		
	Principal	Interest	Totals
2022	3,300,000	4,812,831	8,112,831
2023	3,465,000	4,643,706	8,108,706
2024	3,640,000	4,466,081	8,106,081
2025	3,460,000	4,288,581	7,748,581
2026	3,630,000	4,111,331	7,741,331
2027	3,815,000	3,925,206	7,740,206
2028	4,005,000	3,728,806	7,733,806
2029	4,210,000	3,524,331	7,734,331
2030	4,415,000	3,308,706	7,723,706
2031	4,640,000	3,082,331	7,722,331
2032	4,865,000	2,854,581	7,719,581
2033	5,090,000	2,646,406	7,736,406
2034	5,280,000	2,448,097	7,728,097
2035	5,485,000	2,238,513	7,723,513
2036	5,705,000	2,010,088	7,715,088
2037	5,945,000	1,768,925	7,713,925
2038	6,185,000	1,522,738	7,707,738
2039	6,440,000	1,265,613	7,705,613
2040	6,700,000	995,594	7,695,594
2041	2,490,000	819,600	3,309,600
2042	2,565,000	743,775	3,308,775
2043	2,645,000	665,625	3,310,625
2044	2,725,000	585,075	3,310,075
2045	2,805,000	502,125	3,307,125
2046	2,890,000	416,700	3,306,700
2047	2,975,000	328,725	3,303,725
2048	3,065,000	238,125	3,303,125
2049	3,155,000	144,825	3,299,825
2050	3,250,000	48,750	3,298,750
	\$ 118,840,000	\$ 62,135,790	\$ 180,975,790

MOULTON NIGUEL WATER DISTRICT

NET POSITION

As of March 31, 2021

	Reserve Target	(Unaudited)		Balance 6/30/2020
		Balance 3/31/2021	Net Change	
Adopted Reserve Targets ¹				
Designated for Self Insurance Reserve	\$ 250,000	\$ 239,361	\$ 5,959	\$ 233,402
Designated for Rate Stabilization	15,372,127	15,262,412	197,606	15,064,806
Designated for Emergency Reserves	35,300,000	35,300,000	-	35,300,000
Designated for Operating Reserves ²	18,884,259	19,004,613	(29,407,264)	48,411,877
Total Adopted Reserve Targets	\$ 69,806,386	\$ 69,806,386	\$ (29,203,699)	\$ 99,010,085
	FY Capital Budget ⁴			
Designated for Capital Projects ³				
Designated for Replacement and Refurbishment	\$ 41,393,593	20,125,504	\$ 6,587,846	\$ 13,537,658
Designated for Water Supply Reliability	100,000	98,244	89,087	9,157
Designated for Planning and Construction	21,048,504	10,233,751	9,933,074	300,677
Total Designated for Capital Projects	\$ 62,542,097	\$ 30,457,499	\$ 16,610,007	\$ 13,847,492
Other amounts				
Designated for Water Efficiency (WBBSR)		\$ 4,233,176	\$ (1,202,883)	\$ 5,436,059
Restricted for Capital Facilities (Projects)		40,423	(255,425)	295,848
Net Investment in Capital Assets ⁵		325,864,245	16,147,536	309,716,709
Total Other amounts		\$ 330,137,844	\$ 14,689,228	\$ 315,448,616
Total Net Position		\$ 430,401,729	\$ 2,095,536	\$ 428,306,193

Note: Totals may not sum due to rounding.

1. Board designated balances represent available cash in that fund.

2. General Operating Reserves include the unrestricted, undesignated balance, and other general District accrued cash flows. This amount includes the remaining total cash balance of \$40,159,880.

3. Balances in the Capital Project Funds represent available and designated cash to fund identified CIP projects.

4. FY Budget also includes capital expenses of \$1,690,404 and \$3,350,000 in Funds 1 and 6, respectively, bringing the total CIP budget to \$67,582,501.

5. Net Investment in Capital Assets calculated as follows:

Total capital assets and regulated assets	\$ 457,253,528
Less capital related debt	(118,840,000)
Less: remaining premiums on capital debt	(13,670,149)
Add deferred charges related to debt	244,413
Add leases receivable and regulated assets	16,099,671
Less leases payable and lease deferred outflows	(17,391,178)
Add fiscal agent cash	2,167,960
Total Net Investment in Capital Assets	\$ 325,864,245

**MOULTON NIGUEL WATER DISTRICT
SUMMARY OF DISBURSEMENTS
FOR THE MONTH OF APRIL**

Summary of Disbursements in April:

General Fund Disbursements		5,977,073
<u>Other Fund Disbursements:</u>		
Self Insurance Fund	5,735	
Water Efficiency Fund	337,233	
Replacement & Refurbishment Fund	1,479,540	
Planning & Construction Fund	2,343,232	
Total Disbursements for all Funds	4,165,740	10,142,813

Detail of Major Expenditures in April:

1. Municipal Water District of Orange County (MWDOC)		
February Water Purchases 1679.1 AF	1,626,919	
FY19/20 O&M East Orange County Feeder #2	295,157	
February Readiness To Serve	110,911	
February Capacity Charge	33,424	
February WaterSmart Residential Rebate Programs	27,803	
February SCP and SAC Operation Surcharges	8,503	
	2,102,717	2,102,717
2. Layton Construction Co.		
CMAR Construction Phase Services, progress payments #23 & #24		1,692,511
3. Ferreira Construction Co., Inc.		
Emergency repair at multiple locations	394,669	
C#2016022 Camino Capistrano Yard Improvements, progress payment #13	100,578	
C#2018003 RWOS Miscellaneous Distribution System Improvements, final payment #6	44,510	
	539,758	539,758
4. Pacific Hydrotech Corporation		
C#2017022 Regional Lift Station Enhancements, progress payment #9	358,945	
Plant 3A Existing Bar Screen Roof Cover Replacement	34,100	
C#2019303 Plant 3A Primary Clarifiers No.3 & No.4 Rehabilitation, progress payment #5	12,255	
	405,300	405,300
5. South Coast Water District (SCWD) - JRWSS		
Capital Billings through February 2021	261,576	
April O&M Fixed Charges	39,923	
	301,499	301,499
6. T.E. Roberts, Inc.		
Emergency repair at multiple locations		280,232
7. Iflow Energy Solutions, Inc.		
Ultrasonic Potable Meters and Parts		150,511
8. Multiquip Inc.		
Sound Sensitive Generator		140,824
9. MWH Constructors Inc.		
C#2019008 Rancho Reservoir 1 & 2 Rehabilitation, professional services	56,117	
Inspection Services for Plant 2A Upgrades Project	36,811	
Professional Services at multiple locations	21,583	
	114,511	114,511
10. Tetra Tech Inc.		
C#2013005 & C#2019037 Crown Valley Pipe Replacements, professional services	52,152	
C#2013004 Regional Lift Station Force Main Replacement, professional services	25,966	
C#2019007 North Aliso Lift Station Reconstruction, professional services	19,393	
C#2018026 Camino Capo Lift Station Force Main Replacement, professional services	5,180	
C#2017022 Regional Lift Station Enhancements, professional services	4,680	
	107,371	107,371